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#### СРАВНЕНИЕ ДЕЯТЕЛЬНОСТИ ПОРТОВ ВОСТОЧНОГО ПОБЕРЕЖЬЯ Балтийского моря: 1996-2016 гг.

Показано, что за период 1996–2016 гг., после строительства ряда портов в Ленинградской области (Россия), объемы грузооборота в регионе Восточного побережья Балтийского моря выросли в 4,5 раза, в то время как в странах Балтии примерно в 2 раза. Сделан вывод, что положительная динамика мирового оборота морских грузов позволяет смотреть на будущее всех портов с оптимизмом.

**Ключевые слова:** Балтийское море, Евроазиатский регион, морской транспорт, грузооборот, Балтийские страны.

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# Khalatur S. INNOVATIVE DOCTRINE DEVELOPMENT OF AGRICULTURE GROWTH OF UKRAINE

Запропоновано інноваційну доктрину розвитку сільського господарства України на основі процесу синергії елементів стратегії, в якій визначено механізми її реалізації. Ці механізми передбачають концентрацію на основних напрямах науково-технічного та освітнього аграрного потенціалу країни на засадах конкурентності, створення національної і регіональних інноваційних інфраструктур, формування організаційно-економічного механізму інноваційного розвитку сільського господарства.

**Ключові слова:** сільськогосподарська галузь, інноваційна доктрина, людські ресурси, процес синергії елементів стратегії.

### **1.** Introduction

Research directions related to development of a methodology for analyzing the effectiveness of the national economy in general and agriculture in particular, require significant adjustments. The economic efficiency of production in agriculture means, in the most general form, the effectiveness of the production process. The relationship between the achieved results and the costs of living and materialized work reflects in turn the degree of perfection of production resources and the effectiveness of their use. A successful solution to the problems facing agriculture is possible only on the basis of increasing the economic efficiency of its production.

## 2. The object of research and its technological audit

In order to effective formation of an innovation strategy of agricultural development, an innovation doctrine of development is being conducted.

Experts [1-6] point to the need of innovative development of the national economy and agriculture in particular.

That is why in developing the theoretical, methodological and practical foundations of innovative development of the agrarian sector of Ukraine one should take an example of developed countries.

### 3. The aim and objectives of research

*The aim of research* is development of an innovative doctrine of agricultural development.

To achieve this aim, the following tasks are set:

1. To identify the reserves for the economic efficiency improving of agricultural production in Ukraine.

2. To consider the dynamics of the situation and competition in the markets of agricultural raw materials and food and the role of state power in their formation.

3. To study the argument of economists that industrialization in the country depends on the improvement of the state of agriculture.

## Research of existing solutions of the problem

There are many unresolved theoretical, methodological and practical issues of economic development of agriculture in the context of the globalization process in Ukraine.

The author [4] notes that improving the efficiency of agriculture is dictated by the constant growth of market needs in food and raw materials, increased requirements for product quality, limited increase of some types of production resources, changes in the cost factors of production, etc. In assessing the effectiveness of agricultural production, its dynamics, should proceed from the criterion of efficiency, which is related to the development of production [5].

According to leading scientists-agrarians [3], the agrarian and food doctrine is a strategically balanced and comprehensively substantiated, multi-dimensional and multidimensional view of what the state wants to see agriculture and all agro-industrial production at each stage of its practical realization and in the final perspective, as well as real resources of its realization.

As noted by [7] the essence of the category of «agrarian and food doctrine» as a system of views on the role of agriculture, agrarian and food spheres of the economy and agro-industrial complex in determining the strategy of development prospects, as well as the ways, mechanisms and stages of achieving the goals.

The author [2] notes that the basis of the development of agrarian and food doctrine should be the clarity of its socio-political and socio-economic essence, strategic orientation, the concreteness of the final and intermediate (phased) results and a comprehensive substantiation of the most important mechanisms for their achievement. The doctrine that determines this should be a reflection of a more complete and deeper and, therefore, in many ways the most important program of action for the achievement of the strategic goal and determination of ways of achieving that the agricultural and food sector of the economy meets the high interests of the state in a certain period.

