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TÍTULO: Sobre la reforma de la propiedad de la tierra en el contexto de las posibilidades heurísticas.

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RESUMEN. El artículo incluye las consecuencias de la reforma de la propiedad de la tierra implementada desde los años 90 y sus fundamentos conceptuales, así como un concepto constructivo para su ajuste sustancial. Se muestran tendencias de crecimiento en el marco de la norma de reforma agraria implementada, y se concluye que un cambio en la situación actual de las relaciones de propiedad de la tierra no está relacionado con la forma de propiedad, sino con un rechazo decisivo de los postulados ultra-liberales y el desarrollo del concepto de ajuste de la reforma agraria, además, que una política nacional efectiva de propiedad de la tierra y que sus relaciones de propiedad son el eslabón más débil en la economía agraria rusa.

PALABRAS CLAVES: propiedad de la tierra, especulación, grandes terratenientes, posesión.

TITLE: On land ownership reform in the context of heuristic possibilities.

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ABSTRACT: The article includes the consequences of the reform of land ownership implemented since the 90s and its conceptual foundations, as well as a constructive concept for its substantial adjustment. Growth trends are shown within the framework of the agrarian reform rule implemented, and it is concluded that a change in the current situation of land ownership relations is not related to the form of property, but rather to a decisive rejection of land ownership. In addition, ultra-liberal postulates and the development of the concept of adjustment of the agrarian reform, that an effective national policy of ownership of the land and that their property relations are the weakest link in the Russian agrarian economy.

KEY WORDS: land ownership, speculation, large landowners, possession.

INTRODUCTION.

In accordance with the conditions of rapid economic history, which imply a change in the priorities of the location of production factors, the central place in the scientific research of the 21st century is given to the information resources, nano- and biotechnologies, creative human potential [Maksutina E.V., Makarov A.N., Nazmeev E.F., Alpatova E.S., 2014].

Often, the land, which is the most important resource of agricultural production and an indispensable condition for the reproduction of people's lives, remains in the shadows. At the same time, the relevance and value of this limited, unique and irreducible agricultural resource not only

within a single country, but throughout the world as a whole, increases, especially given the consequences of post-industrial development, urbanization processes, and food security as the main goal of agrarian policy in general, which serves as a pledge to ensure the real sovereignty of the country, an integral component of its national security [McMichael P., Schneider M., 2011; Lawrence G., McMichael Ph., 2012]. Moreover, there is reason to assume that in the near future, according to experts, the oil era will be replaced by the era, in which the priority issue will be food shortages, thus the food will be a leading factor in world politics, thus immeasurably increasing the role of land use and economic implementation of land ownership.

DEVELOPMENT.

Methods.

Traditionally, in the scientific literature, the economic efficiency of property relations is considered within the framework of the theory of property rights using transaction costs, calculating the net present value, the internal rate of return, the profitability index, the payback period of investments.

The main goal of our research was to analyze the land ownership relations in modern conditions from the point of view of ensuring their qualitative features related to economic power, and formation of necessary and sufficient conditions for the entrepreneurial activity. In an institutional sense, it is important who owns the resource involved in the process of food reproduction, and hence the level of food security is largely determined by the effective implementation of land ownership [Duncan J., Barling D. 2012; Makarov A.N., 20174]. We also used the data on trends in arable land per capita.

Results and Discussion.

By considering the land resources primarily as a base for the production of agricultural raw materials and food, it should be noted that one of the significant factors in the growth of their

importance is the accelerating dynamics of the world population growth.

The number of inhabitants of the planet reached 1 billion over a period of 10,000 years (1800), after additional 130 years, this number was subsequently doubled (2 billion – year 1930), and only about 40 years was necessary for one more doubling (year 1974), which may serve as a basis for the conclusion of a population explosion.

