

LEASECON 2020**International Conference «Land Economy and Rural Studies Essentials»****HUMAN CAPITAL IN THE DEVELOPMENT OF NON-
AGRICULTURAL ACTIVITIES IN COUNTRYSIDE**

Boris Voronin (a)*, Yana Voronina (b), Dmitry Bagretsov (c), Nikolay Simonovich (d),
Irina Chupina (e), Yuri Chupin (f), Izabella Dambayeva (g), Oleg Gerasimov (h)

*Corresponding author

(a) Ural State Agrarian University, Karl Liebknecht street, 42, Yekaterinburg, Russia, voroninba@yandex.ru

(b) Ural State Agrarian University, Karl Liebknecht street, 42, Yekaterinburg, Russia, voroninba@yandex.ru

(c) Ural State Law University, Komsomolskaya street, 21, Yekaterinburg, Russia, bagretsov75@yandex.ru

(d) Russian State University for the Humanities, Miusskaya square, 6, Moscow, Russia, nsimoni@mail.ru

(e) Ural State Agrarian University, Karl Liebknecht street, 42, Yekaterinburg, Russia, dink571@list.ru

(f) Ural State Agrarian University, Karl Liebknecht street, 42, Yekaterinburg, Russia, dink571@list.ru

(g) Ural State Law University, Komsomolskaya street, 21, Yekaterinburg, Russia, div.999@yandex.ru

(h) Ural State Law University, Komsomolskaya street, 21, Yekaterinburg, Russia, gazeta@usla.ru

Abstract

The development of economic activity is carried out in rural areas in two directions. The first and main direction is the functioning of the agricultural economy with the use of land, water, forest and other natural resources. The main task of agricultural activity is the production of agricultural products, raw materials and food. This helps to ensure food security as well as jobs for rural people. Unfortunately, the organizational and legal forms of farming in the countryside have changed in the context of socio-economic transformations caused by modern land and agrarian reforms. In addition, the number of economic entities dropped sharply. Many rural settlements do not have agricultural organizations and an agrarian economy today – for the above reasons. The issue of employment of the rural population and the provision of its well-being is relevant especially in connection with the same reasons. The development of non-agricultural activities in rural areas can be a solution to these problems. The authors consider in the article precisely the second direction of development of economic activity in rural areas – non-agricultural activities. The authors of the article investigate how the legal regulation of various types of activities that are not related to agricultural production affects the well-being of the rural population.

2357-1330 © 2021 Published by European Publisher.

Keywords: Human capital, legal regulation, non-agricultural activities, rural areas, rural economy



This is an Open Access article distributed under the terms of the Creative Commons Attribution-NonCommercial 4.0 Unported License, permitting all non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

1. Introduction

Today there are no agricultural organizations and no agrarian economy in many rural settlements. In this regard, the issue of employment of the rural population and ensuring its well-being has become especially acute. These tasks can be realized in the context of the development of non-agricultural activities in rural areas. This task is relevant in the current conditions.

Non-agricultural activities have existed for a long time in the rural areas of Russia. The villagers were engaged in non-agricultural activities during the period when mass agricultural work was not carried out. Non-agricultural activities were also an occupation for those who did not work in agricultural organizations.

In Soviet times, the system of consumer cooperation (general sales, district and other structures) was involved in the organization of production, purchase and processing of certain types of products.

A significant number of the rural population was involved in non-agricultural activities with well-organized work. They received income from such activities.

This study looks at a number of non-agricultural activities that have developed alongside agricultural organizations.

2. Problem Statement

The specifics of the rural economy and employment of the rural population determined the problems of the study. Agricultural activities can not provide full employment for rural residents, and consequently, the level of well-being of villagers, the level of quality of life. Accordingly, the village will not be able to develop. A variety of non-agricultural activities can and should be organized in rural areas of the Russian Federation. Such activities will contribute to the development of the rural economy and provide permanent employment for rural residents.