The author [8] notes, in general, the system of agricultural support in countries with a developed market economy is largely linked to state regulation of prices: the introduction of upper and lower boundaries of prices and indicative or conventional prices. The tool of such regulation is the purchase or sale of products (commodity intervention).

The analysis of scientific literature [3, 5-7, 9, 10] confirms that in the market conditions there is a dictation of the consumer in relation to the manufacturer, and the adaptation of the structure of production to the structure of consumers is through the constant interaction of demand and supply. Therefore, in these conditions, particular attention should be paid to the systemic problems of agriculture and the introduction of an innovative doctrine of sustainable development. Much of the issues related to the economic development of agriculture still require further study and resolution.

## 5. Methods of research

To achieve the objectives the following methods are used: analysis and synthesis, logic synthesis, analogy, comparison, monographs and graphic-analytical method.

### **6**. Research results

Modern economic conditions largely are changed by the traditional approach to assessing the effectiveness of production activities of individual enterprises and the agricultural sector as a whole. Recognition of the social significance of labor and the product produced as a commodity, long before its implementation violated the connection between production and consumption. Rising of production potential, growth of capital investments is not enough to increase the efficiency of production, if the economic mechanism is not worked out and economic laws are ignored (Fig. 1).

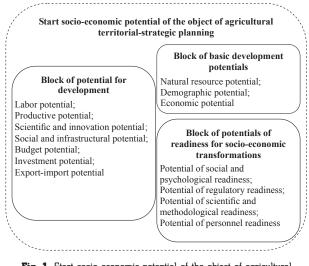


Fig. 1. Start socio-economic potential of the object of agricultural territorial-strategic planning (adapted [2, 4, 5])

The agriculture efficiency increasing is dictated by the constant growth of market needs in food and raw materials, increased requirements for product quality, limited increase of some types of production resources, changes in the cost factors of production, etc. In assessing the effectiveness of agricultural production, its dynamics, should proceed from the criterion of efficiency, which is associated with the development of production. When studying the efficiency of agriculture it is important to consider that it is a complex multi-purpose open system, consisting of functional and organizational subsystems, which meet different types of efficiency: technological, economic, social, environmental.

The level of technological efficiency reflects the degree of development of farming and livestock systems. It is determined by comparing the actual data with the relevant normative indicators, which uses the level of production. The criterion of technological efficiency of agricultural production is the degree of development of the system of agricultural production. Economic efficiency is the degree to which economic interests are realized. It is measured by a system of absolute and relative indica-

tors that characterize the efficiency of production and sales of products. Criterion of economic efficiency is the possibility of self-financing to provide enhanced reproduction.

Ecological efficiency characterized by the level of use of natural and material resources, increasing environmental friendliness and reducing the nature of produced products, improving the lives of the population. The criteria of environmental efficiency are to prevent environmental degradation, increase the environmental quality of production.

Social efficiency characterizes the social status, development of rural socio-territorial community, which is a set of rural population, which has a unity of attitude to a certain economic development territory. The criterion for social effectiveness is the degree of reaching the normative level of development of rural socio-territorial community.

Under market conditions there is a consumer dictate in relation to the manufacturer, and the adaptation of the structure of production to the structure of consumers is through the constant interaction of demand and supply. This can be done if an optimal economic environment is created in which economic laws manifest themselves in the natural state, that is, when the right to choose economic partners, as well as the structure of production and consumption is determined only by the economic efficiency and income of economic entities (Fig. 2).

Changing economic relations and conditions of production requires clarification of the methodology for determining the effectiveness of agricultural production and assess its condition. Performance indicators should reflect the content of the reproduction process and, accordingly, the circulation of capital and consist of groups that characterize the availability of resources for their use in the production process, the resulting products, its exchange and consumption. The main indicator of efficiency is the rate of profit, which characterizes the absolute magnitude of the resulting effect, the relative indicator of which is the level of profitability. Such indicators as yield, the price of sunflower, the amount of profit per 1 hectare, per 1 ts, labor costs, bioenergy estimation and others are necessary for analysis of the developed level of efficiency, but do not completely characterize it.

