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PRIVATE PEASANTS' FARMS OF LVIV REGION: MODERN CHALLENGES AND DOMINANTS OF DEVELOPMENT

Summary. The article describes regional peculiarities of agriculture in Lviv region and analyzes financial and economic efficiency of their business structures performance. It is determined that existence of private peasants' farms is necessary and reasonable. The complex of measures to support positive dynamics of the branch development is substantiated.

Keywords: agrarian sector of Lviv region, agricultural enterprises, private peasants' farms, financial and economic efficiency, dominants of agrarian formations development.

Problem setting. The entrepreneurial activity of agrarian sector has the special value in the conditions of market relations. From the entrepreneurial activity and initiative of the inhabitants of rural areas depends a dynamical development the agriculture of Lviv region, improving the quality of life in rural areas, etc. Nevertheless, the financial and economic condition of agricultural producers, especially small and medium-sized businesses, has a tendency to worsening. Considering the fact that loss rate of business structures is rather high in agrarian sector, it causes appearance of a set of negative social and economic factors, in particular a high level of unemployment in villages, degradation of young able-bodied population, migration to cities or abroad to find a well-paid job, etc. Besides, challenges of the time set new problems for the branch and prospects of its further development depend on timeliness and efficiency of their solution.

Analysis of the latest researches and publications. A complex research of transformations in agrarian sector of Ukraine's economy is revealed in the works of numerous leading domestic scientists, including V. Andriichuk [2], V. Zayats [3] Yu. Lupenko [4], V. Diesperov [5], I. Kyrylenko [6], Yu. Lopatynskyi [7], M. Malik [8], H. Mazniev [9], I. Prokopa [10], O. Shpichak [11], V. Yurchyshyn [12] and others. The scientists consider the issues of functioning of agrarian enterprises, their balanced development and ways to use production and resource potential on innovation-investment base to improve their financial and economic efficiency.

Selection of previously unsettled parts of the general problem. Impact of new social and economic factors has caused some problems in the branch development. On one hand, continuous fall of prices at the global agrarian markets forces agricultural producers to reduce amount of production (cropping area, livestock), and, on the other hand, fluctuation of the national currency rate results in a rapid rise of prices for fuel and lubricants, mineral fertilizers, means of plant protection, etc. Thus, there is a necessity of a reliable assessment of the mentioned tendencies, including the ones on the regional level.

The purpose of the article is as follows: to define peculiarities of development of agrarian sector in Lviv region economy; to make assessment of financial and economic productivity of performance of private peasants' farms; to argue a complex of measures concerning strengthening of a positive dynamics of the branch development.

Main material. Agrarian sector of Lviv region is represented by agricultural producers of two categories. According to their legal status, i.e. juridical persons, one of the category includes agricultural enterprises of different organizational-legal forms and farming enterprises. The other category includes physical persons, i.e. farms of population and private peasants' farms (PPF), which take the essential share (table 1).

Results of the made calculations demonstrate that, in the studied period, number of agricultural enterprises was reduced by 29,9% (516 units), including farming enterprises – by 32,1% (373 units). Number of private peasants' farms was also reduced by 9,3%, i.e. 300,6 thousands of farms. Tendencies to increase are observed in the number of agricultural cooperatives – by 2,6 times.

Characterizing importance of the enterprises, one can affirm that they mainly supply agricultural products for the whole region, which are labor-consuming and produced with a shovel and rake (table 2).

