

THE ROLE OF PERSONAL PEASANT FARMS IN THE PRODUCTION OF CROP PRODUCTS IN VOLYN REGION

Setting the problem. In modern terms specific gravity of output significantly increased as a result of structural transformations in agricultural production that is produced in the private sector, particularly in personal peasant farms (PPF). Therefore there is a need for evaluation of the role of private households in different spheres of agrarian production.

Today, private households are a structural element of the agricultural complex of the country and play an important role in the production crop products. In Volyn region PPF are the stabilizing links of management that compensates the decline of agricultural output in selected agricultural enterprises that carry out agricultural activity both to provide food products for themselves and production of marketable agricultural products for providing food needs of the population and form the cash income of peasants.

The analysis of recent research and publications. Famous scholars explored different aspects of development and functioning of personal peasant farms and their contribution to production of agricultural products in his writings. Among them are: P.T. Sabluk, I.V. Svynous, M.Y. Malik, O.M. Mohylnyi, Yu.O. Lupenko, V.Ya. Mesel-Veselyak, V.S. Diyespyerov, O.M. Shpychak, V.V. Yurchyshyn and others.

Yu.O. Lupenko and V.Ya. Mesel-Veselyak analyzing the transformation of peasant farms note that throughout all history individual farms were a strong indication of peasants desire for independent management. In the process of market transformation of the agricultural sector, they have become a key link, which softened the potentially catastrophic consequences of a deep economic crisis of the post-Soviet collective and state farm system [3]. Exploring the Ukrainian model of agricultural development and its expediency of social and economic modernization, leading scientists of SU "Institute of Economics and Forecasting" NAS of Ukraine note that in general under the activity of market factors in Ukraine was such structure agricultural of output in which households have their own niche. They focused on food self-sufficiency and filling the domestic food market. At the same time in the individual sector generally produce 60.1% of gross agricultural output [9, c. 8]. In the same context Onyshchenko O.M. rightly notes that, since the period of the market economy, many farmers lost their jobs at the agricultural and other enterprises, and those who kept their jobs, received meager salary that was paid untimely also, the expansion of own agricultural output was for them the only way to survive in indicated above complicated conditions [4]. However, despite significant research achievements in the study problems, not enough attention is paid to the role of personal peasant farms in the production of certain agricultural products at the regional level.

Setting the objective. The purpose of this study is the analysis and evaluations of the current state of major crop production by the farms of Volyn region and determination the perspective areas of their development.

The object of research is the process of functioning of personal peasant farms that were created in Volyn as a result of market transformation of the agrarian sector of economy in Ukraine. The subject of research supports a set of theoretical, methodological and applied aspects of personal peasant farms at the regional level.

The general and specific research methods that are based on the objective laws of the market economy were used during the research: theoretical generalization and scientific abstraction – in studying and analysis of recent publications on the selected issue; economic and statistical (statistical observation, comparison, tabular, graphical) to assess the current state and the major tendencies of personal peasant farms development in Volyn region; abstract and logical – for the implementation generalizations and formulation of conclusions.

The main material of research. Production of large amounts of agricultural products of Volyn region in particular crop production is concentrated in private households. They represent autonomous family production, which does not only produce and consume crop production, but also due to the realization of surplus forms its cash income.

The conducted research indicates that PPF in Volyn region provide enough stable agricultural production, including crop, regardless of the processes taking place in other areas of agrarian sector of economy. According to the results of state statistical observations, as of the first January 2013, the total number of private farms in the region totaled 156.129 units, including those that keep cattle and poultry 126070 units and those that have agricultural machinery in private ownership – 18061 units. According to the data Tab. 1, a slight decrease is observed in the area compared to 2011 (by 0.6%) of the total number of

households and also by 1.2% of households that keep cattle and poultry. If during the analyzed period from 2005 till 2012, the situation is more critical because the number specified PPF decreased by 10.903 units (6.5%) and by 17179 units (12%) respectively. With regard to the individual households that have agricultural machinery in private ownership, here on the contrary, there is a positive growth in comparison with 2011 by 836 units (4.9%) to 2005 – by 6479 units (56%). The total area of land plots owned and used by the owners PPF constitutes 329.7 thousand hectares, including for personal farming – 217.0 thousand hectares, for agricultural commodity production – 72.4 thousand hectares. Compared to the 2005 and subsequent years a positive growth trend of land ownership is observed in the study categories of farms.