It is obvious that a growing number of the world population needs to produce an increasing amount of food, including, demonstrating the constant growth of world demand for cereals on average by 2.3% per year. Considering that more than 795 million people are starving today, that the world population is increasing by 1 billion every 12-14 years, and the demand for food is increasing every year in the world, and according to forecasts, the number of inhabitants can reach up to 10 billion by about 2050 (despite the fact that the proportion of people of retirement age will exceed all other age groups for the first time in the history of mankind). It is predicted that the volume of world food production will double [Samuelson Robert J., 2011]. All this clearly suggests the expansion of arable land, whose resources are very limited in the world [Sukharev O.S., 2015].

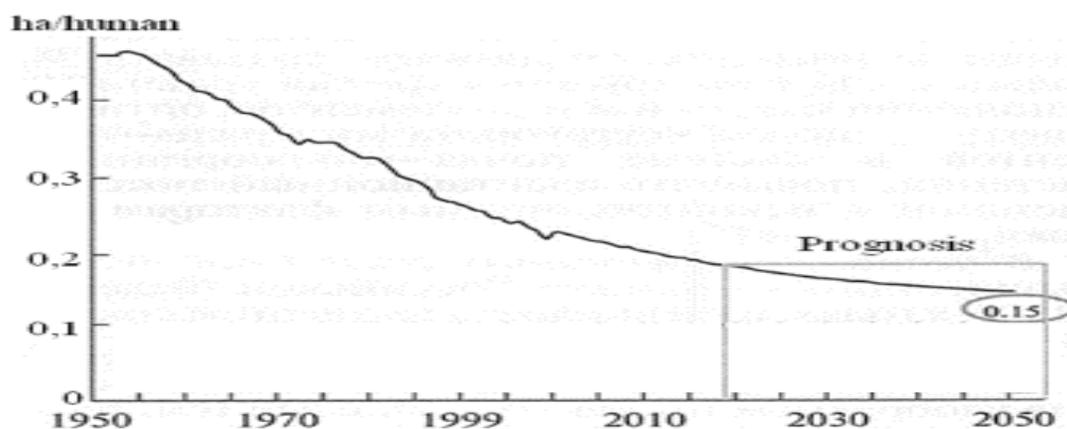
There are significant differences in the degree of land supply of the countries. At the same time, the location of the leading agrarian powers owning the largest land resources of the world (USA, India, China, Russia, Brazil, Australia, Canada, Ukraine, etc.) [Rubanov I., 2008] varies significantly in terms of arable land per person: the top lines are occupied by Australia (2.47 ha/person), Canada (1.46 ha/person), Argentina (0.89) and Russia (0.86 ha/person), while in the most densely populated countries (China and India), these indicators are the lowest (0.43 hectares and 0.17 hectares, respectively).

There is also a huge gap in such an important feature of the relationship between the number of population and the Earth's territory, as the population density, which averaged 54.3 people per square kilometer at the beginning of the year 2016, while in countries with the highest density:

Monaco - 16,500 people/sq .km., Singapore - 7,326 people/sq. km., in the countries with the lowest density: Australia - 3 people/sq.km, Namibia - 3 people/sq.km, Mongolia - 2 people/sq.km. The indicators of population density in Russia is - 8, in Kazakhstan - 6, in the USA - 33. [Proceedings of the International Scientific-Practical Conference Dedicated to the 85th Anniversary of the All-Russian Scientific Research Institute of Agricultural Economics. Part I. - M.: FGBNU VNIIESKH, 2015, p. 17]

At the same time, due to the growth of the world population, the process of urbanization, soil erosion, their desertification and other destructive processes on a global scale, the global trend is a fall in the supply of agricultural land. 7% of fruitful soils are lost in the world every ten years and 12 million hectares of deserted land are added every two years, respectively, and the specific arable land area per inhabitant is constantly decreasing (Fig. 1). [Kudeyarov V.N. 2015, p. 772]. Although, at the same time, the FAO's data on 3 billion hectares of potentially usable farmland look quite paradoxical (only 400 million hectares of fertile land are not used in 25 countries in Africa). However, colossal investments of labor and funds not yet possessed by these countries are required for their introduction into real turnover. In the conditions of huge and steadily growing demand for the agriculturally suitable lands in the world, only the United States and Russia practically have free land resources today.