However, in terms of inflation, price disparity, and systematic non-payment, the cost indicators distort the actual efficiency of agricultural production, in which the production cycle lasts about a year, so it is advisable to use benchmarks to compare revenue from sales and expenses in the industry. The level of efficiency of agricultural production is strongly influenced by the pricing system. A comparative economic assessment of the options for cultivating crops is one of the scientific methods for identifying the most effective technologies that allow finding an option that provides high productivity, the greatest return on costs and the profitability of production.

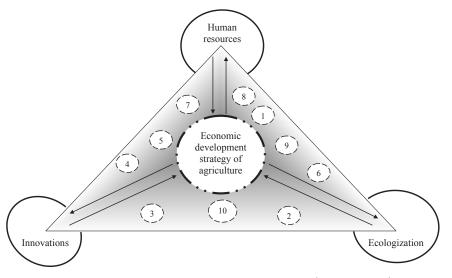


Fig. 2. Triad of innovative doctrine of agricultural development (author's research):
1 - concept of development; 2 - development models; 3 - external and internal factors of influence;
4 - stages of development; 5 - trends of development; 6 - institutional determinants;
7 - organizational and economic mechanism; 8 - specific features of agriculture; 9 - tools and methods of development regulation; 10 - indicators of development

According to the methodology of economic evaluation of the efficiency of agricultural production under intensive technology, the main indicators of land use, labor and logistics are: yield, quality of seeds, direct labor costs and material and technical means, the value of gross output, additional costs for increasing yields and their payback, net income (profit) per 1 ha and 1 ton, profitability of production, annual economic effect.

In the system of indicators of economic evaluation of intensive technologies for growing crops, it is necessary to include additional indicators that characterize the level of ecological balance of technology options that determine the state of the land for the content of humus in the arable layer, the level of reproduction of soil fertility. To calculate these indicators should be applied to the application of intensive technologies and in the process of their application, thus it is possible to estimate the influence of technologies on the ecological state of soils. These indicators can be used in a comprehensive analysis, in order to find ways to increase the economic efficiency of production.

Efficiency increasing is essentially the maximum growth in efficiency when using consumed production resources. This approach, firstly, makes it possible to compare the real achieved result with the possible and thus make an assessment of production economic activity. Secondly, it allows finding out the size of the lost opportunities, comprehensively studying the reason of the latter and on this basis is one of the scientific methods of identifying the most effective technologies, which allow finding an option that provides high productivity, the greatest return on costs and profitability of production.

The second group of factors (demand and exchange) determines the possibility and conditions for the sale of

agricultural products. At the same time, it is important to consider: firstly, the difficulties experienced by agricultural commodity producers in the sale of products due to the lack of a proper system of procurement organizations, low purchasing prices, all-growing import expansion in the food market; and secondly, the devastating effect of price disparities.

The third group of factors reveals the conditions for cooperation between agricultural enterprises and the state. It is about improving the tax, credit and financial policies of the state, aimed at stimulating agricultural production and strengthening the social base of the village. The problem of increasing the efficiency of the agrarian economy requires the use of factors associated with both the development of productive forces and the improvement of economic relations.

Today it is necessary to make maximum use of both food and commercial opportunities of agricultural resource potential. Practice shows that today only the large diversified production that has its own processing and guaranteed sales of products can most successfully develop. The interests of agriculture are in dire need of developing and implementing a scientifically sound concept for improving its efficiency. Such concept should maximize the achievements of science and best practices and be based on: state regulation of inter-branch links in the agro-industrial complex, optimization of tax, credit and financial policies, improvement of land and internal economic relations; Structural adjustment of production taking into account market conditions, natural and economic conditions; comprehensive intensification, ecologization and humanization of production on the basis of widespread use of achievement of scientific and technological progress; development of cooperation and agro-industrial integration; Taking necessary measures to protect the domestic producer from import expansion in the food market; balanced development of all branches of agroindustrial complex.