Table 1

Basic indicators of PPF development in Volyn region

Indicator	2005	2010	2011	2012	From 2012 till 2005 (+,-)
Total number of households, units	167032	160620	157026	156129	-10903
Among them are the farms that keep cattle and poultry	143249	130165	127571	126070	-17179
farms that have the agricultural machinery in private ownership	11582	15716	17225	18061	6479
The area of land plots, thousand hectares	292,3	323,8	326,3	329,7	37,4
including those for:					
- construction, maintenance of residential building, household buildings;	33,9	36,8	34,9	35,1	1,2
- managing personal peasant farm;	135,0	203,4	216,1	217,0	82,0
- conducting agricultural commodity production.	112,1	75,7	71,1	72,4	-39,7

Source: calculated by the author according to the data [7, p.146].

According to statistic data, the share of households in total gross production of crop production in 2005 was 78.6%, 2010 – 76.7, 2011 – 73.7 and 2012 – 72.0%

Reduction of specific gravity predetermined first of all increasing of production efficiency on the large-scale agricultural enterprises.

Factors that affect the decline in crop production with the help of personal peasant farms as in the region and as in Ukraine in general, is the lack of funding for such households, low purchasing prices on agricultural products, which leads to their unprofitableness, problems with ensuring the households with fertilizers, pesticides, quality seeds, poor technical security, poor cooperation between PPF, complicated demographic situation in rural areas, etc. Therefore, the rate of growth of agricultural production in PPF of Volyn region lags behind the pace of expansion of land use.

In 2012, farmers grew 416.6 thousand tons of grain and leguminous crops in Volyn, 207.2 thousand tons of sugar beetroots, 1144.1 thousand tons of potatoes, 268 thousand tons of vegetables (Table 2).

In comparison with 2005, it is observed increasing the volume production of major crop products during research period, except sugar beets.

Table 2

Production of main agricultural crops in PPF of Volyn region, thousand tons

Crops	2005	2010	2011	2012	From 2012 till 2005 (+,-)
Grain crops and leguminous plants (in weight after processing)	327,0	326,9	352,8	416,6	89,6
Sugar beetroots (factory)	424,4	145,7	246,3	270,2	-154,2
Potato	965,6	974,5	1120,6	1144,1	175,5
Vegetables	208,1	238,0	263,2	268,0	59,9

Source: calculated by the author according to the data [8, p.119].

Growth dynamics of crop production in the PPF of the region testifies about a rather high stability of these economies to market transformation of the country that allows to orientate on personal farms, both on reserve of growth certain types of plant products.

Higher productivity of land in private farms can be explained by higher levels of labor costs, especially handmade, compliance terms of fulfillment of agronomic crop, cultivated and harvesting, use of organic fertilizers, and in cattle breeding – considerably predominant the degree of providing livestock and poultry in the calculation per 1 hectares [2]. Also good technical equipment of private farms in Volyn plays an important role.

As of the first January 2013 private farms had 18319 tractors, 2551 grain combine harvesters and other trailers and tillage equipments, which is 86.8% and 76.7% respectively to the total number of vehicles available to agriculture of Volyn region (Table 3).

Table 3

The presence of tractors and grain combine harvesters in PPF of Volyn region

Indicators	2005	2010	2011	2012	From 2012 till 2005 (+,-)
Tractors, pieces	10745	15246	17377	18319	7574
In calculation on 1000 hectares of arable land	29	38	43	44	15
Grain combine harvesters, pieces	1692	2498	2564	2551	859
In calculation on 1000 hectares of cereals sowing	13	18	18	18	5
To the total number of available in the agriculture, %					
Tractors	65,6	82,7	85,1	86,8	21,2
Grain combine harvesters	48,4	73,1	74,4	76,7	28,3

Source: calculated by the author according to the data [8, p. 106].