Fig. 1. Dynamics of arable land area per person in the world, hectares/person.



It would seem that Russia has unique agrarian opportunities and potential associated with its world leadership in arable land, possessing almost 40% of the world's black soil areas - soils characterized by the highest natural fertility, and, therefore, competitive advantages, the most important of which is extensive nature of Russian agriculture, which makes it possible to produce the ecologically clean products in the vast expanses of the country, the volume of which is very limited worldwide. On Food Security of Russia: Report of the Group of Experts of the Izborsk Club under the Leadership of Academician of the RAS S.Yu. Glazyev. - Access mode: <http://izborsk-club.ru/content/articles/1725/>, Isaeva, T.N., L.N. Safiullin, N.G. Bagautdinova and R.N. Shaidullin, 2013]. Thus, Russia, possessing a serious potential of land resources, would be able to position itself as an exporting country of food grains for a significant part of the world increasing population [Bagautdinova, N.G., S.K. Eshugova, U. Saipullaev and E.A. Karasik, 2013].

It is regrettable to state the actual results of the reform, which began with the Law “On Land Reform” in 1990, associated with deformed models of the economic implementation of land ownership, the tendency of “shadowing” growth in land relations.

Russian reforms are carried out on the basis of neoclassical doctrine, implicitly, and sometimes openly understanding the ownership as only the right to private property. At the same time, the modern liberal dogma does not take into account the existing complex of sufficiently significant factors that objectively “drop” the priority of private land ownership at the lowest point today. Hence, the framework and heuristic possibilities of neoclassical theory do not allow determining the root causes of the increasing dynamics of the negative results of land reform, which need fundamental adjustments.

For a scientific explanation of the existing paradoxes, their respective assessment and the development of a constructive concept of resolving systemic contradictions, an appeal is needed to

the political economy interpretation of land ownership and its reform based on the reproduction approach.

The theoretically erroneous basis of the land reform, which has been carried out for more than a quarter of a century, is the idea of transforming Russian peasants into title owners with securing the right of ownership of land plots and isolating them in kind. However, according to the theory and practice of land relations, including foreign countries, the continuation and completion of the reform in the form in which it is started, will lead to the fact that the free land market will inevitably evolve towards the formation of a layer of large landowners. In this regard, the problem of victims and deceived land shareholders has acquired particular urgency for Russia.

It can be stated, that already today, a significant part of the owners of land shares that are not directly connected with agricultural production, which is a group of rentiers, have access to the parasitic appropriation of land rent that the society will have to pay; today a highly profitable speculative land market associated with cheap buying of land shares from rural residents with their subsequent resale at the market price with a change in the land category is thriving.

One of the manifestations of the land market "shadowing" is the rapidly growing wave of detectable crimes committed by the executives at various government levels throughout the country in the past decade and related to violations of the law on land management. In fact, the current state of affairs has a corresponding political and economic explanation, and is a practical confirmation of the statement made by T.J. Dunning and cited by K. Marx in "Capital" that the presence of sufficient profit can greatly change the fearful nature of capital, and when the capital gains courage at a high profit rate, it violates all human laws, commits crimes, risking even under the threat of a gallows [Marx K. Capital., 1983].

According to the available information, foreign financial assets (primarily venture capital funds), including previously exported from the country, are involved in shadow land transactions. From 35 to 99% of the shares of about half of large Russian agricultural producers directly or indirectly belong to foreign owners.

In addition, today land speculation has received new incentives associated with rising prices for agricultural land (see: Table 1) caused, among other things, by a comparative improvement over the past few years of gross harvest and grain exports.

Table 1. Dynamics of prices of the most valuable farmland in Russia (per 1 hectare) Compiled by:

[15].

