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THE SYSTEM OF STATE SUPPORT AGRICULTURAL ENTREPRENEURSHIP BOTH FACTS INCREASE THE ACTIVITY OF ENTITIES IN THE INDUSTRY

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Abstract

Developments related to the devaluation of the ruble and the sanctions regime, determined the need to build and upload your own agribusiness opportunities. In recent years the Russian government is actively supporting the agricultural sector and the whole and its separate forms. But in a recession, not all forms of state aid can be used successfully object subsidies. The aim of the study is to analyze the dynamics of the various aspects of the agricultural business, as well as identifying the impact on the performance of state support for agriculture. The author has studied indicators of the level of activity of subjects of agricultural businesses, such as the number of agricultural enterprises, the volume of production industry, as well as production by types of farms. The study determined the volume of state support the various forms of entrepreneurship. In this work, an analysis was conducted periodic printed publications, statistical databases, Government Decrees of the Russian Federation with use of methods of system approach, comparison, and statistical analytical method. The article evaluated the level of entrepreneurial activity in the agricultural sector, which in the opinion of the author consists of two of the most significant figures - the number in the economy of the agricultural organizations of different forms of activity and level of production of various organizations. These indicators are given the opportunity to reveal that government funding at this stage had a positive impact on the industry. The author noted the high importance for the Russian economy of small agricultural enterprises, the level of state support in recent years has increased. Despite that, there were negative trends in the activities of small businesses. Proposed a set of measures of state support to change the situation. The analysis of the system of state support of agricultural business led to the conclusion of its imperfection. Known in the industry trends related to the devaluation of the ruble and the subsequent inability of small producers to use bank loans, not to mention allow high efficiency developed by government measures. The practical significance of the study is that the results obtained and the proposed measures can be the basis for a new public policy support for agriculture.

Keywords: agricultural entrepreneurship, state support for agriculture, bank lending, agricultural organizations

1. Introduction

The current stage of development of the Russian economy is characterized by significant exposure of the geopolitical situation in the world. Under the conditions of heightened competitive struggle, sustainable development of entrepreneurship in agriculture, having the opportunity to address a range of economic and social issues takes a discrete role.

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Changes connected with the decline of the national currency and the sanctions and counter-sanctions regime, determined the need to increase and upload your own agribusiness capabilities for import substitution strategy.

In recent years the Russian government is strongly supporting the agricultural sector in whole and its separate forms. But in the context of recession, fewer than all forms of state aid can be successfully used by dotation objects.

At this stage, it is possible to analyze the basic areas of agricultural entrepreneurship and business activity dynamic of agriculture industry in the context of the state support system of various forms of entrepreneurship [1,2].

2. Results

Changes in the geopolitical situation significantly slowed the expansion of the agricultural enterprises number. Over the past 8 years (from 2006 to 2014) has changed the growth rate of business entities. The number of agricultural organizations increased by 0.8 thousand, farms and individual enterprises decreased by 62.6 thousand, and a list of private households remained virtually unchanged [3] (Table. 1)

Table 1. Dynamics of the agricultural enterprises number by types of farms

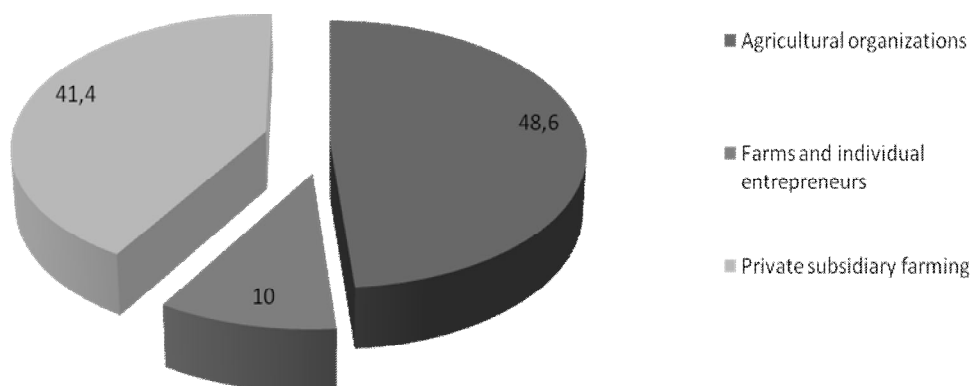
Types of enterprises	2006	2014
Agricultural organizations, thousand.	59,2	61,0
Farms and individual entrepreneurs, thousand.	285,1	222,6
Private farms, million	22,8	22,8

Thus, increasing the range of activity is observed only in the major categories of agricultural enterprises. To measure the level of entrepreneurial activity in the field of agricultural business, one needs to follow the dynamics of production by major categories of farms. Over the ten-year period (2004 to 2010) the industry generally shows an annual increase of production. [4] For example, from 2013 to 2014, production increased by 14.6% in money terms [5] (Table. 2).

