

ON THE QUESTION OF THE DEVELOPMENT OF RURAL AREAS IN UKRAINE

I.P. Kupriianchyk, *Doctor of Economic*

E-mail: Kupriyanchik@ukr.net

National University of Life and Environmental Sciences of Ukraine

Abstract. *The article examines the development of rural areas in Ukraine. In the course of this study, the directions and main priorities of the development of rural areas in Ukraine were formed, the existing problems, their causes and ways of overcoming them were outlined. It was determined that the key components of the development of rural areas are the production sphere (agricultural activities and other types of activities not related to agriculture), social (welfare of residents, improvement of the quality of human capital of rural areas, preservation of traditions, moral and spiritual values), ecological (preservation of natural resources of rural areas, ecologically safe land use). It was determined that the interaction of these components will make it possible to form a social and economic environment for the sustainable development of rural areas. The article establishes that the successful development of rural areas consists in the use of an integrated approach to solving problems and the conscientious fulfillment of obligations, which will increase the effectiveness of the use of community budget funds and ensure the stabilization of the social and economic situation of communities, regions and the country as a whole. In particular, the relevance of developing a regional development strategy and detailed plans of measures for their implementation, with the involvement of local residents, is substantiated.*

Key words: *rural areas, agricultural land, agricultural production, economic growth.*

Formulation of the problem. The development of rural areas of Ukraine is one of the priorities of the state policy of Ukraine aimed at solving the economic, social, ecological, and demographic problems of residents of rural areas.

Today, agriculture is a significant factor in rural production capacity [1]. Accordingly, the agrarian sector will significantly influence the growth of the economy if the interests of agriculture, rural communities and the whole society are combined in the regulation of its development. The basis of effective agrarian policy of foreign countries is the relationship between agrarian and rural development. In Ukraine, agriculture and the countryside are developing along opposite trajectories, which is caused mainly by the economic and political dominance of the interests of the corporate sector of agricultural production and ignoring the need for it to fully produce such public goods as environmental safety and quality of life. [1,7,10] The coordination of agrarian and rural development in Ukraine requires improvement of the mechanism of regulation of agricultural production to solve such problems as encouraging business entities to use the natural, social, infrastructural resources of the countryside sparingly, directing part of the funds to ensure reproduction these resources; satisfaction of the interests of local residents of all types of rural settlements.

Analysis of recent research and publications. Many scientific works and studies of both Ukrainian and international scientists are devoted to the problems of the development of rural areas. For example, O. Dorosh substantiated approaches to ecologically safe economic development of rural areas and researched territorial land management and territorial planning as a factor in increasing the level of land capitalization in rural areas. [3,4] Melnyk

S. studied the essence of the term "rural territories" and interprets it as a rural territory as a historically formed element of a settlement network that combines the organizational and functional set of settlements, villages, hamlets, single-family and other residential units. [6]. V. Samofartova investigated the territorial development of the peculiarities of managing the sustainable development of regions, including rural areas, in conditions of decentralization, in particular, she investigated the issue of community motivation for self-development based on the use of local resources and own capabilities. [8] M. Talavirya considers the rural territory as a complex and multifunctional natural, socio-economic and production-economic structure, he also theoretically and scientifically substantiated methodological principles and developed scientific and practical recommendations for the development of rural territories in conditions of decentralization.[10] P. Sabluk investigated the impact of the growth of agricultural production on the development of rural areas. [7] The experience of Scotland regarding the development of rural areas of Scotland (Great Britain) for 2014-2020 is noteworthy [12]. However, the problem of the development of rural areas is multifaceted and requires constant research.

The purpose of the article is to substantiate the impact of agricultural production on the development of rural areas in Ukraine.

Materials, methods of scientific research. During the study of rural development problems, such methods as monographic, comparative, abstract-logical, statistical-economic were used.