The general definition of efficiency criterion of the individual productive resources usage is the maximization of the production result with a minimum of resource expenditures. This definition corresponds to the views of domestic economists, who in one form or another form the named criterion. However, in order to assess the effectiveness of agricultural production in general, such a criterion is not appropriate: it does not allow to practically determine the degree of utilization of the available industrial resources in the aggregate because of the inexhaustibility of all factors of production.

Our approach to the problem of improving the efficiency of the industry allows to clarify the criterion of the efficiency of agricultural production and formulate it as follows: maximization of profits per unit agricultural land with a minimum of costs. The rationale for the first part of this definition is as follows. Every farm enterprise wants to maximize profits. In a competitive economy, the maximization of profits by all producers leads to a national scale to maximize the total value of products that can be obtained from existing resources, that is, will lead to an increase in the efficiency of the entire national economy.

In order to obtain the maximum profit, the producer must choose such volume of production (which is the optimal one), in which the difference between the received income (revenue) and the cost would be the greatest. To solve the problem of optimizing production in order to maximize profit, it is most convenient to operate with average and marginal values. The considered methodological approach to the mentioned problem allows enterprises of the agricultural sector to determine the optimal, which gives the largest volume of profit the volume of production of various types of agricultural products.

The homogeneity of farms does not in any way impede the development of commodity production in the industry. Economic relations should form a stable relationship between enterprises in the region and enterprises in neighboring regions. Each modern agricultural enterprise has its own specialization within the region, which must strengthen and develop inter-economic economic relations, both in the sphere of production and in the sphere of sales of its products. A characteristic feature of inter-farm interactions in the spheres of production and marketing are related to the fact that stable and meaningful communications are formed only by certain types of commodity products.

Inter-commodity-money relations between enterprises of the industry within the region are more complex and harmonious. Their complexity can be determined by many factors. However, the main thing is that economic relations within the region are oriented towards the formation of commodity flows favorable for the agricultural enterprise. Inter-economic commodity-money relations in this context are included in the process of development of territories. If at the level of economic relations between business entities pure monetary relations play an important role, then within the region they are less meaningful.

The scheme of multi-level analysis and regulation of commodity flows allows the object of consideration of the enterprise of the agricultural sector as a direct participant in the agrarian market. The problem of improving the regulation of the movement of goods in the regional agricultural market is among the most important in modern economic science. At the present stage, it is particularly relevant in connection with the long-term crisis in the agricultural sector of the national economy and the emergence of existing gaps, namely in the observation and management of the agricultural market system [5]. Since the crisis in which the agrarian market turned out, it can be deduced only through state regulation. The need for state regulation of the agrarian market is due to the peculiarity of its functioning in a market economy.

At the present moment, there is an urgent need to build a new strategy for state regulation of the agrarian market, based on the concept of active participation not only of the regulator, but also of the state-owner in market processes. State regulation is carried out in various forms – legislative, tax, credit, subvention. Special legislation is adopted that ensures a level playing field that prevents the establishment of prohibitively high prices for the purchase of livestock and poultry. We consider the system of state regulation of the agrarian market of the country as a set of three main elements: a market mechanism, state regulation, and internal regulation.

History has confirmed the ineffectiveness of both a monopolized and purely market economy, giving preference to a mixed-economy economy. The peculiarity of such economy lies in the fact that it combines state and non-state sectors that operate on an equal footing. The market economy in Ukraine envisages the development of the skills of selecting the best practices accumulated in the world of pricing theory and practice, and the creative use of these skills to rebuild domestic pricing, taking into account national specifics.

Tax and credit regulation is based on the use of taxes and loans to support the production of commodity products at enterprises in the agricultural sector. Subventive regulation provides for state subsidies to food producers, which allows them to cover production costs. All this determines the need for regulation of commodity-money relations, transformation of which has become one of the main causes of the agrarian crisis. The meaning of conscious use of commodity-money relations in a market economy, along with state regulation, is that:

 to provide for the systematic regulation of the quantitative parameters of cost categories and their aggregate within the limits provided for by the internal laws of commodity production;

 purposefully influence the economic interests of producers and consumers of food, use cost categories as a tool for regulating the structure and volume of production and consumption;

 to give commodity producers the freedom to make decisions on the structure and volume of production, distribution and sales of products, and thereby stimulate entrepreneurship;

- to seek convergence and coincidence of the goals of the state and the economic interests of commodity producers so that the production of products necessary for society is economically profitable for commodity producers [5, 6, 10].

