# The Sustainable Socio-Economic Development of Rural Areas in Terms of Development of Organic Farming

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**Abstract.** Sustainable socio-economic development of rural areas of the Altai territory in the development of organic farming remains an urgent task. The irrationality of crop management is manifested in the low culture of agriculture, the increased level of unprofitability of territories, which ultimately leads to indifferent farming in the region. The article substantiates that among the internal factors of socio-economic development of rural areas one of the main is the production-territorial localization, represented by the territorial-production localization of raw materials and commodity markets. Production and territorial localization of rural areas allows us to assess the development trends of a single territory, its economic potential in the direction of organic agriculture, as well as contributes to the development of appropriate measures of regional socio-economic policy.

#### 1. Introduction

As are result of economic transformation in Russia were structural changes in the economy of the regions, resulting in its turn strengthen not only interregional differences, but the differentiation of socio-economic development of the municipal entities at the level of the constituent entities of the Russian Federation. The greatest polarization is observed when comparing the indicators of development in rural and urban areas; the countryside in many regions has evolved into an area of poverty and social deprivation. While rural areas have their own characteristics, determining the pace of social and economic development not only of each, but the pace of regional development. Production-territorial localization of rural areas allows us to estimate the trends and their economic potential in the direction of the development of organic agriculture, contributes to the development of appropriate measures of regional socio-economic policy. When the Processes, that determine the local territories, differentiation within studied enough. The Research in the field regional economy in this issue aim to assess the impact of determinants of interregional differences. Available single study of differentiation of rural territories are aimed primarily at assessing the level and quality of life of the rural population, development of social infrastructure, which makes it difficult to assess comprehensively the impact of multiple determinants of socio-economic development of rural areas.

## 2. Research methods

Submitted by the study is based on the study of sustainable territorial development based on the integrated use of branch, resource and environmental capacity-building, the formation of the organizational and economic relations of the subjects of the sustainable development, in particular

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towards the development of organic farming. Achieving the goals of the research is guaranteed by the use of a critical analysis of literature sources, general scientific methods-systems approach, methods of analogies, and abstract, logical, monographic, statistical and economic methods. Methodological basis is a systemic approach allowing for complexity and focus of research.

#### 3. Analysis results

Among the internal factors of the socio-economic development of rural areas, one of the main supplies is territorial localization, which is represented by clusters of commodity markets and product localization products. The Development conditions of the local market are: territory; natural resources; the level of competition on the local marketplace; manufacturers, buyers of raw materials and products; logistics infrastructure. Market subset is considered from the point of view of territorial-economic market objects and their specialization, the nature of the end-use of the goods, as well as the territorial coverage, determines demand for raw materials and finished products.

From the perspective of resource-functional aspect, objects, food of the local market, it seems necessary to split into controllable and uncontrollable resources, moreover, it is advisable to divide the market for objects functional production and resource, as there is a significant difference markets logistics and resources, for example, dairy and food processing industry.

The territory of the Altai region amounts to over 168 thousand km2 and borders with Kazakhstan, Novosibirsk, Kemerovo areas, China and Mongolia. The Administrative Division consists of 59 districts with is population of 2384.8 thousand., taking place in the Russian Federation 22 (1.63% of the total population of the Russian Federation). The 1000 urban 786 inhabitants of rural residents with an average Russian level 351, SFO-376 people. (Percentage of urban population is 56%, agriculture-44%). The population density in the province is 14.2 per. 1 km2, and the average density of the rural population had fallen to 6.2 persons on 1 sq. km (65% level, 1995.) [1, 3]. Among the economically active population include 65.3% of the inhabitants of Altai Krai. The region's geographical location at the intersection of transcontinental transit freight and passenger flows allows rationally arrange logistic flows [1].

Altai region produces are fifth of the agricultural products of the Siberian Federal District with is population of 12 and 4% of the territory of Siberia. On the volume of agricultural production, Altai region is the leader among the regions of the Siberian Federal District with more than 20% segment [3.4]. While correlation summary (the economic potential of the region, regional efficiency, competitive advantages) and integral indicators suggests that the economic potential of the effectiveness of the basic branches of economy provides the greatest impact on end results- correlation coefficients constitute 0.861 and 0.796 respectively [3].