Thus, in the total value of gross output of agriculture, constituting 9255,4 million UAH in 2016, total contribution of population's farms constituted 5932,7 million UAH, or 64,1%, and agricultural

Table 1

Dynamics of the number of agrarian formations in Lviv region, unit*

| Form of economic management | 2005 | 2010 | 2013 | 2015 | 2016 | 2016 as compared to, % | |
|-----------------------------------|-------|-------|-------|-------|-------|------------------------|----------|
| | | | | | | 2005 p. | 2015 p. |
| Agricultural enterprises | 1725 | 1490 | 1442 | 1428 | 1209 | 70,1 | 84,6 |
| State enterprises | 23 | 10 | 6 | 6 | 7 | 30,4 | 116,7 |
| Non-state enterprises: | 1702 | 1480 | 1436 | 1422 | 1202 | 70,6 | 84,5 |
| farming companies | 304 | 250 | 224 | 224 | 251 | 82,6 | 112,1 |
| private enterprises | 200 | 177 | 150 | 128 | 119 | 59,5 | 93,0 |
| agricultural cooperatives | 12 | 13 | 15 | 16 | 31 | y 2,6 p. | y 1,9 p. |
| farming enterprises | 1161 | 1002 | 1025 | 1044 | 788 | 67,9 | 75,5 |
| other enterprises | 25 | 38 | 22 | 10 | 13 | 52,0 | 130,0 |
| Private peasants' farms, thousand | 331,3 | 319,4 | 320,1 | 310,3 | 300,6 | 90,7 | 96,9 |

*Source: calculated on the base: (Agriculture of Lviv region: statistical collection, 2017, p. 25)

enterprises – 3322,7 million UAH, or 35,9%. Besides, according to the data of statistical reports, in 2016 farms of population produced 97,1% of potato, 92,7% of vegetable, 90,5% of fruits and berries. Production of milk, eggs and wool made 95,2%, 89,2% and 92,3% respectively. Describing prospects of development of private peasants' farms, one should say that they can not be considered a progressive form of farming in agriculture. They do not need highly qualified workers, expenses for improvement of their educational level are not paid back, and their size is too small to introduce achievements of scientific and technical progress. Generally, in the last 16 years, one has observed reduction of their share by 25,5 points in production of agricultural products. It proves that globalization processes have caused loss of the farming form position at the market (table 3).

The made calculations prove reduction of their number by 9,3%. Area of agricultural lands, used by them, has reduced by 9,8% and constituted 320,5 thousand ha, and cattle livestock reduced by 30,1%. Gross output, per 100 ha of agricultural lands, has similarly decreased by 4,5%, proving fall of economic efficiency of private peasants' farms. In spite of the unfavorable statistics, these farms constitute a productive and social base for development of rural territories. Peasants work hard to support social and economic potential of rural territories and save them from degradation. The further development of such forms of economic management depends on a complex solution of the following tasks: diversification of economic activity, state support for their performance, cooperation, and support by large agrarian business.

One of important problems at the present stage of development the small-scale agricultural sector is their objectivity for the system of socio-economic relations in the agrarian sector. Peasants' cannot consolidate to form and protect their own interests in the scale of individual regions, as a result of which the vast majority of normative legal acts and state programs do not reflect the real interests

of the peasantry. Therefore, further development of private peasants' farms is possible only under conditions of constructive cooperation between state bodies and peasantry. However, in any case, the role of the state as an institution is decisive and shapes the general directions and prospects for the functioning of the small-scale agricultural sector.

Unfortunately, a significant number of members of private peasant farms consider their active economic activity as a compulsory means, a reaction to the unsatisfactory state of the socio-economic situation in the countryside. After all, for the vast majority of farms of this type, the goal is to ensure an acceptable level of well-being of the family. In addition, according to the State Statistics Service of Lviv region, the average age of heads of private peasant farms is in different regions from 55 to 60 years. That is, persons of retirement age who have somewhat different motivation for production activity than managers of the classical enterprise structure. Therefore, any attempt to impede the development of small-scale agricultural production will have a negative impact both on the level of food security provided by the population, and on the nature of the socio-economic development of rural areas. At the same time, it is expedient to use certain aspects of the world practice of forming the state's relations with agricultural producers in the direction of provision of logistical, informational assistance, creation of a staffing system, etc.