Table 2. Output of agricultural products in Russian Federation by types of farms

Type of farms	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Farms of all categories	1252,2	1380,9	1570,6	1931,7	2461,4	2515,9	2587,8	3261,7	339,2	3687,1	4225,6
Agricultural organizations	573,5	615,5	704,5	918,5	1183,7	1141,5	1150,1	1540,6	1600,8	1756,0	2055,1
Farms and individual entrepreneurs	79,0	84,3	11,3	156,5	209,2	189,7	187,4	294,2	297,5	361,3	422,7
Private subsidiary farming	600,7	681,0	754,8	856,6	1068,5	1184,7	1250,4	1426,9	1440,9	1569,8	1747,8

Table 2 shows the following regularities. Above all, over the past 10 years, level of production output has increased at farms and individual entrepreneurs - by 5.3 times. Total of output in agricultural organizations increased by 3.6 times, and citizens who have private subsidiary farming ramped up production to 2.9 times. To compile an objective picture of the agricultural business is important to consider the current structure of agricultural production in different categories. (Figure 1)



Source: Federal State Statistics Service.

Fig. 1 Structure of agricultural output by types of farms in 2014, %

Based on the diagram, you can draw a conclusion about the greatest importance in the production of large agricultural organization. At the same time, the share of private subsidiary farming is also quite high - they produce more than 40% of all production industry [5,6,7].

The above listed data make it possible to assess the level of entrepreneurial activity in the agricultural sector objectively, which according to the author is made up of the two most important indicators - the number of agricultural enterprises in the economy of the different forms of activity and the level of production of the different organizations. [8]

What has the greatest impact on the degree of activity of agricultural entrepreneurs? In the context of a significant recession of the modern economy the most important factor is the system of state support of the agro-industrial complex [9]. In 2015, within the framework of the State program of agricultural development for 2013 - 2020 187.9 billion rubles (in 2014 - 170.2 billion rubles, in 2013 - 197.7 billion rubles) are allocated from the federal budget for the various forms of support for the industry.

At the same time, the program provides a separate object of expenditure to support small farms. In the context of the above classifications farms and individual entrepreneurs are related to smallholder farms as well as private subsidiary farming. In 2015, this aim is provided 9.8 billion rubles (in 2014 - 8.2 billion rubles, in 2013 - 8.6 billion rubles). Under the program, the allocation of funds should be spent on increasing the number of small business subjects, more efficient using of land, the modernization of material-technical base of small form farms.

The reduced dynamics of the main indicators of agricultural enterprise in this research shows that funds allocated by the state have a positive impact on the industry. However, the main source of maintaining and increasing the production is bank lending [12].

Current market position led to the fact that the major recipients of government financial support - large agricultural holdings. For banks providing agricultural loans, it is better to work with a major borrower than to serve a large number of small and medium-sized enterprises. Therefore, the interaction with the banks today is observed primarily in the large agricultural organizations [13, 14, 15].

As for the small forms of entrepreneurship, getting bank loans is very important for them. There is a new problem - a temporary delay in granting of credits. In general, small agricultural business in Russia almost abandoned bank loans [16, 17]. The volume of loans for seasonal field work, as of June 18, 2015 amounted to 90.57 billion rubles, which is 3.4% lower than at the same date in 2014, including JSC "Rosselkhozbank" granted 58, 98 billion rubles, OJSC "Sberbank of Russia" - 31.59 billion rubles. [18]

3. Conclusion

According to the survey results, the level of agricultural production in recent years has not directly connected to the number of its manufacturing plants.

It is worth noting the high importance for the economy of small forms of agricultural enterprise, the level of state support which has increased in recent years. Based on the research findings, these forms of management are actively expanding agricultural production. The study revealed negative trends [19, 20]. Despite the fact that the Government actively supports small forms of agricultural enterprise, the current economic situation in the country related to high inflation and the sanctions regime, led to the fact that the possibility of obtaining bank loans are fully preserved only in large agro-industrial enterprises.

According to the authors, in order to change the situation on the part of authorities would be appropriate to apply the following set of measures:

- formation of a trust fund, which resources will be used to compensate the costs of agricultural producers;
 - securing workers of agricultural enterprises by warrant of ability to purchase housing in close proximity to the place of employment. It is possible to produce by reserving part of agricultural land for the needs of employees, thereby limiting the free sale of land.
- Thus, currently functioning system of state support for agriculture is imperfect. Economic turnover of all forms of agricultural business increases every year, and the level of involvement in the sector of individuals reduces, which is not allowed to mention high efficiency developed by government measures.

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