3. Research Questions

Non-agricultural activity in rural areas is the subject of research by the authors of this article. The authors consider how the development of non-agricultural activities in rural areas can affect the development of the rural economy as a whole. The authors also study the legal regulation of non-agricultural activities. We can identify several types of non-agricultural activities, for example:

The use of forest products is one of the types of non-agricultural activities. First of all, this is timber harvesting. The use of wild plants is becoming increasingly popular all over the world due to their ecological purity and high biological value.

Subsoil, prospecting and development of minerals is another type of non-agricultural activity.

Citizens and legal entities can engage in the extraction of widespread minerals in accordance with the law of the Russian Federation "On Subsoil"

4. Purpose of the Study

Analysis of the legal regulation of the organization of non-agricultural activities in rural areas, in which human capital can be employed, is the purpose of the study.

5. Research Methods

We used the following methods to achieve the goal: methods of analysis, synthesis, generalization, economic forecasting, environmental legal, sociological.

6. Findings

Forest products

The use of forest products is one of the types of non-agricultural activities. Let us look at this area first.

Legal regulation of the procurement and purchase of products growing in the forest is currently carried out by the norms of the Forest Code (2007).

What types of work in the forest are permitted by the Forest Code of the Russian Federation? First of all, this is timber harvesting. Article 29, paragraph 8 of the Forest Code establishes that citizens and legal entities harvest timber on the basis of lease agreements for forest plots, as well as on the basis of agreements for the sale and purchase of forest plantations (in the case of timber harvesting without providing a forest plot).

Harvested wood is subject to further processing into lumber, timber, boards and other products. In some cases, harvested wood can be sold with the appropriate registration of legal documents in unprocessed form, both within the Russian Federation and for export.

1. Harvesting resin is an entrepreneurial activity associated with tapping coniferous forest plantations, storing resin and removing it from the forest.

2. The harvesting of resin is carried out in forests that are intended for harvesting wood.

3. Citizens, legal entities are harvesting resin on the basis of forest lease agreements.

Harvesting and collection of non-timber forest resources is regulated by article 32 of the Forest Code of the Russian Federation.

1. Harvesting and collection of non-timber forest resources are an entrepreneurial activity associated with the removal, storage and export of the relevant forest resources from the forest.

2. Stumps, birch bark, bark of trees and shrubs, brushwood, branch fodder, spruce, fir, pine paws, spruce for New Year's holidays, moss, forest floor, reeds, reeds and similar forest resources are non-wood forest resources. Harvesting and collection of non-timber forest resources is carried out in accordance with the Forest Code of the Russian Federation.

3. Citizens, legal entities harvest and collect non-timber forest resources on the basis of forest lease agreements.

Article 34 of the Forest Code of the Russian Federation regulates the harvesting of food forest resources and the collection of medicinal plants.

1. Harvesting of food forest resources and collection of medicinal plants are entrepreneurial activities associated with the removal, storage and export of such forest resources from the forest.

2. Wild fruits, berries, nuts, mushrooms, seeds, birch sap and similar forest resources are classified as food forest resources, which are harvested in accordance with the Forest Code.

3. Citizens and legal entities harvest food forest resources and collect medicinal plants on the basis of forest lease agreements.

4. Citizens, legal entities engaged in harvesting food forest resources and collecting medicinal plants may place dryers, mushroom breweries, warehouses and other temporary buildings on the forest plots provided to them.

Russia ranks first in the world in terms of reserves of wild-growing mushrooms and berries. According to expert estimates, the average annual operational or commercial harvest of wild mushrooms is 2.2 million tons, of main berries - 4.75 million tons. The biological harvest of mushrooms and berries is twice as high.

The use of wild plants is becoming increasingly popular all over the world due to their ecological purity and high biological value. This is also due to the social significance of this type of activity in our country.

A distinct trend of changing priorities in the formation of the consumption structure towards environmentally friendly, natural products has been outlined in recent decades. The development of collecting as a business has become relevant in modern economic conditions. At the same time, we must distinguish the industrial production of mushrooms and berries from the collection of wild ones. Many large firms combine both types of business in practice, but in the future we will consider only the direction associated with wild plants.

