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TRANSFORMATION OF COLLECTIVE PATTERNS IN SOUTHERN RUSSIAN VILLAGES IN EARLY 21ST CENTURY

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Abstract

Forming an economic basis of the society the economic set-up characterizes the dominating ways of production and forms of management. The combination of two and more economic patterns is typical for a village. The paper describes the changes of collective farms in the south of Russia in the early 21st century. In the 1990s the collective pattern cushioned the impact of agrarian reforms on the rural population by supporting a village and the rural society in their fight for survival. The former Soviet state farms and collective farms turned into agricultural enterprises or gradually disappeared. Based on statistical data the author analyzes the destiny of collective farms in such southern Russian regions as the Republic of Kalmykia, Astrakhan and Volgograd regions. Collective farms of these regions were unable to escape from disastrous consequences of agrarian reforms of the 1990s resulting in a huge number of “abandoned” villages. The results of the All-Russian agricultural censuses of 2006 and 2016 demonstrate that within the studied subjects the number of large- and medium-sized agricultural enterprises was reduced several times. Some results of sociological study conducted in the summer-fall of 2018 in the studied southern Russian regions are analyzed. The survey covered 400 villagers, 100 people in each subject. The author considers the opinion of the rural population on the needs of the village and agriculture, on whom does the society rely on in the solution of urgent problems, do the villagers connect their life with rural areas.

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Keywords: South of Russia, rural economic patterns, state farms, collective farms.



1. Introduction

Rural territories, their economic and agricultural potential were actively studied in the 2000-2010s caused by imposed economic sanctions and the need for food sovereignty of Russia. The Southern Federal District, which is successfully realizing import substitution tasks, playing a key role in ensuring food security of the country, concentrated on its territory almost the sixth part of all acreage of the country growing about a quarter of the all-Russian grain gross yield, a half of all sunflower seed collection, almost a fifth part of all vegetables (Namrueva, 2018). The considerable part of the studied territory (Republic of Kalmykia, Astrakhan Region, Volgograd Region, Stavropol Krai) is located in arid climate belt and belongs to the area of risk farming. In such complex climatic conditions neither farmers, nor owners of personal farmsteads are able to cope “alone” with the tasks of the agrarian industry. On average one out of four years becomes unfavorable for crop production for certain reasons. The contribution of the South of Russia to grain production ranges from 17-19% in lean years to 34% in fruitful years. The Southern Federal District annually produces about a half of the Russian sunflower. Vegetable growing and livestock production are among key specializations of the analyzed regions (Selyutin & Mesropyan, 2011). Over the Post-Soviet period the structure of agrarian industry underwent considerable transformations, one of the main results of which was the reduction of specific weight of a large agricultural producer. The relevance of the study is caused by the need for comprehensive analysis of the interaction of economic patterns for rural areas in order to develop due recommendations for management decisions at various levels of authority satisfying the challenges threatening food security of the country.

2. Problem Statement

The agrarian reform of the 1990s resulted in a mixed rural economy based on different economic and living patterns. There is a need to study these changes to prevent undesirable consequences: domination of any single economic pattern in rural areas, replacement of the others, catastrophic disappearance of rural settlements. According to scientists, “equal economic patterns and their rational interaction plays a positive role in ensuring sustainable development of rural territories and in maintaining the standard of living of rural people” (Krasnov, 2016, p. 48). One of the tasks of the study is to identify the interaction of various economic patterns in modern rural areas, options for combination of the market competition with such economic patterns.

The cross multidisciplinary approach to the study conducted at the intersection of economic sociology, rural sociology, regional economy, regional sociology, social statistics allowed analyzing the transformation of collective patterns in rural territories of southern Russian regions.