**Table 1.** The Socio-economic development of rural territories, Altai Krai, 2013-2016, the average [4].

	Agric	cultural						
Indicators		otal	includi with gravity househ total produc less 40%	olds in	Industry	Provision of services	Diversified economy	In average
Number of areas, %	22	<u>+5</u>	5	17	2	4	32	X
Specific gravity, % of population	26,3		6,5	19,8	5,0	9,6	59,0	X
in the production of agricultural products	35,3		12,7	22,5	3,8	5,4	55,5	X
in industrial production Was per capita, thsd. rub.	13,3		7,3	6,0	18,1	6,8	61,8	X
agricultural products	110, 4	160,5	93,8	63,3		46, 3	77,4	82, 3
industrial products	24,2	53,5	14,6	173,7		33, 7	50,3	48, 0
paid services	49,8	51,3	49,3	56,4		121 ,8	62,2	64, 4
investment in fixed assets	16,1	25,7	12,9	17,9		76, 0	18,2	23, 2
Own budget revenues per capita, thsd. rub.	8,7	10,1	8,2	7,8		9,9	7,3	7,9
Population growth rate,%	19,3	-10,3	-22,3	-5,0		12, 3	-11,7	13, 4
including natural	-2,9	-2,0	-3,2	0,0		-1,1 -	-2,0	2,0
migration	16,5	-8,3	-19,2	-5,1		11, 2	-9,7	11, 4
The proportion of the population of working age,%	25,8	25,6	25,8	23,8		30, 6	25,3	25, 8
The proportion of old and dilapidated housing,%	4,8	3,9	5,1	1,6		2,6	1,8	2,7
Fiscal self-sufficiency ratio%	54,4	61,9	51,8	61,9		60, 3	53,7	55, 0

The Determinants of competitiveness and socio-economic development of the region are the level and the quality of life of the population of rural areas, as evidenced by specialization, especially investment, density population by municipalities of Altai region Diversity of natural economic zones in Altai region predetermined their territorial specialization. Per capita income in 2015, was agriculture at 91.9 amount thousand rub., 2016 -95.5 thousand. rub., 2017-110.1 thousand rub. (tab. 1).



#### 4. Discussion

Rural territories financing regional and departmental targeted programmers per capita varies: from 1949 rub. (Shipunovsky district) to 6517 rub. (Kosikhinsky district). [2, 4, 18, 15], taking into account the specialization of municipalities provincial financing programs higher in diversified areas, as well as in areas whose main activity is connected with agricultural production in peasant (farmers ') holdings and agricultural enterprises and 3.25 thous. rub. 2010 respectively, and 1.57 2.16 thous. rub. in 2015 (table 2).

**Table 2.** The financing of provincial, departmental targeted programmes in the Altai region, taking into account the specialization of rural territories, thous. rub. per capita [3].

Specialization		2010 г.	2012 г.	2015 г.	
Production of agricultural products		3,14	4,97	2,29	
including areas with specific gravity of households in	less 40%	3,25	6,77	2,16	
gross agricultural output	more 40%	3,03	3,99	2,33	
Production of industrial products		2,75	4,72	1,11	
Provision of services		3,21	8,07	1,18	
Mixed specialization		3,32	4,52	1,57	
In average		3,21	5,02	1,70	

However, not all rural areas of the Altai region use the potential of attracting additional financial resources: most of the municipalities of the eastern part of the region (Zarinsky, Zalesovsky, Kytmanovsky, Talmensky, pervomayskiy, Salton, Krasnogorsk, etc.) did not participate in the cofinancing of the activities of the municipal development programs targeted to small and medium businesses. In each area of development is expected to 1-5 farms with investment sizes up to 6 million. rub., development of consumer of agricultural cooperation, roadside service and domestic services, crafts, organizing, service stations, repair shops, fast food items, dental surgeries [2, 11]. A significant number of projects proposed for the tourism industry, including recreation, pottery and stone-carving workshops, mini-zoos, mini-farms, resorts, estates for rural tourism, parks with fountains, tourist-sports complexes etc.

## 5. Conclusion

In our view, provide a gradual transition to the principles of organic farming and increase competitiveness of domestic agricultural producers is possible when organizations in agricultural regions of the country local agro-scientific and innovative associations (clusters), focused on the production, processing, storage and realization of ecological agricultural products, to which it is proposed to apply the term—zonal agricultural cluster [1]. Unlike traditional cluster formations in the zone is expected to create agricultural cluster project laboratory certification, tourist-recreational and ecological-cultural-educational sector. The expediency of holding an umbrella certification produced organic products and production processes in agricultural cluster. In zonal agricultural cluster will be merged into a single cycle of all planning processes, scientific rationale, production, processing, storage, sale, certification of organic products of agriculture, i.e. from inception business idea to its realization in a certified organic product. Zonal approach to the formation of agricultural cluster due to significant differentiation isolated areas on natural climatic potential, soil fertility, population density, infrastructure, road transport accessibility, availability of product markets, as well as the tourism and recreational potential of the territory.

We believe that the activities of the zonal agricultural cluster can have a significant positive effect on the level of economic, social and environmental development of rural administrative territorial formations of the region by enhancing the regional market as organic and produced according to the traditional technology of agricultural products, complete and ecologically balanced land use,



development of innovative agricultural technologies, improve employment of rural population, intensification of agricultural cluster areas of environmental infrastructure, expanding the taxable field, improving sustainabilityceльскохозяйственных organizations and innovative activity in the region.

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