This business is focused on the collection and processing of wild-growing raw materials: mushrooms, berries, nuts, in the structural and technological aspect.

The commercial significance of a particular type of raw material differs significantly depending on the existing structure and volume of demand. The following areas are the most demanded in today's market conditions (Organization, experience of harvesting and processing forest food resources, 2010).

1. Mushrooms: white mushroom boletus (*Boletus pinicola*), white birch mushroom (*Boletus edulis*), real *Lactarius*, *Lactarius dry*, ginger, chanterelle, orange-cap boletus. Collecting porcini mushrooms is the most valuable, redheads (gingers) and *Lactarius* are also very popular. Chanterelle can be interesting in certain periods when crop failures occur in competing regions.

People collect other types of mushrooms only along the way. And these mushrooms usually do not allow for profit.

2. Wild berries: bilberries, cranberries, lingonberries, blueberries. Bilberries are of the greatest commercial importance. This berry is widely known on the European market and is always sold in any volume at competitive prices, guaranteed.

Nurseries in China and Poland supply berries such as currants, raspberries, strawberries, wild strawberries, mainly.

3. Shrub fruits – rose hips, mountain ash, bird cherry, viburnum – are a separate area associated with the preparation of medicinal herbs. A very sharp variation in prices for these berries is always observed depending on the region.

Honeysuckle can be very interesting commercially if it is possible to harvest commercially significant volumes of honeysuckle annually (at least 10 tonnes).

We must emphasize how priorities have changed today compared to the traditions of consumer cooperation in the Soviet Union. At that time, not only the mentioned positions, but also birch sap, wild garlic, bracken fern were actively harvested.

Now the business is developing only in those areas that are guaranteed to be in demand in the market and have a tendency to increase sales.

Subsoil

Citizens and legal entities can engage in the extraction of widespread minerals in accordance with the Law of the Russian Federation No. 2395-1 "On Subsoil" (2001).

Article 18 of the Law of the Russian Federation "On Subsoil" regulates the procedure for the provision of subsoil for the development of deposits of common minerals.

The following minerals are common:

- mudstones and siltstones (except for those suitable for use in the cement industry);
- pebbles;
- clay (except for refractory, refractory, molding, for the porcelain-faience and cement industries, floridin, bentonite, palygorskite, acid-resistant and kaolin);
- gypsum (except for decorative and ornamental, for the cement and medical industries);
- gravel;
- diatomite,
- tripoli,
- flask (except for those used in the cement and glass industry);
- dolomite (except for sawing, facing, for the metallurgical, chemical and glass industries);
- limestone (except for bituminous, facing, sawing, for the cement, metallurgical, chemical, glass, pulp and paper and sugar industries, as well as for the production of alumina);
- chalk (except for chalk for the cement, chemical, glass, rubber industry and for the production of alumina from nepheline);
- marl (other than used in the cement industry);
- sand (except for molding, glass, for porcelain and faience, refractory and cement industries);
- sandstone (except for bituminous, facing, dinas and for the glass industry);
- sapropels;
- slate (except for fuel, roofing);
- loam (other than used in the cement industry),
- peat;
- brine of salt lakes.

Naturally, each region has a list of common minerals and the procedure for developing their deposits. Legal regulation of subsoil use is carried out at the level of a constituent entity of the Russian Federation.

Let's take a closer look at the commercial use of peat and sapropel by the population of rural areas. Article 19 of the law "On subsoil" establishes rules for the extraction of peat and sapropel. Moreover, we should note that legal regulation in this area is the joint responsibility of the Russian Federation and its constituent entities. For example, in Sverdlovsk region the law of Sverdlovsk region № 25-OZ, dated 24 April 2009 "On peculiarities of subsurface areas, the disposal of which belongs to the competence of the Sverdlovsk region" (Meeting of the legislation of Sverdlovsk region, 2009) is valid.