Currently, the national economy of the country lacks the necessary conditions for the normal functioning of commodity-money relations, which inevitably leads to an aggravation of problems of state regulation. One of the main tasks of regulating the agrarian market is a support of the agricultural producer as the least protected subject in the entire market infrastructure. To accomplish this task, it is necessary to develop and implement a set of measures that ensure self-regulation of the agrarian market in conjunction with an effective policy of state regulation.

The system of state regulation of the agrarian market includes direct support of agricultural production from the state budget, state measures to secure financing of the agricultural products and raw materials market (budget allocations for targeted integrated programs, financing of capital investments, subsidies on products and material and technical resources, provision for insurance, partial compensation for bank loans), regulation of lending and insurance of agro-industrial production, exports and imports of agricultural products, state support for scientific activity of agriculture [1, 6].

The most important element of a market economy is financial regulation. At the present stage, there is a need to rebuild the financial policy of agriculture, and, therefore, its main subject of the agrarian market, directing the bulk of budget funds to finance – state and local targeted integrated programs, aimed primarily at stopping the decline in production, preservation and development resource potential [5, 6].

As already noted, the sanctions on producers by the state can be both direct (by establishing certain rules for pricing) and indirect (through economic instruments such as financial and credit mechanism, wages, taxation). Direct price regulation is mainly in the areas of public use (transport, communications, electricity, water, etc.). Among the direct methods of state regulation of prices it is necessary to name, first of all, the administrative setting of prices. It has become widespread in a number of developed countries. Along with the methods of direct regulation, the state influences pricing processes and indirect actions.

These measures are generally aimed at changing the situation, to create certain conditions in financing, currency and fiscal operations, and ultimately – to establish an optimal balance between supply and demand in the market. The ways and methods of state regulation of prices are affected by various factors: national climate, raw, political, country's place in the global division of labor. In developed countries with a mixed economy, along with the direct establishment and price regulation, state authorities also exercise control over prices. In these countries, the state-controlled pricing range from 10 to 30 % of total output.

Let's briefly consider the practice of state regulation of the agrarian market through the price mechanism in individual countries. In the United States, in recent years, the US administration, by limiting government funding and direct regulation of prices for individual product groups, has focused on the active use of market leverage and indirect regulatory techniques that contribute to overall improvement in the economic situation in the country. In general, this approach has had a stabilizing effect on the development of inflationary processes. Among the main areas of indirect price regulation, one could distinguish the following:

restrictive monetary policy, regulation of the central bank discount rate;

- reduction of the state budget deficit;
- government procurement of goods and services;
   tax policy.

As a result, these areas of state macroeconomic policy have affected the change in the supply and demand balance in the US domestic market and thus determined the basic proportions of exchange and price levels. In the framework of agricultural programs, farmers who grow grain receive a loan from the US Department of Agriculture to finance production. They can sell the harvested crop at market prices and pay off part of their proceeds. If the market prices fall below the control price set by the congress, the farmer can surrender the crop to the state at controlling prices, calculating for the loan and receiving the proceeds.

In France, the relationship between regulated and free prices for goods and services: about 20% of prices are regulated by the state, and the other 80% – are in the free market pricing regime. The body supervising the formation of prices is the High Council for Prices at the Ministry of Economy and Finance. The High Council is the working body of the Government Commission for Economic Affairs. In the case of a violation of the pricing procedure, the Council obliges an entrepreneur to appoint «reasonable» prices for his products within a certain time (up to one year) or to use certain rules for calculating these prices.