	Price (RUB 000s)	Price (dollars)	Price increase (in 2012-17) (%)	Price increase On average per year (%)	Price increase in 2017 (%)
The South of Russia	95-126	1450-2100	220	17.3	60
Central Black Earth Region	35-41	550	200	15.2	25
The Volga Region	18	300	140	7	16

For 2012-2017, according to expert estimates, the prices for the most valuable farmlands increased 2.2 times in the South of Russia (annually by 17.3% on average), in the Central Black Earth Region - 2 times (annually by 15.2%), and in the Volga region - 1.4 times (annually by 7%); and the prices increased by 60%, 25%, and 16%, respectively, in 2017 alone.

At the same time, the highest price for a land plot in the Krasnodar Territory of Russia, equal to 2,100 US dollars per hectare, is about three times cheaper compared with the lands of Eastern Europe (Romania, Poland, Lithuania) noticeably inferior to it under the natural conditions, not to

mention the level of land prices in the UK (from 20-30 US thousand dollars on average), as well as in the USA (where the arable land costs between 5 and 12 thousand US dollars for investors).

The comparative cheapness of Russian lands guarantees, at the same time, a sustained interest from the foreign investors in buying it. It can be assumed that this explains the current situation when a significant part (according to various estimates, from 40% to 45%) of the domestic grain market is controlled by the foreign companies (BungeLimited, CargillInc., GlencoreInt.AG, LouisDreyfusGroup, Nestle SA and others) to a large extent. Thus, the practice confirms the obviousness of the political and economic conclusion that the legalization of private land ownership inevitably forms a shadow turnover, ensures its direct pushing into the field of speculation in the conditions of its current extremely low price. This is favored by the technology of land acquisition with money capital brought to perfection today, and as soon as lands (usually the most valuable) become a commercial asset and a subject of financial speculation, they inevitably pass into the hands of shadow buyers and creditors [Wegren S. 2011].

The consequences of the transfer of land ownership into the hands of foreigners in the developing countries as a way of investing in agriculture already have a corresponding assessment in the world, they also summarized the negative experience of the so-called “land grabbing”, the influence of foreign investors on the land price, on the possibility of land access for rural residents (there are the facts of their washing out from the agricultural employment and rural areas).

In summary, the essence of the constructive position is to turn around the agrarian reform in the direction of maximum favoring entrepreneurial land ownership, creating a mass agricultural producer while retaining title ownership of the state, which implies a decisive rejection of ultra-liberalist postulates. This approach is based on the fact that:

1) Land ownership is an internal system-forming factor of property relations, and this institution is a necessary and sufficient condition for stimulating the development of entrepreneurship, the implementation of effective land reforms in Russia.

2) In accordance with theoretical principles and foreign practice, title property is not required for the organization of effective agricultural (farmer) entrepreneurship, the producers can quite efficiently farm on the leased land.

3) Sustainable development and effective implementation of land ownership are possible under the state ownership, it is sufficient to develop the institute of land lease for this purpose, which allows carrying out rational control over production and movement of funds. Provision of the sale of agricultural products without the pressure of the multi-tier system of dealers and the market monopolization could be a completion of the reproductive cycle.

CONCLUSIONS.

The development of an appropriate positive concept of land reform is associated with a decisive rejection of ultra-liberalistic postulates, while affecting the conflicting interests of various subjects of land relations, and, above all, the direct producers of agricultural products. With such development of market processes in land transactions, not the title property rights, but the rights to own and use will have priority. Due to the fact that the acquisition of the right to lease requires less one-time funds than the land purchase, many agricultural producers will be able to freely access the main agricultural resource, thereby making the economically unhindered access to land to reduce the barriers to entry in this industry for the producers not having sufficient funds for the land purchase, reducing marginal costs, expanding the supply of food products, and in the end, it will be a new impetus for the development of entrepreneurship in the country's economy as a whole.

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