Research results and discussion. Rural territory is a complex spatial formation, its development is based on three components: economic, social and ecological. [4,6,7,10] The basis of the rural territory is the village, and the main system-forming factor of the rural territory is its population. Rural areas are important for the functioning of any state. On average, in the world, rural areas account for 75% of the total area, where 51% of the entire population of the

planet lives. Today, according to available data, 32% of world GDP is produced in these territories. [13]

For example, more than 77% of the territory of the EU is classified as rural (47% is agricultural land, and 30% is forests). 13.7 million farmers engaged in intensive, traditional, organic and other types of agriculture are covered full-time. This diversity has increased with the emergence of new member states from Central and Eastern Europe. Family farms that are passed down from one generation to another are common. The average size of the farm is about 12 hectares (for comparison, in the USA there are about 2 million farmers and the average size of the farm is 180 hectares) [9,11,12, 13]

In Ukraine, agricultural land occupies 41.4 million hectares, which is almost 69%, in particular, arable land - 32.7 million hectares (79% of agricultural land). The GDP produced in rural areas is 39.8% *of the country's total GDP, in the structure of which agricultural products make up a significant share [2]. There are 29,254 rural settlements in Ukraine, where 12.6 million people live, which is 30.4% of the population of Ukraine. In cities, the percentage of the working population is 73.8, in rural areas - 69.8. (Fig. 1.) [2].

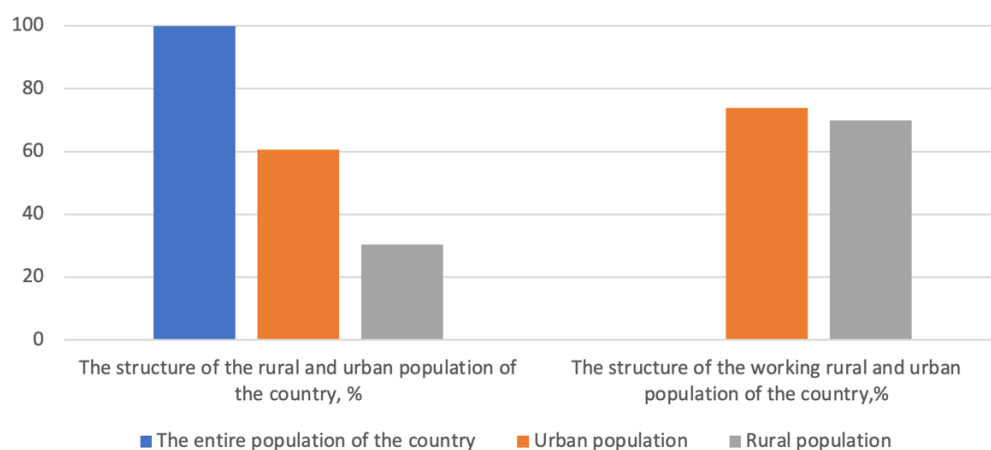


Figure 1. share of rural and urban population and percentage of working population in cities and rural areas*

**The chart is based on data from the State Statistics Service of Ukraine without data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and a part of temporarily occupied territories in the Donetsk and Luhansk regions.*

The conducted analysis shows that a significant part of the working-age population living in rural areas is involved in agricultural production, agricultural land occupies most of the territory of Ukraine, and this indicates that agriculture is an important economic basis for the development of rural areas of Ukraine, as well as an important component national economic system. Therefore, the development of the agricultural sector can be considered as a factor in the economic upliftment of rural areas.

The structure of agricultural production in Ukraine is represented by two sectors: corporate and individual. Accordingly, the corporate sector includes such enterprises as agricultural holdings, independent agricultural enterprises, large farms, and it is characteristic that all these enterprises function on the basis of hired labor. As for the individual sector, it is represented by family farms and personal peasant farms. At the current stage, the sectors have unequal access to production resources, to the introduction of innovations and the use of profitable sales markets. The agricultural production of the corporate sector is focused on the production of highly mechanized and highly profitable types of products, while the individual sector tends to be engaged in labor-intensive farming and has limited sales markets.

In connection with this, leading scientists and experts in this field talk about a number of deformations that exist in the agricultural sector: [3, 4, 6,7,10]

- the use of innovations by enterprises of the corporate sector to increase labor productivity, grow economically profitable crops, and increase the man-made load on ecosystems led to the displacement of peasants into low-income,

labor-intensive production, which became one of the causes of rural poverty and the degradation of the human capital of the village;

- increasing the volume of export-oriented types of products has led to the distortion of the sectoral and product structure of production, as a result of which there is an increase in food prices, an imbalance in the diet of the population and the consumption of products of dubious quality;

- excessive concentration of land use provokes an increase in social tensions in society, the spread of depopulation of a number of territories and creates threats to the exercise of social control over them;

- the monopolization of land lease rights by large land users narrows the access of small agricultural enterprises, farmers and individual peasant households to the land market and its lease.