In Sweden, surveillance and price control is conducted by a special body – the State Department of Prices and Competition, subordinated to the Ministry of Civil Administration. In addition, in all the provinces of the country there are offices for carrying out this work of 2 to 10 people. The country adopts and acts: the law on price regulation and the law on obligatory provision of information on prices and conditions of competition to the offices. According to the Swedish experts, freezing of prices is only effective in the short term – to restore sharp market imbalances and eliminate the surges of inflation. In accordance with this law on price regulation gives the right to take measures on direct influence on prices (freezing their level) in the event of a war, the danger of its occurrence, or in the event of a threat of significant general increase in prices.

The law provides for the possibility of establishing the maximum price level for individual goods by the state; introduce an order in which price increases are allowed only after the prior notification of this and the justification of the price increase. Cardinal decisions on state regulation of prices, competition and income are taken only by the parliament – a year. Important source of funds for subsidizing agriculture in Sweden are customs duties on imported raw materials. They are set in the difference between the higher prices on the domestic market and the prices of the external market.

Prices and pricing are one of the key elements of a market economy in Ukraine. In our opinion, price policy should be primarily aimed at ensuring the profitability of agricultural enterprises for enhanced reproduction. This requires: a system of regulated prices (targeted, guaranteed, collateral, protective) for agricultural products, regulation of prices for processing products, price fixing for industrial products and services, introduction of economic sanctions for their excess and encouraging their reduction, reduction of trade margins to wholesale prices up to 12–15 % [3, 5].

All this necessitates the creation of a system of state regulation of agricultural production, which should be aimed at stimulating the growth (production) of food production, ensuring profitability of the producer, supporting the consumption of food by the population at the level of medical standards, limiting monopoly, and eliminating too sharp fluctuations in prices.

The financial and lending mechanism should contribute to stabilizing production, preserving its potential. This requires: the development of small agricultural credit institutions, the organization of credit unions, societies; mortgage lending. Financial support includes the financing of targeted programs, payment of subsidies on products, compensation by the state for bank loans, strict compliance by the executive with their obligations, share participation in investments.

Experience confirms the expediency of investments in the creation of workshops for the processing of agricultural products, which helps to reduce the loss of products during storage, a significant expansion of the range, improvement of product appearance and consumer properties, extension of shelf life [1, 7].

Tax policy should be based on the expansion of the area of direct taxes, which stimulate an increase in production and sales, and reduce capital expenditure. Antitrust policy of the state is based on creation of a regulatory framework for the free movement of goods and services for price regulation, anti-competitive activities of enterprises, and the formation of a competitive environment. The management of the agrarian market is based on both the use of economic instruments and the solving of tasks related to the promotion of products (organization of wholesale markets, food exchanges, development of marketing activities), integration, specialization of production, creation of

a mechanism based on competition, the development of models of concerns, associations, co-operative banks [1, 8]. Intra-productive economic regulation includes marketing and intra-industrial economic relations.

Stabilization of the agrarian market, elimination of too sharp fluctuations in prices on the market [1, 3] – this is the main objective of market regulation, which follows from the seasonal nature of agricultural production, the existence of production cycles, the dependence of production on weather conditions. This goal is not strategic, as providing a certain degree of self-sufficiency of the country's food. A market mechanism with a certain delay equates these fluctuations. However, in general, the food market is characterized by significant fluctuations and instability. In this case, the regulation of the food market should serve its stabilization so that producers and consumers can better focus on it. The regulation of the food market should not lead to deformation of prices on the domestic market, while taking into account the prices of the national and world markets [5, 6, 9].

It is obvious that the basis of regulatory measures is the pricing policy, which is to determine and establish a target price sufficient to cover production costs and is acceptable to the consumer, in this case, the purpose of regulation is to support the price of goods at a level close to the target price, which It is possible only with the implementation of measures for both import regulation and stimulation of production.

The demand for agricultural products, unlike other consumer goods, is not directly related to the level of prices and incomes, that is, it has a weak elasticity. Therefore, with the help of only market mechanisms, it is impossible to maintain the balance of supply and demand for individual products, to maintain the stability of food supply [1, 2, 6].

