



SOCIAL INFRASTRUCTURE DEVELOPMENT ISSUES OF MOUNTAIN AREA RURAL TERRITORIES IN DEPRESSIVE REPUBLICS OF NORTHERN CAUCASUS

Saida K. Shardan ^{a*}, Luiza A. Yandarbayeva ^b, Fatima E. Karaeva ^c,
Anzor V. Misakov ^d, Valery S. Misakov ^e

^a Department of Finance and Credit, FSBEI HE Karachay-Cherkess State Academy, RUSSIA

^b Department of State and Municipal Management, FSBEI HE Chechen State University, RUSSIA

^c Department of Economics, FSBEI HE Kabardino-Balkarian State Agrarian University named after V.M. Kokov, RUSSIA

^d FSBU Kabardino-Balkarian Scientific Center of the Russian Academy of Sciences, RUSSIA

^e Nature Management Laboratory, Tembotov Institute of Ecology of Mountain Territories of Russian Academy of Sciences, RUSSIA

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ABSTRACT

The genesis and the establishment of social infrastructure essence show that the conditions of market economy development in Russian Federation require its content rethinking, the basis of which is the gradual transformation of social infrastructure purpose understanding - from the creation of the necessary conditions for population proper functioning to ensure the reproduction of man and society. This approach allows us to understand the essence of the social infrastructure more deeply and realize clearly that the purpose of its operation is a favorable living environment creation, focused on rural population life and activity reasoning, and its intellectual, spiritual and physical development provision.

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1. INTRODUCTION

The problems of mountain resource formation and development in rural areas are extremely important socially and economically without the creation of conditions for the implementation of the full-fledged livelihood for the rural population, it will be very difficult to develop both individual rural territories and the country as a whole.

The study of social infrastructure essence makes it possible to say that even before the appearance of this term there were many different works devoted to the problems of its formation. The following phenomenon is inherent in social infrastructure - it is not directly included in material production, but the second (production) cannot be developed without the first one. With the development of the reproductive complex of material production

branches, the objective need to increase the number of serving infrastructure units became more important.

2. LITERATURE REVIEW

In many works, the concept of “social infrastructure” is identified with “a non-productive sphere” quite often, which is unacceptable. Indeed, the category “non-production sphere” implies the complex of industries and activities and does not participate in the sphere of material production directly.

It is also important that the criterion of the service sector effectiveness is the quality of the provided service, whereas the criterion of social infrastructure development effectiveness is the population life quality increase.

The fundamental approach of “social infrastructure” category essence understanding is the structural approach consisting of material and sectoral. From the very name, it is immediately clear what is meant by it [5].

It seems to us that such an interpretation of the social infrastructure (closing on material and sectoral approaches) narrows its significance. Apparently, for this reason, reproductive and activity approaches have been developed [2, 12, 15].

The representatives of the reproductive approach assumed to understand the studied category as "the set of structural elements that form the conditions to meet a wide range of needs for the purpose of human and social reproduction" [2].

The supporters of the activity approach suggest that social infrastructure means “the system of special functions implemented by the relevant sectors (objects) as the real conditions of the rural population social detail” [5]. As can be seen from this definition, the end result of social infrastructure activity is the provision of social services, through which they develop a certain system of life activity forms [2,8,13].

It should also be noted that over a long period of time the definition “rural social infrastructure” was identified with the social infrastructure of agriculture.” Partially, this can be explained by the dominance of agricultural production in the rural economy and the peculiarities of infrastructure sectoral financing.

Actually, the rural social infrastructure is formed on the basis of the territorial and sectoral principle organic state. At the same time, it is aimed not at a specialized industry consumer, but at a territorial one. In other words - it is focused on the population of rural areas. And this is natural because the rural social infrastructure is firmly connected with the rural territory.

3. RESEARCH METHODOLOGY

The object of research is the problems and organizational, environmental and economic aspects of the rural social infrastructure formation and development in the mountainous areas of the North Caucasus depressed republics.

In the process of research, the team of authors used both general scientific and private

methods of socio-economic research: dialectical, abstract-logical, monographic, economic-statistical, structural, functional, and comparison.

4. RESEARCH RESULTS

The social infrastructure of rural areas is still characterized by the remnants of planning and administrative system - an inadequate development level, the preservation of the “residual” principle of financing, etc., which certainly requires an active market reform of the institutional system by budgetary institution optimization and state management mechanism via the transition to target-oriented approach and budgeting according to the final results [10,14,18].

The change of rural development branch model to the territorial one in the mountainous territories of the North Caucasus republics should, first of all, form effective mechanisms and instruments for the sustainable development of rural territory social infrastructure corresponding to a market economy. The survey for various countries as shown in Figure 1 demonstrates the country development in economic issues.