The list of common minerals in the Sverdlovsk Region was approved by the joint order of the Ministry of Natural Resources of the Russian Federation and the Government of the Sverdlovsk Region (2006). The use of peat and sapropel as objects of natural resources is possible for business purposes, provided that the relevant documents of title are drawn up, as can be seen from the above legal acts. The use of peat in Russia has a long history; peat was used in boiler houses, power plants, and industrial enterprises. Peat was used widely as an organic fertilizer in agriculture and for other purposes. The first decrees of the Soviet government were dedicated to peat - Decree of the Council of People's Commissars of the RSFSR of April 21, (1918).

Significant peat extraction was carried out in the Soviet Union earlier. Peat enterprises Ayatskoye, Isetskoye and others functioned in the Sverdlovsk region. The regional peat trust and the research institute of the peat industry also existed.

Sapropel was extracted along with peat. Sapropel was extracted mainly for treatment purposes (Moltaevo resort) and for the needs of agriculture.

A large number of the population worked in the field of peat harvesting, usually from rural areas. Unfortunately, the industrial harvesting of peat and sapropel has ceased as a branch of the economy in the modern Russian Federation. However, the severity of the problem of employment of the rural population has increased. The problem of employment is especially acute in rural settlements, where there is no organized agricultural production today due to the liquidation of state farms, collective farms and other state agricultural enterprises.

Agricultural organizations could organize the extraction of peat and sapropel in order to diversify the main production in the form of a subsidiary farm with the involvement of rural residents who are not employed in the main production. Subsistence farming will have a positive impact on the rural working population. Their well-being will improve through employment. The human capital of rural areas can create a special entrepreneurial organization if the necessary documents for the right to harvest peat and sapropel are drawn up. An agricultural consumer cooperative can become an organization that, for example, produces fertilizers from peat. Peat fertilizers are in demand in agriculture as an ecological organic fertilizer, instead of synthetic chemicals used in plant growing, vegetable growing, horticulture.

Preparations from peat and sapropel will have their niche in the market for the production of products in horticultural, dacha organizations and personal subsidiary plots of citizens, in the context of greening agriculture.

Folk craft

Folk crafts also belong to non-agricultural types in rural areas. Folk crafts were once in demand by the population, and some products of folk crafts are still in demand today. We are talking about products made from leather and fur raw materials, felt boots, sewing and knitting products, pottery, products made from willow and other twigs (baskets and other products). Folk crafts are not limited to the listed products.

Rural tourism

Russia has unique natural-climatic and cultural-historical features that allow developing almost all popular types of tourism, including rural tourism. The deterioration of the environmental and psychological situation in large cities also contributes to the development of rural tourism in Russia: urban residents tend to relax in an environmentally friendly area.

Interest in elements of traditional folk culture is reviving. Tourists are interested in architecture, cuisine, crafts, folklore. Some of the tourists regard a visit to the Russian hinterland as an element of nostalgia for peasant collegiality. The desire to expand the sphere of communication is growing. Competition has increased in the entrepreneurial sphere: the search for new investment objects is in the traditional areas of investment in the countryside.

Rural tourism is not just a branch of the tourism industry. Rural tourism performs important socio-economic functions: the creation of attractive jobs, including for rural youth and women; arrangement of rural areas; integrated use of the natural and cultural potential of rural areas. The development of rural tourism directly contributes to increasing the attractiveness of living in rural areas. The share of rural tourism in Russia is still small and, according to the Federal Tourism Agency, is 1.5 - 2%.

The socio-economic significance of rural tourism is as follows:

relaxation of urban residents in rural areas, replenishment of knowledge about traditional folk culture;

movement of funds from cities to rural areas;

creation of alternative sources of employment for the rural population;

increasing the income of the rural population;

reduction of migration of rural residents to cities;

formation of a sales market for agricultural products and handicrafts;

development of infrastructure in rural areas;

conservation of natural and cultural resources;

reduction of social tension in rural areas.

