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Conference on Land Economy and Rural Studies Essentials**RUSSIAN LAW-CREATIVE POLICY IN THE INNOVATIVE  
DEVELOPMENT OF THE AGROINDUSTRIAL COMPLEX**

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**Abstract**

The article considers the topical problem of organizational and legal support of the processes of creation, implementation and application of innovations in agriculture of modern Russia. It is noted that today there is simply no other alternative than the innovative development of the agricultural sector. To constructively solve the problem of forming the organizational and legal foundations of the innovative development of the Russian economy in the field of the agro-industrial complex, the authors propose to pursue a targeted legal (and, above all, law-making) policy, which is a scientifically grounded, systematic, consistent activity of power structures to determine the strategy and tactics of law-making in the field of innovation, to create the necessary organizational and legal conditions for effective innovation through the development and adoption of legislation in the field of ensuring the country's innovative development. In the course of substantiating the proposals put forward, a complex of scientific approaches and methods is used, including systemic and comparative legal approaches, factor analysis, structural-functional, analytical and formal legal methods, methodological resource of the doctrine of legal and law-making policy, and some others. In general, a comprehensive study and solution of a scientific issue allowed proving the importance of modern law-making policy in the field of innovative development of the agricultural economy of Russia and determining the main characteristics and substantive aspects of this type of legal activity.

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## 1. Introduction

The development of the Russian agro-industrial complex (AIC) is already very strongly associated with innovative technologies, behind which they see the present and future of the agrarian sector. And this is really so, since modern agriculture cannot develop and maintain its competitiveness without the active use of new advanced technologies capable of both minimizing economic costs at the stage of agricultural production, and increasing the attractiveness of agricultural products at the stage of market implementation, and not only domestically, but also for the external market (in the latter case, strengthening the export-oriented opportunities of the agricultural sector).

In other words, innovations are needed today in agriculture almost everywhere (selection development, seed production, fertilizers, agricultural machinery, harvesting, storage and processing of crops, compliance of agricultural production and agricultural products with environmental requirements, etc.). Everything in one way or another can be associated with the latest methods and technologies, which, if introduced (commercialized), will be able to increase the competitiveness of manufacturers and products in a very “close” world and national agricultural market (indicative in this regard is the international exhibition of agricultural machinery and plant growing “Agritechnica” conducted since 1985 in Germany, where leading companies in the industry, including Russian ones, demonstrate their new products and innovations used in this sector of the economy).

## 2. Problem Statement

Economic studies correctly emphasize the dependence of economic growth on technology. Within the framework of this approach, it is argued that countries that do not form their own technological potential (and do not create conditions for its use), will continue to be lagging behind. In turn, countries that are able to form a powerful innovation potential and a well-functioning public administration system succeed in economic development (Freeman et al., 1982; Pavlov et al., 2012; Schumpeter, 1934). And this can be equally attributed to the agricultural sector of the national economy, without the development of innovative processes in which it is impossible to achieve an increase in agricultural production and its economic efficiency (Derunova, 2018).

Much, of course, in this direction is already changing today: there is a renewal, new technologies are emerging, the development of innovations in agriculture is provided for directly by the State Program for the Development of Agriculture and the Regulation of Markets for Agricultural Products, Raw Materials and Foods, etc. Nevertheless, one cannot say that everything works “like clockwork”, and those who create innovations, both manufacturers and sellers, trying to invest in innovative developments and introduce the created know-how and other novelties, still experience many problems a significant part of which is related to with still insufficiently perfect legal regulation of the sphere of innovative development in general and in the agro-industrial sector, in particular.

## 3. Research Questions

It is obvious that scientific and technological products, which in the situation of global challenges of our time are one of the key resources for the development of the state, are reproduced in the required

volumes and of proper quality where all the necessary conditions have been created for this, including the developed and effective mechanisms of state and legal support. It is noteworthy that the expression of these ideas and targets is accompanied by an understanding on the part of the authorities that in order to solve all these tasks, appropriate legislative support will be required. For instance, already in the article by Medvedev (2009) “Russia, go for it!” (2009) it was noted that “legislators will take all decisions to comprehensively support the spirit of innovation in all spheres of public life, create a market for ideas, inventions, discoveries, new technologies” (p. 2).