3. Research Questions

The works of P. Veliky, Z. Kalugina, O. Nechiporenko, T. Nefedova, A. Nikulin, V. Patsiorkovsky, Zh. Toshchenko, V. Uzun, O. Fadeeva, G. Shirokaova, etc. (as cited in Nechiporenko, 2011; Nefedova, 2013; Veliky, 2010) are devoted to the study of social and economic consequences of Russian agrarian reforms of the 1990s, processes of disappearance, preservation and revival of economic activity of rural people, adaptation strategy of rural society and agricultural enterprises to changing conditions. The above

scientists study cause and effect relationship of the destruction of old and appearance of new forms of economic organization in the rural society thus allowing it resisting and developing in the conditions of continuous external challenges. It shall be noted that until now there is no uniform approach to the description of transformations of forms of economic organization in post-reform Russia.

According to Nefedova (2014), the post-Soviet years are characterized by two trends important for agriculture and rural areas. The first one is connected with intensification of differentiation of the former Soviet enterprises in new market conditions thus leading to closure of incapacitated enterprises that were receiving subsidies for many years and stimulating more efficient enterprises but often changing their specialization. It fostered polarization of the rural community: agriculture “moved” to areas with more efficient production having enough natural and human resources. The second trend is connected with modernization of survived enterprises and appearance of agricultural holdings, which were formed not “from below” upon the initiative of producers, but mainly “from above” upon the initiative of food enterprises, financial, governmental institutions, etc. (Nefedova, 2014). Our analysis will focus on the first trend.

The author also utilizes the experience of a scientist from Novosibirsk Fadeeva (2015) who developed the concept of formation and transformation of rural economic patterns highlighting the role of the latter ones in self-organization of rural communities during the post-Soviet agrarian reforms. Among the features of large-scale collective farms she identifies impartible property financed by production, constant production profile, labor surplus, low level of competitiveness and inefficient management in market conditions. This economic pattern existed due to specific agrarian policy of federal and regional authorities constraining mass bankruptcy and liquidation of financially insolvent agricultural enterprises (Fadeeva, 2015). We fully share the opinion of Fadeeva (2015) that over 15 years of a new century the importance of this pattern significantly decreased though its separate elements are still typical for some operating agricultural enterprises. This is especially true of those regions where “the government artificially supports unprofitable enterprises to keep rural settlements and to implement plans on reorientation and diversification of the rural economy” (Fadeeva, 2015, p. 31).

Thus, despite the study of changing economic patterns in the country in general, the subject of the given study is still relevant at macroregional and regional levels. This problem requires a thorough study to understand the current state of transformational processes in rural areas, to find solutions for effective actions in order to improve the life of rural people, to ensure efficient management of agrarian industry.

The study was conducted at the intersection of economic sociology, rural sociology, regional economy, regional sociology, social statistics. Such multidisciplinary approach improves research directions and methodology in the analyzed area thus making it possible to use the results in scientific and applied studies, including, for the development of tools of transforming economic patterns in rural territories.

4. Purpose of the Study

The purpose of the study is to analyze the transformation of collective patterns in villages of southern Russian regions (Republic of Kalmykia, Astrakhan Region, Volgograd Region, Stavropol Krai) using statistical information and results of sociological survey of 2018 that make it possible to assess the

consequences of these changes, to develop recommendations for further actions aimed at development of collective patterns.

5. Research Methods

The study is based on the principles of multidisciplinary approach, objectivity, accounting of change and development of the studied phenomenon, consistency and cohesive approach to the object of the study.

The main methods of the study include sociological methods (questionnaire, analysis of statistical data), structurally functional, economic and logical analyses.

6. Findings

The results of two All-Russian agricultural censuses (ARAC) of 2006 and 2016 allowed analyzing the dynamics of collective (corporate) pattern in villages of the studied regions (Table 1).

Table 01. Large-, medium- and small-sized agricultural organizations following the results of ARAC 2006 and 2016 (ARAC, 2006; ARAC, 2016).