To effect the supply and demand on the agricultural market, the state uses the following economic instruments:

- impact on prices, that is, higher prices for agricultural products, affecting the demand from domestic or foreign suppliers;

- changing the level of expenditure of agricultural producers through subsidies or taxes on investments in agriculture;

 payments to farmers, irrespective of the level of production, or by linking these payments with reductions in production.

The state should have mechanisms that eliminate the surplus and cover the shortage of products resulting from the application of new prices in such a way that market prices may continue to operate. Such mechanisms in our case should be:

alignment stocks. There are stocks that are used by the so-called «buffer principle» (buffer stocks). This mechanism of price regulation can be called the simplest, since it minimally applies the impact of prices on the agrarian market. It only leads to an increase in the peaks of price fluctuations in both directions;
purchasing interventions are a means of supporting agricultural producers when they are not able to sell their products due to reduced demand for it. Purchasing interventions in the agrarian market, and should be conducted in cases where prices fall below the minimum level of fluctuations in the market. If the agricultural

market suffers from a shortage of the most important types of products and a rise in prices above the maximum level, then state agents organize the sale of products from the state reserves, that is, they carry out commodity interventions in the market. Consequently, state agents organize purchases, if the market price is lower than the minimum, and sales, if the market price is higher than the maximum [4, 5, 7, 9].

All this allows to conclude that without the organization of regulation of the agrarian market of the country, the current state of agricultural enterprises, own subsidiary farms, peasant (farmer) farms and processing enterprises of the agroindustrial complex of Ukraine is such that their products are not able to cover a significant proportion of the natural needs of the country's population In food products. The emergence of competition in the agrarian market requires the support of its own producers. The modern agrarian market of Ukraine is unstable and is prone to abrupt changes in the formation of prices and market penetration of the main types of commodity products, depending on macroeconomic processes in the country.

Despite the fact that over the past decades, non-price competition factors have gained widespread development, the value of pricing policies and pricing methods for promoting goods on the domestic and world markets is large. In contemporary literature, the prevailing view is that price policy goes astray. In place of price competition there is a competition of quality, additional services for the buyer. It is argued that price stability is much better than the benefits of changing it. The course of development of production and the requirements of buyers confirm this. In the period of mass production of goods the greatest success was sought by the manufacturer, who achieved savings in production and sales costs and thus could sell their products at low prices. Saturation of the market, development of new industries, creation of new products (electronics, television, computers, artificial materials) have increased the culture of consumption. Demand has largely taken into account individual needs. Requirements not only to quality but also to the level of service of consumers have increased.

Practice shows that price policy is not always sufficiently worked out, and therefore contains errors. The most common ones are: pricing is excessively cost-oriented, prices are not sufficiently adapted to change market conditions, the price is considered separately from other elements of the marketing system (the so-called «Marketing-mix»), prices do not adequately take into account individual variants of product performance and market segments.

The formation of market prices for agricultural products is influenced by various external factors that the agricultural enterprise must take into account. This is, first and foremost:

 consumers of agricultural products (buyers), through the formation of effective demand;

- government (state measures related to pricing);

members of sales channels (wishing to receive their share of profit);

- competition (prices for similar products).

Buyers play a decisive role in market conditions. The interaction between the price of agricultural products and demand for it is explained by two economic principles (demand law and price elasticity). Agricultural products have practically inelastic and weakly elastic demand. Price reduction does not overlap with the increase in sales of goods, and revenue is reduced. Therefore, price competition can only be used in individual cases (introduction of a new product) and for a short time.

#### 7. SWOT analysis of research results

*Strengths*. The strength of the research is to develop and substantiate the innovative doctrine of agricultural development in Ukraine.

*Weaknesses*. Weaknesses are that the complexity of agricultural production and its specificity determine the originality of approaches and methods of managing demand and supply in agricultural markets, combining different types of competition, strengthening the role of the state in promoting the development of the agricultural sector in Ukraine. It should be emphasized that agricultural production is characterized by a high risk of innovation processes: the risk of financing research and production results, the risk of a temporary gap between costs and results, and the uncertainty of demand for innovative products.