As a result, of this research it has been found that in consequence of fragmentation of agricultural enterprises in the region integration ties that have been established between them and the PPF became less tight, but the share of the latter in crop production is constantly increasing.

Producing the crop production the personal peasant farms not only provide population with food rural but also replenish the stock of fodder for cattle keeping.

In addition, the owners of PPF can earn additional income from the sale of products over the need.

It has been determined that orientation of agrarian reforms on the development of personal sector and small manufacturing led to the growth in the share of the population in agricultural products in 2012, including crop products (Fig. 1).

Nevertheless private households should not be seen as opposed to large farms, but as complementary link, that contributes to increasing crop production and increase income of the rural population in Volyn region.

The specific gravity of farm population in 2012 in the general production of grain and leguminous crops totaled 47.9%, sugar beets – 41.4, potatoes – 98.5%.

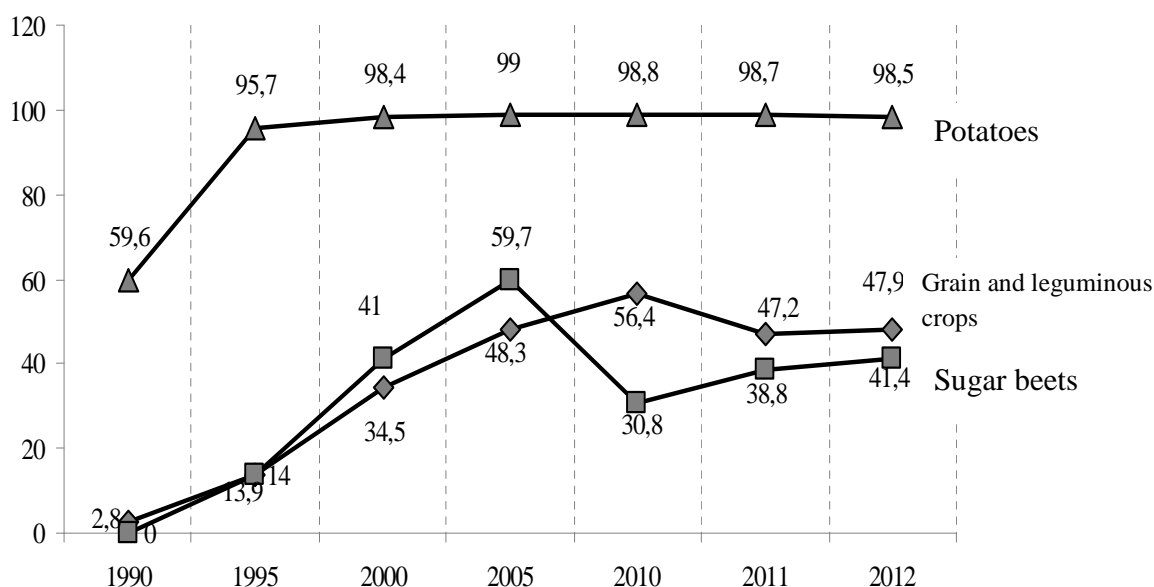


Figure 1. The specific gravity of private households in Volyn region in the production of the main kinds of crop production, % to the total volume

Source: constructed by the author according to the data [8, p. 104].

So, considering the crop production by personal peasant farms, you should focus attention on the following.

First of all let's note that the PPF is the most widespread and numerous forms of management that provides food security, while reducing agricultural production in selected agricultural enterprises.

For the majority of farmers such farming is the main source for satisfaction of own needs of nourishment and income from the sale of surplus production, including crop products.

Residues of products usually implemented in understated purchase prices, which does not contribute to the profitability of households.