Regions	Large- and medium-sized agricultural organizations		Reduction	Small-sized agricultural organizations		Increase
	2006	2016		2006	2016	
Years	2006	2016		2006	2016	
Republic of Kalmykia	108	35	3 times	22	117	5.3 times
Astrakhan Region	87	23	3.8 times	49	118	2.4 times
Volgograd Region	374	125	3 times	632	889	1.4 times
Stavropol Krai	399	247	1.6 times	399	486	1.2 times

The results of 2006 ARAC illustrate the reduction of large- and medium-sized agricultural enterprises with quite limited potential. The number of large- and medium-sized agricultural enterprises in the Republic of Kalmykia was reduced 3 times, in the Astrakhan Region – 3.8 times, in the Volgograd Region – 3 times, in Stavropol Krai – 1.6 times. Agricultural enterprises that remained after agrarian reforms of the 1990s remained stable and continued their activity due to external financial and resource support. When the support was reduced in crisis of 2008 and 2014, the problems of cost recovery and timely salary payment became ever more urgent.

The transformation of collective pattern happened according to several options: bankrupt enterprises were liquidated, were legally registered as small enterprises or joined larger associations (agricultural holdings). Statistical data demonstrate that over the inter-census period the number of the small agricultural organizations increased several times: in the Republic of Kalmykia – 5.3 times, in the Astrakhan Region – 2.4 times, in the Volgograd Region – 1.4 times, in Stavropol Krai – 1.2 times.

As a result of bankruptcy, the population of small and remote villages working on farms and other divisions of agricultural enterprises did not only lose their jobs, but often the only source of income. They could not find a job in other places due to backwardness of transport infrastructure. For many of them the only solution was the migration beyond their native village in search for means of living. For the majority of the rural people the 1990s was the period when they began to count on themselves only having lost faith

that life will return to its former established positions. This is also confirmed by the sociological survey conducted by the author in 2018. The sampling population made 400 rural people, a hundred in each analyzed region.

The obtained results show that in the solution of vital issues the vast majority of rural people count on themselves (more than 75%), on relatives and friends (more than a quarter of respondents, and in Stavropol Krai nearly a half). These data allow stating that the rural people of the studied regions gradually get rid of paternalistic expectations (hopes for management of enterprises, authorities, etc.), thereby they gradually adapt to severe market conditions.

One of the questions in the survey allowed understanding whether our respondents are engaged in agriculture. Only a small part from 5 to 7% of respondents in Kalmykia, Astrakhan and Volgograd regions work at agricultural enterprises. This means that many rural settlements of these southern Russian regions exist without village-forming enterprises, which were either liquidated, or became small with a limited number of workers. In Stavropol Krai every fifth respondent was the worker of an agricultural enterprise (it is the highest indicator). Table 1 shows having even considering their reduction the number of large- and medium-sized agricultural enterprises of Stavropol Krai is 1.3 times higher than their total number in three other regions. The region, except for its northeast areas bordering with Kalmykia, is characterized by favorable climatic conditions for agricultural production. Large agricultural enterprises develop more effectively in such territories.

From 6% of respondents in Astrakhan region to 11% of respondents of three other regions noted that they were engaged in agriculture before the collapse of the USSR. Our preliminary study shows the reduction scales of large- and medium-sized agricultural enterprises.

On average 8% of respondents work in their country farm. The answers show that the Stavropol Krai has the highest number of farmers (16%), while Kalmykia – the lowest (4%). A small number of the entire sampling population (7%) work for other farmers.

In general, more than a third (36%) of respondents have (help) their private subsidiary farm. The results show that this pattern is more widespread in the Volgograd Region (46%) and the Astrakhan Region (44%) than in Kalmykia (26%) and Stavropol Krai (2%). The farmers failed to meet the expectations, did not replace collective farms and state farms with their results. Gradually weak farms were ruined and large family farms, which owners were able to unite resources of small inefficient peasant farms, gained ground.

More than a quarter of the entire sampling population (29%) noted that their family members are not engaged in agriculture. This indirectly demonstrates that other types of activity not related to agrarian industry also gained widespread distribution in the village. The majority of Astrakhan (41%) and Kalmyk (39%) respondents were up to this option.