*Opportunities.* The opportunities of further research are solving existing problems of agriculture, which requires the creation of a model, the implementation of which will allow the establishment of scientific and sound areas of development of the industry.

*Threats.* The research results indicate that the change in economic relations and conditions of production requires clarification of the methodology for determining the efficiency of agricultural production and assessing its condition. However, in terms of inflation, price disparity, and systematic non-payment, the cost indicators distort the actual efficiency of agricultural production, in which the production cycle lasts about a year, so it is advisable to use benchmarks to compare revenue from sales and expenses in the sector.

### 8. Conclusions

1. Analysis of identifying reserves for increasing the economic efficiency of agricultural production in Ukraine shows that operating in the production system of the enterprise in their economic activity seek to obtain the most possible income through the sale of commodity products at a favorable price and reduce their costs. The decline in production and the lack of competitiveness of many types of agricultural products in Ukraine cause the expansion of food from foreign countries, and exacerbate the problem of selling their own products, which makes production of some types of livestock products unprofitable. All of this requires an integrated approach to solving the problems associated with reducing the cost of agricultural production in Ukraine.

2. The dynamics of the situation and competition in the markets for agricultural raw materials and food make seriously think about the strategic plans of the activities of agricultural producers, the role of state power in their formation. As the analysis shows, marketing becomes the most important tool for achieving a stable state in the domestic agrarian market. In connection with this, one of the sub-tasks of state authorities is the creation of new target market structures, which involves the use of simulation methods for the calculation of optimal commodity production in farms. 3. This study supports the argument of economists that industrialization depends on the agriculture improvement. If the economy has a stagnant agricultural industry, this will not mean industrial development. With the expansion of the agricultural sector, industry will develop. Thus, in the case of Ukraine's national economy, the success of development will depend on the growth of the agricultural sector, at least in part. Empirical results indicate that Ukraine must adhere to the agricultural economic growth strategy aimed at innovative agricultural development; therefore, the policy should be aimed at promoting agricultural growth, since agriculture is not a passive sector, but a «leading industry» for economic growth.

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#### РАЗРАБОТКА ИННОВАЦИОННОЙ ДОКТРИНЫ РАЗВИТИЯ Сельского хозяйства Украины

Предложено инновационную доктрину развития сельского хозяйства Украины на основе процесса синергии элементов стратегии, в которой определены механизмы ее реализации. Эти механизмы предусматривают концентрацию на основных направлениях научно-технического и образовательного аграрного потенциала страны на основе конкуренции, создание национальной и региональных инновационных инфраструктур, формирование организационно-экономического механизма инновационного развития сельского хозяйства.

**Ключевые слова:** сельскохозяйственная отрасль, инновационная доктрина, человеческие ресурсы, процесс синергии элементов стратегии.

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## **Gerasymchuk N**.

# DEVELOPMENT OF METHODOLOGICAL CONCEPT OF RESOURCE-SAVING DEVELOPMENT OF AGRO-INDUSTRIAL COMPLEX

Розроблено методологічну концепцію ресурсозберігаючого розвитку АПК за допомогою розробки нової моделі формування ресурсозберігаючого механізму та системи основних методологічних принципів формування ресурсозберігаючого механізму. На основі цієї концепції в подальшому буде створений підхід до визначення тенденцій та факторів розвитку процесу економічного регулювання через використання якісних і кількісних показників. Цей підхід, на відміну від існуючих, створює інформаційну основу для прийняття обґрунтованих управлінських рішень щодо вибору системи ресурсовикористання.

**Ключові слова:** методологічна концепція ресурсозбереження, ресурсовикористання в АПК, ресурсозберігаючий механізм, підприємства АПК.

## **1. Introduction**

Traditionally, the problems of methodology in the sphere of resource saving are oriented at research and ensuring the reduction of the specific material consumption on the basis of technical, economic and organizational changes. We can say that traditionally the problems of resourcesaving methodology were developed only in relation to the sphere of production, that is, there is a technocratic approach.