Rural tourism contributes to various favorable trends. Among them:

preservation of small settlements (rural life);

improving the living conditions of the rural population;

improving the living standards of rural residents;

securing young people in rural areas;

encouraging the study of folk customs and rituals;

revival and promotion of traditional values and lifestyles;

development of folk crafts;

preservation of the cultural, ecological and historical heritage of the region.

The United Nations (UN) has declared 2020 the year of ecological and family tourism. This should provide an additional incentive for the development of tourism in rural areas of the Russian Federation. The regulatory framework governing the organization and development of tourism activities is currently being formed in our country.

The main governing document in the field of tourism at present is the Federal Law "On the Basics of Tourist Activity in the Russian Federation", (1996); it is supplemented by the regulatory legal acts of the Russian Federation, laws and other regulatory documents of the constituent entities of the Russian Federation.

Tourism guidance documents are also:

- Decree of the President of the Russian Federation "On additional measures for the development of tourism" (1994).
- Draft Federal Law N 99802317-2 "On Social Tourism".

The establishment of a basic Standard for the accessibility of social tourism, including ecological and sports tourism, is the core of this legislative act. This stimulates economic tourism entrepreneurs to create and sell a wide range of tourism products that are as affordable as possible for all segments of the population, including socially vulnerable citizens. This is one of the most important levers for self-financing tourism, reducing the burden on the budget and increasing financial revenues to the budgets of all levels.

We have mentioned only certain legal acts, but a sufficient number of legal acts exist at the Federal level, such acts are available in the constituent entities of the Russian Federation and in certain local self-government bodies. There are many scientific publications (Rassokhina, 2013; Rural tourism in Russia, 2014; Rural tourism and sustainable development of rural areas, 2012; Rural tourism: experience and development prospects give, 2013; Savenko et al., 2008) and practical recommendations addressed to all interested individuals and legal entities on the topic of tourism (Green house, 2010; Kundius & Chermyanina, 2011; Ministry of Agriculture of Russia, 2013; Methodical recommendations for the conduct of agricultural tourism, 2010; Role of agricultural consulting service in sustainable development of rural areas, 2004;).

7. Conclusion

The non-agricultural activities that we have listed in this article can and should be organized in rural areas of the Russian Federation (Kapelyushnikov, 2005; Merzlov, 2007; Merzlov et al., 2012, Mozgunov, 2010).

Such activities already exist in some regions. It is very important that rural residents can self-organize and start working in a multifunctional rural economy associated with non-agricultural activities. This is especially true where there is no work in the agricultural sector.

The authors of the article considered the legal regulation of various types of activities not related to agricultural production, but practically affecting the welfare of the rural population.

Taken together, the organization of stable employment for rural residents directly affects the preservation and development of human capital in rural areas (Berg, 2016, 2014; Petrov & Zyryanov, 2019).

Rural residents must master certain competencies for certain types of activities. This involves obtaining the necessary knowledge in educational institutions (Antonova et al., 2019; Berg, 2018).

Thus, stable employment can be created in rural settlements through non-agricultural activities. This will keep rural residents in their places of residence without migrating to cities. As a result, the necessary human capital will always be in rural areas, which will allow organizing agricultural production.

Acknowledgments

The study was carried out with the financial support of the Russian Foundation for Basic Research within the framework of scientific project No. 19-29-07315.