The obtained data allow understanding the popularity of either economic pattern. Private subsidiary farming holds top positions in all analyzed regions (36%). It is followed by peasant farms (15% in the sum of two answers), while agricultural enterprises close the top three (9%). Thus, small farms of the population serve the basis for the entire rural society. The village is alive while personal farms are functioning (Namrueva, 2017).

Our conclusions are confirmed by the statements of famous sociologists. Nechiporenko (2011) emphasizes incompatibility of patterns, which are heteropolar in terms of their internal social and economic nature since some of them more reflect public and collective interests and the others – private interests.

One of the questions revealed the opinion of rural people on the primary needs of a village and agriculture. Let us define the list of priority tasks: decent salary (36%), good manager knowing an exit from a difficult situation (24%), attraction of young people to villages (21%). Undoubtedly, effective management is able to change the situation in the village. Unfortunately, the agrarian industry is facing an urgent need in leaders capable to find non-standard innovative solutions to bring any agrarian enterprise to a new level of development.

Experts note that due to low profitability of agriculture 17% of rural people is below the poverty line (in cities – 9.2%). According to international estimates, the level of rural poverty is 1.7 times higher the admissible 10%. The salary in the agrarian sector makes nearly 50% in relation to the average Russian level and does not ensure either reproduction of labor, or work incentives (Bondarenko, 2016).

The adverse situation in the rural society fosters the migration of its inhabitants. A quarter of respondents (25%) do not connect their life with rural areas. According to them, the village cannot offer sufficient conditions for comfortable life. 18% of respondents are ready to stay in the village since they hope for future leaders that will be able to ensure efficient farm management. 15% of respondents connect their life with the village considering that it is only possible to self-actualize on your native land. 13% of respondents are ready to leave since their children want to live in the city. On the contrary, the same number of rural people will stay since life in a village becomes similar to a city. 12% of respondents are not going to leave a village since it offers various opportunities for development. Thus, the majority of respondents (58%) connect their life with the village for various reasons. More than a third of respondents (38%) are determined to leave.

A leading sociologist of the village Veliky (Veliky & Bocharova, 2014) very precisely notices that within the direction of collective farmers for work in other branches of industry the seasonal labor migration of villagers implies the possibility of their territorial mobility, hope, though quite weak, to interrupt their miserable and univariate life. The survival of rural migrants is based on self-sufficiency and lack of the market interest in them (Veliky & Bocharova, 2014).

According to Veliky and Bocharova (2014),

the management of large-sized enterprises and farmers are confined to care of a small share of rural communities, which was lucky to get a job, and they constitute the operational personnel. Modern large-sized enterprises are very small in terms of production scales and the number of employees – not more than the previous collective-farm crew or state farm division. The people that remained beyond a new system (let us remind that 8 out of 10 million that earlier had jobs) had to take care of themselves, find sources of survival. (p. 33)

7. Conclusion

The modern Russian village is characterized by four main economic patterns – corporate that was derived from collective, having two varieties – corporate-consumer (agricultural enterprises, agricultural

production co-operatives) and corporate-entrepreneurial (agricultural holdings); family also having two varieties – family-consumer (private subsidiary farms) and family-entrepreneurial (peasant farms).

We share the opinion of Toshchenko (2017) that

the effect of real agricultural transformations was insignificant. Similar to the Soviet period, in many respects the tone is still set by private subsidiary farms and partially agricultural enterprises, from which it is difficult to gain fundamental changes of productivity and efficiency under the conditions of the existing agrarian policy. (p. 90)

The analysis demonstrates that the number of large- and medium-sized organizations in all studied regions was considerably reduced. The number of workers that in the old days always counted on state farms in support of their farmsteads was also reduced. Nowadays they rely on their efforts and business qualities: forages and necessary services can be bought at a bargain price. The study showed that private subsidiary farms managed to adapt to market conditions having occupied a certain niche in the agrarian sector and ensured the worthy standard of living of the rural people. As we see, a close connection between two patterns – collective and family – is gradually fading, the second become more dependent on the enterprise than in recent times.

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