Klaus Martin Schwab, the founder and permanent leader of the World Economic Forum in Davos, who met with the President of the Russian Federation V.V. Putin in the fall of 2019, in a book prepared with Nicholas Davis (the head of one of the innovation platforms at this forum) noted as a kind of motto: “The main thing in the digital world is trust. We need a new regulatory and legal climate, without which it is impossible to apply innovative technologies” (Schwab & Davis, 2018, p. 202). Thus, this significant factor (law) is recognized at the global level, and it is also recognized in Russia.

The modern Russian legislator quite purposefully forms the legal basis for innovative transformations in the economy. As part of the implementation of the innovation strategy, a number of legislative acts are already in force (Trofimov, 2017). However, the existing normative legal acts can still be called only the first steps (formation of the basic level) on the way of building a system of legal regulation of innovative relations. There is still no balanced system of legislation in this area, there is no clarity in the mechanisms for the implementation and protection of intellectual rights of subjects of innovation activity, the system of interaction between the structures of federal and regional authorities in matters of ensuring innovation activity, etc., is not put right yet.

Until now, at the federal level, there is no comprehensive normative act regulating state support and stimulation of innovative activity in the Russian Federation. Not all Russian regions have such special acts. Although this should be in demand, since it is from innovations that they expect that effect in the economy that can be called “breakthrough”. This issue is no less relevant in relation to the agro-industrial complex, the development of which is currently directly related to the reproduction of new technologies and innovations.

#### **4. Purpose of the Study**

In order to ensure that the problem of proper legal support for innovation in the country is resolved consistently and effectively, so that all the necessary regulations (basic and concretizing, federal and regional, common for the economy and sectoral, containing mechanisms of support and incentives, as well as measures of decent (effective) protection and protection of the rights of participants in innovative relations) are put into effect, a purposeful law-making policy in this direction is necessary, which will be able to positively respond to all areas of the economy that are focused on innovation, including the agricultural sector. Therefore, in this part, a more targeted law-making policy should be pursued, which, on a systematic and scientific basis, is able to develop an appropriate algorithm for law-making in the field of innovations (including innovations in the agricultural sector). Today this policy needs to be shaped and controlled by the implementation of its functional directions.

The essence of this theoretical and legal structure is to present legal activity in the field of lawmaking not just as a set of disparate legal measures implemented in various segments of management and at different levels, but as an internally coordinated system of legal competencies aimed at achieving a programmed legal effect. The main idea that underlies the law-making policy in the field of innovation is the construction, with the help of legal means, of an effective innovation system as a leading factor in the country's economic development.

Lawmaking policy in the field of innovation is a scientifically based, consistent and systematic activity of state and non-state structures aimed at defining the strategy and tactics of lawmaking in the field of innovation, at creating the necessary legal conditions for effective innovation through the development and adoption of legislation in the field of innovative development countries (Trofimov, 2012).

The goal of the law-making policy in the field of innovations is the development and adoption of normative acts linked into a single system, which would form favorable conditions for science (including the appropriate material and legal guarantees), ensuring an interest in the creation of innovative developments, as well as the basis and favorable economic and legal environment regarding the introduction of innovations into the economy, including in the field of agricultural production and marketing of agricultural products—the economy of the agricultural sector.