Also, the low availability of high quality seed, fertilizers, pesticides, lack of technical equipment, often remoteness from markets and other factors creating in the region the objective necessity of association of private farms and agribusiness participants to provide favorable conditions for the functioning of all participants in the agricultural market. By solving this problem may be, for example, accelerated the development of service cooperatives that will contribute to the stability of the mentioned households, their economic independence, and will improve the living standards of the rural population in Volyn. It is reasonable to pay special attention to this area of development explaining the advantages of cooperation to owners of PPF not only in supplying resources but also in the economically profitable marketing of products. In this context, the assertion of famous scholars as Krysanov D.F. and Udova L.O. is reasonable. They believe that agricultural service cooperatives aimed at promoting of economic and social interests of the PPF owners, making small producers on equal subjects of agricultural market. Only through it farmers can receive quick and convenient access to credit resources, processing and sales markets [2].

Conclusions and further research. Based on materials of the conducted research, it has been determined that private households played and continue to play an important role in crop production of Volyn region, as they are not only a special form of ownership, but also agricultural production.

It has been determined that specific gravity of households in the total production has a very stable performance. This is achieved through significant material costs and labor resources. The successful functioning of personal peasant farms to some degree depends on the effective management in the large agricultural enterprises. In this regard necessity of development integration links in the current conditions of market relations with other forms of management is becoming more apparent. The objective conditions of PPF development determine the necessity of combining them with various forms of entities to create their own organizational and legal structures that will allow significantly to improve conditions of processing and sales, purchasing high-quality seeds, fertilizers, pesticides and implementation of production and maintenance service, etc. Serving agricultural cooperation is an effective mechanism for improving the

competitiveness of indicated farms. Optimization of the cost of these manufacturers for the purchase of production means, organizing the storage and processing of agricultural products and channels of its distribution and, consequently, increased of owners income of PPF possible thanks to their association into the cooperatives. Therefore, the further researches should focus on the scientific substantiation for the widespread development of agricultural service cooperatives to enhance the profitability and economic stability of private households and other forms of small agricultural business in rural areas.

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Holiy N.P. THE ROLE OF PERSONAL PEASANT FARMS IN THE PRODUCTION OF CROP PRODUCTS IN VOLYN REGION

The purpose. The purpose of this study is the analysis and evaluations of the current state of major crop production by the farms of Volyn region and determination the perspective areas of their development.

Methodology of research. The object of research is the process of functioning personal peasant farms that were created in Volyn as a result of market transformation of the agrarian sector of economy in Ukraine. The subject of research is a set of theoretical, methodological and applied aspects of personal peasant farms at the regional level.

The general and specific research methods that are based on the objective laws of the market economy were used during the research: theoretical generalization and scientific abstraction – in studying and analysis of recent publications on the selected issue; economic and statistical (statistical observation, comparison, tabular, graphical) to assess the current state and the major tendencies of personal peasant farms development in Volyn region; abstract and logical – for the implementation generalizations and formulation of conclusions.

Findings. As a result of the study it has been established that the personal peasant farms played and will continue to play an important role in the production of crop products in Volyn region. It has been determined that specific gravity of households in the total production has fairly stable indicators.

The objective conditions for further development of PPF determine the necessity of their association into agricultural service cooperatives that will provide a real opportunity to significantly improve the conditions of processing and realization of products, purchasing high-quality seeds, fertilizers, pesticides, implementation of production and maintenance service.

Originality. Scientific novelty of the obtained results is the improvement of substantiation the role and importance of agricultural service cooperatives in the development of PPF in Volyn region, that provide the formation of stable sources of financial resources and sales channels for crop and livestock products, ensure the clear scheme purchase and sale of products, reduce the number of intermediaries, increase incomes of households and contribute to the improving of their living standards.

Practical value. The practical significance of the obtained results is to develop the theoretical positions and practical recommendations to create the necessary organizational and economic conditions for the effective development of personal peasant farms in Volyn region.

Key words: personal peasant farms, household, production, crop products, agricultural service cooperatives.