Analyzing the foreign experience of state programs on the development of the agrarian sector, rural territories or directly to the peasant farms, it should be noted not only the multi-vector nature, but also the fundamental differences in the measures, caused by the difference in the general state of the economy, the level of its development at the moment, as well as the nature of the relationship between state and entrepreneurial society. So the purpose of the US Department of Agriculture's activities is to promote eco-urban development of rural areas. Government programs sup-

Table 2

Dynamics of agricultural products production according to the categories of enterprises (in comparative prices of 2010), million UAH*

| Form of economic management | 2005 | 2010 | 2012 | 2015 | 2016 | 2016 as compared to 2005, % |
|--|--------|--------|--------|--------|--------|-----------------------------|
| All categories of enterprises: | 7129,7 | 7370,8 | 8753,4 | 9024,9 | 9255,4 | 129,8 |
| – agricultural enterprises | 738,8 | 1862,2 | 2626,1 | 3045,0 | 3322,7 | 4,5 times |
| – private peasants' farms | 6390,9 | 5508,6 | 6127,3 | 5979,9 | 5932,7 | 92,8 |
| Share of products production by the private peasants' farms, % | 89,6 | 74,7 | 69,9 | 66,3 | 64,1 | -25,5 points |

*Source: calculated on the base (Agriculture of Lviv region: statistical collection, 2017, p. 23)

Table 3

Indicators of development of private peasants' farms*

| Indicator | 2005 | 2010 | 2016 | 2016 as compared to 2005, % |
|---|--------|--------|--------|-----------------------------|
| Number of farms, thousand units | 331,3 | 319,4 | 300,6 | 90,7 |
| Average size of a farm, people | 3,05 | 3,03 | 3,02 | 99,0 |
| Value of gross output of agriculture in comparative prices of 2010, million UAH | 6390,9 | 5508,6 | 5932,7 | 92,8 |
| including: per one farm, UAH | 19290 | 17246 | 19736 | 102,3 |
| per 100 ha of agricultural lands, thousand UAH | 846,5 | 698,9 | 808,4 | 95,5 |
| Area of agricultural lands, thousand ha | 355,5 | 319,8 | 320,5 | 90,2 |
| Cattle livestock, thousand animal | 322,1 | 227,8 | 225,0 | 69,9 |
| Yield capacity, hwt/ha: grain | 27,7 | 25,5 | 38,1 | 137,5 |
| sugar beet | 190 | 208 | 280 | 147,4 |
| potato | 131 | 131 | 170 | 129,8 |
| Annual average milk yield per a cow, kg | 3628 | 3906 | 4172 | 115,0 |

*Source: calculated on the base (Agriculture of Lviv region: statistical collection, 2017, p. 45)

port the development of all types of economic activities carried out in rural areas: hunting and industrial farms, nature conservation and recreational organizations, forestry, fishing, etc.

To improve the professional level of persons employed in agriculture in Poland, state support for educational activities of state and private institutions and organizations is foreseen. The study subjects include: studying the minimum requirements for the compliance of the person with the agricultural activity, economy and management in the agricultural production, popularization of new directions of agricultural activity in order to seek higher income; the organization of proper conditions for keeping animals and protecting the environment.

Therefore, certain aspects of world experience in state policy in the field of small agrarian business development (raising the professional level of agricultural producers, accelerating the rates of co-operative construction, etc.) can be used as means of providing innovative development of private peasant farms as an integral part of the agricultural sector of the economy of Lviv region.