## **5. Research Methods**

In the course of substantiating the proposals put forward, a complex of scientific approaches and methods is used, including systemic and comparative legal approaches, structural-functional, analytical and formal legal methods, methodological resource of the doctrine of legal and law-making policy, and some others. Structural and functional analysis is designed to reveal and analyze the active, functional aspect of complex social systems, to study and simulate the very process of functioning of the studied economic and innovation system in the context of the agro-industrial sector (complex). Along with it, a systematic approach is used, which involves the consideration of the object (law-making policy in the field of economic and innovative development of the agro-industrial complex) as a complex, multifaceted phenomenon, consisting of elements, the connections between which form its relatively unchanging structure and ensure its integrity. A special place is given to the theory of innovation dynamics as a direction of research in economic science, associated with the identification of factors for optimizing economic growth based on the introduction of innovations, as well as an instrumental approach in jurisprudence associated with the development of the theory of legal means (stimulating, restrictive, providing, etc.), which act as an attribute with the help of which the tasks of state-legal and law-making policy in the field of agro-industrial complex are solved. A specific role is given to factor analysis (when studying the factors of development of the innovation system in the agricultural sector, the effectiveness of the law-making policy implemented in this area, etc.) as a method of grouping a set of initial indicators (in particular, those related to the innovative development of the agrarian economy) into a limited number factors, i.e. parameters of the system that are characterized by certain features and affecting the overall dynamics of the system under study. An important role in the study belongs to such methods of a natural scientific nature as the method of modular construction, the method of legal modeling, the method of functional diagnostics, the method of monitoring

the economic and innovative system of the agro-industrial economy and the system of state-legal impact on this type of social relations.

## 6. Findings

The attention of the state authorities to the problems of legal regulation remains constant. Back in 2009, in order to create a favorable innovation climate in the country (through legislative, economic measures, etc.), a special Commission for Modernization and Technological Development was created. In October 2012, the first meeting of the Council under the President of the Russian Federation for the modernization of the economy and innovative development of Russia, created in June 2012, took place (the Council was created on the basis of the merger of the previously operating Commission under the President of the Russian Federation and the relevant structures under the Government of the Russian Federation).

In connection with the new Russian socio-political and socio-economic realities, in accordance with the Decree of the President of the Russian Federation of July 19, 2018 No. 444 “On streamlining the activities of advisory bodies under the President of the Russian Federation”, the Presidential Council for Economic Modernization and Innovative Development of Russia was abolished; its functions in a certain part were transferred to the Council under the President of the Russian Federation for Strategic Development and National Projects, as well as directly to the Council under the President of the Russian Federation for Science and Education, which is an advisory and coordinating body formed to determine strategic goals and the tasks of the development of the scientific and technical sphere and education, the priorities of the scientific and technological development of the Russian Federation, as well as for making decisions on the development and implementation of the most important innovative projects of state significance by the Government of the Russian Federation, federal scientific and technical programs on issues requiring a separate decision by the President of the Russian Federation.

At the sites of these advisory bodies, various issues are scrutinized, including those related to improving the system of legal regulation of innovation activity (legal framework for the functioning of “small innovative enterprises” at universities; taxation of innovative enterprises of these structures (according to a simplified, preferential system); legislation on public procurement, which requires improvement in terms of compliance with the innovation and investment climate; legislation in the field of industrial safety; legislation in other areas related to creating the necessary conditions for innovative development; legislation in the field of intellectual property, in particular, the problem of the mechanism for the transfer of rights to the results of intellectual property to the most effective owner; etc.). As noted at the meeting of the Commission for the Modernization and Technological Development of the Economy on the Legal Regulation of Innovative Activity (Moscow Region, Gorki, November 2010), the President of the Russian Federation, Medvedev (2010) (currently, the Chairman of the Presidium of the Council for Science and Education under the President of the Russian Federation): “Our task is to achieve fundamental institutional changes. And this can be done only by creating an appropriate system of incentives, primarily legislative ones” (p. 1).

However, it is too early to say that everything in this regard has been done. As already mentioned, there is no basic law on innovations and their support in the country, which could become a comprehensive normative act linking together all the components of the innovation system, creating in all cases clear and

logically connected statutory regulations governing innovation relations. Such acts are not very confidently adopted in the regions, and where they are adopted, they are more reminiscent of declarations of intent, these laws do not have a clear system of priorities, the relationship between basic and derivative aspects, clearly expressed regional specifics, etc.

