

Methodological Aspects of The Agroindustrial Complex Management in Covid-19 Conditions in The World

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Abstract. In this paper has been researched assessment of certain theoretical and methodological aspects of agro-industrial complex management in the world. The modern trends in the development of the country's agricultural production are investigated. It has been determined that the theoretical foundations of the organization of agricultural production are based on agrarian theory - social science that studies the entire spectrum of production relations in agricultural production and the turnover of economic values and raw materials. The author believes that modern production relations in the agrarian sector of the economy, as a subject of scientific research, should be studied in conjunction with other branches of science, both natural and technical and social. Proceeding from this, when studying agro-economics, not specific processes and phenomena should be investigated, but their complex totality. It is concluded that in the context of Covid-19, when organizing agricultural activities, it is necessary to take into account both the newly formed mechanism of the functioning of the rural economy, which in practice leads to a change in traditional industrial relations, and the specific features of agricultural activities, and the sustainability of the development of the agrarian and industrial complex is impossible without achieving management quality corresponding to these conditions.

Keywords: Agrarian theory, agrarian economy, agricultural production, agro-industrial complex, Covid-19, agricultural production, agro-industrial complex management.

I. INTRODUCTION

The imperfection of methods of management of the agro-industrial complex leads to stagnation of agricultural production and the conservation of the established situation of "slowed down" socio-economic development of rural areas. It should be noted that the reform of agricultural production management in the post-Soviet period is carried out according to traditional schemes, which are characterized by mechanical, without proper elaboration, the inclusion of additional functional units in the management system, without introducing any fundamental changes that contribute to adaptation to changing internal and external conditions.

In the context of Covid-19, the lack of economic mechanisms for effective management of the agro-industrial complex will inevitably lead to the loss of the existing competitive advantages of the domestic agricultural economy and a decrease in the level of food security in the world. Covid-19 conditions further reduce the scale of direct government subsidies for agricultural production, but at the same time do not preclude funding for research and educational services in the field of agricultural sciences, consulting services and infrastructure development.

II. LITERATURE REVIEW

In this regard, for the agro-industrial complex, the existing experience in improving management in an aggravated competitive environment requires further systemic analysis, generalization and theoretical understanding.

It should be noted that the transformation of traditional organizational and economic relations in the world observed in the last two decades has had a significant impact on both the structure of domestic agricultural production and the institutions and management tools of the agro-industrial complex. The formation of market relations was accompanied by a decrease in state participation in the development of sectors of the rural economy. This was most significantly manifested in such areas of management activities as accounting, financial and credit policy, taxation, pricing, and especially in planning. The processes of reorganization of agricultural management have largely exacerbated the traditional problems of domestic agricultural production, and also formed a whole layer of new and unresolved dilemmas.[3]

The negative trends observed today, reflecting the processes of transformation of the domestic economy, are most clearly manifested in such indicators of agricultural activity as the size of the rural population and the level of its income, as well as in a strategically important indicator for ensuring the country's food sovereignty - the number of cattle [1].

The study of modern trends in the agro-industrial complex forms a new economic vision of the organization of

agricultural production and determines the key directions for improving the management of agro-industrial complex development, including in matters of structural restructuring and modernization of agro-management at the federal and local levels.[2]

Agricultural production, postharvest handling, processing, distribution/retail/service, and consumption i.e., field to fork are the 5 phases of Food supply chain (FSC). In the food supply chain, two mechanisms surrounding food consistency and protection are used. The first is focused on rules and legislation that use compulsory requirements that are reviewed by state departments. The second is focused on voluntary principles established by business laws or international organizations [5]. According to Rizou et al., [6], FSC involves critical last stages where people can get infected easily, hence for the safe handling/preparation/delivery of food, using personal protective equipment such as helmets and glove, sanitization of surfaces and working environments, even the maintenance of social distance are some Safety measures to ensure the continuity of food flow. [7] The COVID-19 pandemic does not specifically impact development, unlike foot and mouth disease, bird flu or Listeria, since it does not propagate directly to animals or agricultural products [10].

III. ANALYSIS AND RESULTS

The theoretical foundations of the organization of agricultural production are based on the agrarian theory. Agro-economics in its essence and the historical path of development belongs to the social branches of science. The study of industrial relations and individuals in the entire complex of their activities and interdependence in agricultural production, the turnover of economic values and raw materials, the formation of certain material preferences is the subject of agro-economics. At the same time, it is necessary to understand that the level of development of production relations and productive forces is determined by the factors of the prevailing conditions for the development of the corresponding socio-economic formation of the country.

The method of agro-economics, as dynamically developing depending on ideological innovations and changes in the external and internal environment, is a key factor in the development of directions for modern scientific activities of the agricultural economy.[8]

It should be noted that the laws of economics in force in the agro-industrial complex are objective and do not depend on the consciousness of individuals. At the same time, the latter use the laws of economics in the practice of economic activity, direct them towards the realization of public and individual interests.[4]

Based on this, it is possible to formulate an understanding that agro-economics is a science that studies the operation of the objective laws of the economy, their participation in agricultural production and develops practical recommendations for their implementation and implementation in the country's agricultural policy.

Thus, the economy of agricultural production is the whole complex of social relations in which individuals participate in the process of carrying out agricultural activities.[9]

Thus, under the conditions of a socialist economy, agriculture developed mainly in the form of collective forms of ownership (collective and state farms). Currently, the vector of research of the domestic economy is more focused on the subjects of agricultural production of private property, competing in a market environment.