Historical experience proves that personal peasant farms can effectively adapt to the conditions of a dynamic competitive environment without changing the basic principles of its functioning. World practice shows the need for a differentiated approach to the definition of the nature and direction of the functioning of individual peasant farms. Of course, the degree of development of the country's economy, the socio-economic situation, the cultural level of the population, historical features of a particular stage of development of the state – all this lays its mark on the state in which the peasant farms are located, and their prospects. Therefore, the state policy aimed at stimulating the development of small-scale agricultural production in Ukraine should be based, first and foremost, on solving the issue of the further functioning of private peasants' farms. An important role in this is played by the recognition of the family type of management (primarily as a farmer) as an integral part of a promising model of the domestic agrarian sector. At the same time, state support measures should be aimed at strengthening organizational and economic assistance in the establishment and functioning of family-type farms with their further integration into agricultural cooperatives (according to the scheme private peasants' farms → farms of the family type → agricultural cooperatives). These transformations will contribute to the dynamic development of small businesses and will help significantly improve the conditions of production and marketing of its products, provide a concentration of production, which will allow the use of mini-techniques, reduce labor costs for the production unit, improve working conditions and rest of the peasants, improve production efficiency. In addition, it is necessary to promote the development of large and small forms of agricultural production in unity. They must not contradict each other, but mutually complement each other. There must be close economic relations between private peasant farms and agricultural enterprises and farms, which need to be developed and used with maximum efficiency.

Nowadays, financial support for agriculture is an actual issue for agrarians of Lviv region. To achieve the aim there is an acting regional program of support of agro-industrial complex «500 successful enterprises», which expects consolidation of the owners of land shares into cooperatives to make agreement with enterprises, purchasing the grown products. It supplies the ways to sell the grown products by landlords to interested companies and settle all juridical issues of their cooperation. Thus, the aim of the project is the development of farms Lviv region and attract young people with agrarian education, forcibly resettled people and demobilized participants of the ATO for

cooperation. Partners of the project implementation include: Lviv agrarian advisory service and IChF «Well-being of communities», LLC «Yablunevyi Dar» and WhMJC «Shuvar»; credit unions (CU «Vyhoda»); law society «Kubara and partners».

There is an acting Complex program of support and development of agro-industrial production in Lviv region in 2016-2020 to solve the actual problems of agriculture at the regional level. Financial resources are focused on partial reimbursement of credit percent for agricultural producers, support in the form of privilege credits, and measures of protection and reclamation of soil fertility. In general, in 2016 the regional budget allocated 11 million UAH for development of agriculture, in 2017 it allocates 12,1 million UAH, in 2018 – 18,6 million UAH, in 2019 – 20,9 million UAH and in 2020 – 23,4 million UAH. In total, it is planned to spend 86 million UAH. Besides, in Zhovkva district, Netherlands government supports implementation of a pilot project of the European partnership MATRA, which should supply development of agriculture and rural territories.

Conclusions. The present stage of development of agriculture in Lviv region is accompanied by a sharpening of a number of socio-economic problems. However, even under unfavorable conditions, the agrarian sector continues to demonstrate acceptable growth rates. Along with this, new challenges call for a timely response from the state, agrarian science and practice. How quickly and efficiently the agrarian sector adapts to the new conditions of management depends on its further prospects to take a worthy place among the leading producers of agro-food products in the world.

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Маркович Н.В. Особисті селянські господарства Львівщини: сучасні виклики та доміанти розвитку

Анотація. Окреслено регіональні особливості сільського господарства Львівщини. Проаналізовано фінансово-економічну результативність діяльності його підприємницьких структур. Встановлено, що існування особистих селянських господарств є необхідним і доцільним. Обґрунтовано комплекс заходів щодо закріплення позитивної динаміки розвитку галузі.

Ключові слова: аграрний сектор Львівщини, сільськогосподарські підприємства, особисті селянські господарства, фінансово-економічна результативність, доміанти розвитку аграрних формувань.

Маркович Н.В. Личные крестьянские хозяйства Львовщины: современные вызовы и доминанты развития

Аннотация. Определены региональные особенности сельского хозяйства Львовщины. Проанализированы финансово-экономическую результативность деятельности его предпринимательских структур. Установлено, что существование личных крестьянских хозяйств необходимо и целесообразно. Обоснован комплекс мероприятий по закреплению положительной динамики развития отрасли.

Ключевые слова: аграрный сектор Львовщины, сельскохозяйственные предприятия, личные крестьянские хозяйства, финансово-экономическая результативность, доминанты развития аграрных формирований.