Such ambiguity and uncertainty of the approaches standardizing innovation relations does not have a positive effect on the development of an innovative climate in the agrarian sector of the Russian Federation, in which there is a considerable range of non-Russian products (samples) of selection of seeds and animal breeds, a large number of foreign agricultural machinery which is far from being new and ecologically flawless. At the same time, the promotion of national models is proceeding at a slow pace, which is largely due to the contradictory and often flawed legislation in the field of regulation of innovative relations. This problem must be solved immediately through a targeted law-making policy in the field of innovations in general, and agriculture in particular; otherwise, the lag behind the advanced achievements of Western countries in the agricultural sector (in terms of new technologies) may become critical.

It is in this vein that the adoption of a codified legislative act on the issue of state support for innovative activities is quite appropriate, which is rightly drawn attention to in legal science. This law may be called “On Innovation Activity in the Russian Federation”. The law should clearly and unambiguously disclose the basic concepts related to the field of innovative public relations, formulate the principles of state innovation policy, determine the competence of law-making bodies at the federal and regional levels in the field of legal regulation of innovative relations, develop legal measures to support innovation in the country, etc. (Gribanov, 2011).

A law-making policy in the field of innovative development of modern Russia must be formed, and already at this stage it is necessary to think over and figure out all those functional areas (tasks) that it can carry out: social and legal monitoring of the areas of law enforcement and law implementation in the field of agricultural relations for the creation and implementation of innovative developments, their commercialization; the scope of legal opportunities and obligations of the subjects of agrarian legal relations, involving the use of innovative products in the framework of their main activities; guarantees of the rights and legitimate interests of the subjects of innovative relations in the context of the agrarian sphere, etc.

At the same time, everything related to the legal support of the innovative development of Russia (first of all, it concerns the adoption of laws and other normative acts) must be in a single system, be internally coordinated, systemic, developed and implemented on the basis of deep scientific substantiation, in other words, within the framework of the law-making policy in the field of innovations.

A significant block of problem areas is directly related to intellectual property issues. The problem of improving the legislation on intellectual property in the direction of optimizing innovative activity takes a special place, since it regulates relations in the field of creating and using the results of intellectual, scientific and technical activities, which represent the starting point for the formation and development of an innovative economy. “One of the tasks in the field of legal protection of the results of intellectual activity is the creation of a system of legislative regulation that ensures a balance between the scientific research sector and the innovation sphere, which, ultimately, will make it possible to carry out technological

modernization of the economy, increase its competitiveness and turn the country's scientific potential into the main resource of economic growth” (Kalacheva, 2011, p. 3).

Intellectual property is the basis for building an economy of an innovative type: it is not innovations as such that are primary, but intellectual property (the results of intellectual activity), which underlie all innovations (Leontiev, 2013). Therefore, it is necessary to strive for the maximum guarantee of the rights and legitimate interests of authors, developers, to form legal conditions for the effective implementation (including commercial) of rights to the results of intellectual activity, to ensure their comprehensive protection. Overall, this should translate into the creation of consistent and effective intellectual property legislation.

It is important to create and provide through the law mechanisms for indirect support of innovative activity, namely, exemption of innovative enterprises from value added tax, property tax, etc., credit benefits to potential consumers of innovative developments, leasing of special scientific equipment, customs and depreciation benefits. This applies to large private companies. It is difficult for small businesses to withdraw funds for the acquisition of innovations and here they cannot do without the help of the state (Gorpinchenko, 2018).

It is equally important to establish managerial and legal mechanisms to ensure joint participation in innovative projects, starting from the stage of their development, by the state and private corporations, i.e., it is necessary to develop public-private partnerships on the issue of innovations in the agro-industrial complex (Public-Private Partnership..., 2015).

## 7. Conclusion

In general, there are a lot of tasks that will have to be dealt with in terms of lawmaking policy in the field of innovative development. At the same time, far from all of what can currently be implemented tactically, developed strategically, is being done within the framework of modern Russian lawmaking, and if decisions are made, they are predominantly palliative. It seems that today this is simply unacceptable and activity in solving these issues within the framework of the modern law-making policy in the field of innovative development must be increased. This direction of law-making policy, taking into account its application to the agrarian sector, can contribute to the creation of the necessary legal conditions for the gradual transition of Russian agriculture to a sustainable innovative vector of development.

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