It should be noted that modern production relations in the agricultural sector of the economy as a subject of scientific research should be studied in conjunction with other branches of science, both natural and technical and social. The social sciences, in relation to the processes of the agrarian economy, include political economy, the history of economic studies, management, and sectoral economics. For the purposes of this study, we will consider the method of agricultural economics as a way of knowing reality, the subject of research, as well as ways to achieve and fulfill certain goals.[10]

The study of the methodological basis of agro-economics should be based on the dialectical method as the study of all phenomena of the corresponding social system in the complex of their mutual connections, which form a material unity, and the processes not only depend not only on each other in movement and development, but also pass under the influence of various external and internal factors from quantitative changes to a new quality. Proceeding from this, when studying the agrarian economy, not specific processes and phenomena should be investigated, but their complex totality. This approach is applicable both to the socialist agrarian economy and to the new market conditions of its functioning, with special attention should be paid to the specifics of agricultural production.[5]

It should be noted that the agro-industrial complex is characterized by both simple and extended reproduction. In accordance with the general understanding, simple reproduction involves the receipt of agricultural products in the amount necessary to replenish their costs and domestic consumption. At the same time, it is necessary to understand that in the agricultural sector, production factors are subject to changes in accordance with differing climatic conditions over the years, as well as with the use of new technological experience.

In this regard, in our opinion, the attribution of individual annual results of agricultural activity to simple reproduction with a deficit of surplus product directed to the development of economic activity is incorrect. The

effectiveness of agricultural production is largely determined by the state of such natural factors as climatic conditions, including the amount of precipitation, the quality of agricultural land and other time differences. That is, negative results, as a rule, represent extended reproduction, since subsequent periods can provide greater efficiency, and the exclusion of agricultural land for a certain period from the turnover of agricultural land ensures their reproductive capacity and the possibility in the future to create an additional surplus product (in fact, the capitalization of the main means of production of the agrarian economy - land).

Proceeding from this, in the very understanding of the expanded reproduction of the agrarian economy, there is a tendency towards a qualitative improvement and increase in both commodity production and the means and objects of labor.

It should be noted that throughout practically the entire period of land development in the world, expanded reproduction was mainly ensured by an increase in the volume of arable land, the number of agricultural animals, etc. This was especially pronounced during the development of virgin lands in the middle of the 20th century, when the area under crops, primarily grain crops, increased significantly. At the same time, an ill-considered policy of developing virgin lands in practice often led to such environmental and humanitarian disasters as soil erosion and a reduction in the fertile layer, dust storms, a reduction in traditional pastoral pastures, and changes in the traditional way of the local population.

At that time, funds, including production, financial and, most importantly, labor resources, were withdrawn from the traditional agricultural regions of the country, which, when implementing scientifically grounded approaches to the management of the agro-industrial complex, could ensure sustainable agricultural production in the interests of future generations.

IV. CONCLUSIONS

In summary, domestic science matured an understanding of the need to switch from the extensive method of achieving expanded agricultural reproduction to intensive methods aimed at obtaining a new quality of indicators of the agricultural economy. It was then that the tasks of increasing the yield and productivity of agricultural products through land reclamation and irrigation, the introduction of mineral fertilizers, improving the quality of seed material and reproductive young animals, and so on, were reflected in the scientific literature, and subsequently - in various government programs and documents.

For further research, it is necessary to consider such a feature of agro-industrial production as differential rent. In the widespread understanding, differential rent is understood as the surplus profit received by the agricultural producer when the social price exceeds the individual price of the product. There are two types of differential rent.

It should be understood that the first differential rent, according to the teachings of the classics of political economy, traditionally considered in relation to agricultural production, also applies to industry. This is expressed primarily in relation to processing industries and their remoteness from sources of raw materials. At the same time, the development of transport communications and an increase in the manufacturability and material consumption of modern industrial production reduces the rental benefits today.

The second differential rent is an excess profit achieved by channeling additional funds (their capitalization) into agricultural production. That is, in fact, the second differential rent is provided by intensive farming methods.

The peculiarities of the first and second differential rents were investigated by Adam Smith, who understood the rent as a rent for agricultural land, which the tenant can pay the maximum for a certain quality. A. Smith also noted that the specificity of agricultural production limits the diversity and separation of production processes that exist in industry (manufactory). This is determined by both the seasonality of agricultural work and the interaction and mutual consumption of agricultural products. With a minimum demand, the producer has no reason to concentrate on the production of any product, since there is no opportunity for the exchange of a surplus of production in excess of his own consumption for the products of labor of other individuals that he needs [3].

This factor is one of the restraining circumstances of ensuring equal growth of labor productivity with the industries of industry.

The desire to equalize the potentials of the agricultural economy with other branches of the material sphere in modern times determines such trends in agricultural production as:

- specialization in the production of a certain type of agricultural products, providing greater profitability, taking into account factors favorable for the maximum possible output;
- mechanization and technological re-equipment of production facilities, which increase the labor productivity of agricultural workers and ensure the competitiveness of products in the conditions of Covid-19.

The transformation of economic relations in the course of market reforms not only led to global changes not only in the country's agro-industrial complex, but also had a significant impact on the formation of a new organizational structure of the world's rural economy.

Based on the considered theoretical and methodological aspects in agricultural production, it is possible to form an understanding that the agro-industrial complex differs significantly from other sectors of the economy in a wide range of factors that must be taken into account when carrying out reproduction processes and their management in agricultural organizations of all forms of ownership.

Today, when organizing agricultural activities, it is necessary to take into account both the mechanism of the functioning of the rural economy, newly formed in the conditions of Covid-19, which in practice leads to a change in traditional industrial relations, and the specific features of agricultural activities. The tasks of managing the agro-industrial complex in the context of Covid-19, including in matters of ensuring the sustainability of the subjects of agricultural production and the agro-industrial complex as a whole, necessitate further comprehensive study of the entire complex of agricultural socio-economic relations.

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