References

- Antonova, N. V., Balkhaev, S. B., & Gaunova, J. A. (2019). The legal concept of robotization. Moscow, Prospect.
- Berg, L. N. (2014). The genesis of theoretical ideas about the legal impact in domestic jurisprudence, *History of State and Law*, 20, 27-32.
- Berg, L. N. (2016). Socio-psychological system of legal impact: general theoretical analysis, *Society and Law*, 2(56), 25-29.
- Berg, L. (2018). The establishment of legal rules as an element of the system of legal influence: An instrumental approach, *BRICS Law Journal*, 5(3), 114-134.
- Decree of the Council of People's Commissars of the RSFSR (1918). "On the Main Peat Committee" and of May 17, 1922 "On Peat Bogs"
- Decree of the President of the Russian Federation (1994). N 813 "On additional measures for the development of tourism in the Russian Federation", Retrieved from: <http://www.consultant.ru/cons/cgi/online.cgi?base=LAW;n=3570;req=doc#0007752496625212046>.
- Federal Law (1999). On Social Tourism. Draft federal law N 99802317-2. Retrieved on 1 December, 2020, from: http://asozd2.duma.gov.ru/arhiv%5Ca_dz_3.nsf/ByID/3B6260342B148D0B43256EF3004AF8D9?OpenDocument.
- Federal Law (1996). On the Basics of Tourist Activity in the Russian Federation. Federal Law N 132-FZ, Retrieved in 12 November from http://www.consultant.ru/document/cons_doc_LAW_12462/.
- Forest Code (2007). Forest code of Russian Federation. Introduced by Federal Law No. 200-FZ of December 4, 2006. Retrieved on 30 November from http://www.consultant.ru/document/cons_doc_LAW_64299/.
- Federal Law (2001). On subsurface resources. Law of the Russian Federation No. 2395-1 as amended on March 3, 1995, as amended on August 8, 2001. Retrieved on 30 March 2021 from http://www.consultant.ru/document/cons_doc_LAW_343/
- Green house (2010). *Organization of rural tourism*. Krasnoyarsk.
- Joint order of the Ministry of Natural Resources of the Russian Federation and the Government of the Sverdlovsk Region (2006). No. 9 r / 01-49-142 *Bulletin of Normative Acts of Federal Executive Bodies*, 16.
- Kapelyushnikov, R. I. (2005). Employment in households, Preprint WP3, 2005/01, Ser. WP3, Labor market problems, M., GU-HSE,
- Kundius, V. A., & Chermyanina, V. V. (2011). Problems and prospects of agritourism in the region, 2. Altai State University.

- Meeting of the legislation of Sverdlovsk region (2009). Law of Sverdlovsk region № 25-OZ "On peculiarities of subsurface areas, the disposal of which belongs to the competence of the Sverdlovsk region" 4, 354.
- Merzlov, A.V. (2007). Sustainable development of rural areas (theory, methodology and practice): ref. consultant, M.
- Merzlov, A.V., Ovchintseva, L. A., & Popova, O. A. (2012). Regional experience in developing programs for sustainable development of rural areas.
- Methodical recommendations for the conduct of agricultural tourism. (2010). Noosphere, Kaluga region.
- Ministry of Agriculture of Russia (2013). State of the social and labor sphere of the village and proposals for its regulation: annual report. based on monitoring results. M., GNU VNIIESH, FGBNU "Rosinformagrotech".
- Mozgunov, N. A. (2010). Rural tourism as a factor in the development of the territory (by the example of the Oryol region), *Regional research*, 2.
- Organization, experience of harvesting and processing forest food resources (2010). FGNU Moscow: Rosinformagrotech
- Petrov, A. V., & Zyryanov, A. V., (2019). On Some Methodological Approaches in Legal Research (Philosophical, Naturalistic, Positivist Approaches), *Tomsk State University Journal*, 438, 227-235.
- Rassokhina, T. V. (2013). *Factors of the formation of demand for the product of sustainable rural tourism (according to the results of marketing research of the Moscow consumer market)*: collection of articles, mater. II Int. forum on rural tourism.
- Role of agricultural consulting service in sustainable development of rural areas (2004). Moscow, Rosagrokoncentr.
- Rural tourism and sustainable development of rural areas (2012). I International forum "Rural tourism in Russia", Moscow, Rosinformagrotech.
- Rural tourism in Russia (2014). III International forum on Rural tourism in Russia. Moscow, Rosinformagrotech.
- Rural tourism: experience and development prospects give (2013). Materials. II Int. forum "Rural tourism in Russia", M., FGBNU "Rosinformagrotech"
- Savenko, V. G., Demishkevich, G. M., & Kolchinsky, Yu. L. (2008). *Rural tourism: experience, problems, development prospects in Russia*. Moscow, Capital Printing House.