In recent years, the number of medium-sized and small agricultural enterprises has been reduced due to the concentration of land by large enterprises, usually of the agroholding type, according to this trend, it is important that they are registered within territorial communities, that is, by the location of land, production facilities and activities, and not as it usually happens, depending on the location of the office, then taxes will go to local budgets and will be used, including for the development of rural areas.

So, if we are talking about the effective use of the agricultural potential of rural areas, then it should be noted that a balanced policy in the agrarian sphere can be achieved by the optimal number of enterprises of different size and shape in the territory of communities, therefore, it is advisable that, along with large agricultural enterprises, the products of which are oriented for export, there would be small farms, the production of which is oriented to the domestic market. Households, which are an important segment in the economic development of rural areas and have a special social weight, also need the support of local self-government bodies. Households in rural areas of Ukraine occupy an area of 5,444.5 thousand hectares (9% of the territory of Ukraine).

More than half of the households own a land area of 0.5 ha or less, more than 20% have land plots of more than 1 ha at their disposal, and conduct agricultural activities with the aim of producing products not only for their own needs, but also for sale, registering as an individual entrepreneur.

With the proper support of local self-government bodies and cooperation, such farms are able to increase the production potential of agricultural products, which in turn will increase revenues to local budgets. Ultimately, this will allow to minimize the risks of financial gaps that may arise due to the discrepancy between the real financial possibilities of filling the local budget and the needs of the community. Therefore, the interconnected development of agricultural production and rural areas should be based on the coordinated interests of agricultural production and the interests of communities in the economic sphere: implementation of innovations, compensation for damages caused by natural disasters, provision of tax preferences to farmers who develop rural areas, development of local potential, diversification rural economy and development of local markets and jobs; in the environmental sphere: encouragement of organic farming, preservation and reproduction of natural ecosystems, including by assigning land to the nature reserve fund, ensuring sustainable management of land resources and combating the loss of biodiversity; in the social sphere: investments in infrastructure, development of rural tourism, investments in education, implementation of programs to increase financial literacy of the population, preservation of historical and cultural heritage.

Conclusions. An important tool for the development of rural areas can be regional development strategies and action plans for their implementation, developed with the participation of the public, which will be based on the optimization of the economic, ecological, and social spheres of the population's life. Also, an important step for the sustainable development of rural areas is the development and adoption of a state program to support the transformation of

personal peasant farms into farms based on leading European and world practices.

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І.П. Купріянич

ДО ПИТАННЯ РОЗВИТКУ СІЛЬСЬКИХ ТЕРИТОРІЙ В УКРАЇНІ

Анотація. У статті досліджуються питання розвитку сільських територій в Україні. У ході цього дослідження сформовані напрями та головні пріоритети розвитку сільських територій в Україні, окреслено існуючі проблеми, причини їх виникнення та шляхи подолання.

Визначено що ключовими компонентами розвитку сільських територій є виробнича сфера (сільськогосподарська діяльність та інші види діяльності не пов'язані з веденням сільського господарства), соціальна (добробут жителів, підвищення якості людського капіталу сільських територій, збереження традицій, моральні й духовні цінності), екологічна (збереження природних ресурсів сільських територій, екологобезпечне землекористування). Визначено, що взаємодія цих компонентів дасть змогу сформувати соціальне та економічне середовище для сталого розвитку сільських територій. У статті встановлено, що успішний розвиток сільських територій полягає у використанні комплексного підходу до вирішення проблем та у добросовісному виконанні зобов'язань, що підвищить ефективність використання бюджетних коштів громад та забезпечить стабілізацію соціальної та економічної ситуації як самих громад, регіонів та країні в цілому. Зокрема, обґрунтовано актуальність розробки стратегії регіонального розвитку й детальних планів заходів щодо їх впровадження, із залученням місцевих жителів.

Ключові слова: сільські території, сталий розвиток, аграрне виробництво.