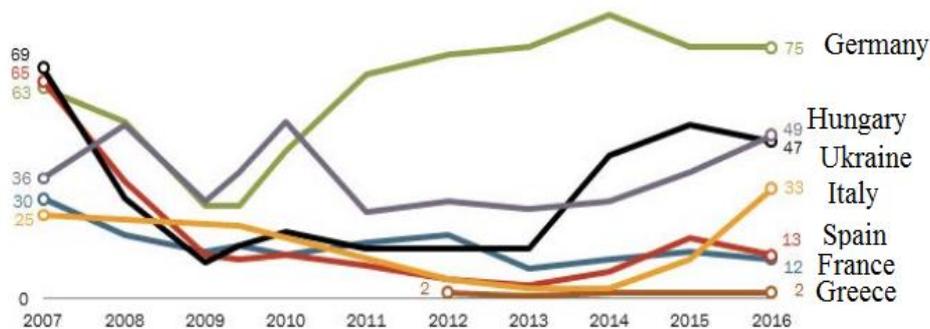


Figure 1: Trust in the national economy

In accordance with a systematic methodological approach, the development of rural infrastructure can be viewed as an end result of management activities focused on socially significant goal provision, the vector, and effectiveness of which depend on the availability of appropriate resources [3,11,17]. Indeed, it can be argued that this process depends on the established territorial conditions (the economic situation of rural economic entities, the financial capacity of local budget, the investment attractiveness of territories, its human potential, and much more), as well as on environmental factors.

It should be noted that this also forms the quality of rural population life, sets the pace for sustainable socio-ecological and economic development of rural areas. Moreover, the systematic nature of the social rural infrastructure creates opportunities for its timely development of both direct (linear) and synergistic (systemic) effects.

The comprehensive application of the above mentioned methodological approaches convincingly suggests that the modernization of rural social infrastructure should be subject to the principles of infra-systematicity. This means that all elements of the rural social infrastructure (structural approach) must work and develop in conjunction to ensure the high efficiency concerning the activities of territorial service complexes for peasants (systemic approach) and correspond to the advanced level of social development (evolutionary

approach). Thus, social infrastructure is aimed at human need implementation and population life quality serves as its effectiveness criterion.

We took a typical region of the North Caucasus - the Kabardino-Balkarian Republic (CBR) to analyze the development of social infrastructure on the rural areas of mountainous territories and to study the current conditions of its functioning. To do this, we had to consider the current conditions in which the village social infrastructure functions and develops, to identify the resources available in rural areas and to assess the potential ability of the territories to fulfill their functional duties.

In the course of the rural area current situation in the mountainous regions of the republic, we found that a great deal depends on the level of agricultural sector development. The territories of the CBR are able to provide up to 20% of the gross regional product from agricultural production (animal husbandry), hunting and personal farming (judging by the available resources), however, the analysis of agricultural production and the growth rates of the industry development over the last 10 years allows to highlight the following - there is the production decline, which is not conditioned by the global economic crisis.

During the transition to market relations, almost all agricultural enterprises were destroyed. 4-6 landowners appeared in each village, usually from former and current officials. For various years in the case study is presented in Figure 2.

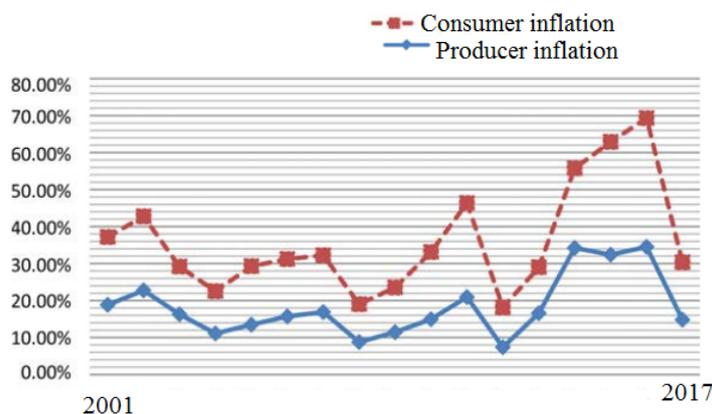


Figure 2: Inflation comparison for costumer and producer.

In the mountainous areas, local entrepreneurs are not able to introduce new technologies, buy imported seeds, which multiply the yield of crops, livestock productivity, etc. for a simple reason - the lack of sufficient funds. Commercial banks, as a rule, refuse to lend the residents of mountainous areas, explaining this by the absence of the liquid base from borrowers, as well as by the extremely high level of agricultural production risks in the rural areas of mountainous regions.

It should be noted also that some unused land areas of mountainous territories have been abandoned, many farms have been destroyed. At the same time, it is difficult to understand and agree that, on the one hand, credit resources become more expensive, and, on the other hand, there is the reduction of financial support in mountain areas.

The existing farms of mountain areas have a purely nominal profit, especially in animal husbandry. Partially, this can be explained by the increasing disparity of prices for

agricultural and industrial products, as well as by an unacceptably small share of agricultural producers in the final product retail price.

This situation adversely affects the development of social infrastructure in rural mountainous areas. Obviously, modern realities demand to revive agricultural production and to diversify the rural economy in order to revive the food processing industry, construction, and to develop new industries - tourism, hunting tourism, eco-tourism, tourism, and recreational services.

In addition to the economic aspects, the state of social and labor sphere affects the development of rural areas quite actively. There is an increased outflow of area residents in the mountainous areas - 8.2 p.p.

Moreover, there are no objective reasons to talk about the possibility of this situation change, because the demographic development of the Caucasian village rural areas is characterized by depopulation - mostly elderly people remained in the highland settlements. Besides, an extremely low total reproduction rate can be observed everywhere against the background of high mortality of men under 60 years, due to intractable problems of social nature (difficult living and work conditions, drunkenness, etc.). In rural mountainous areas, the actual unemployment is higher than the official one and reaches 80% (the registered unemployment makes 12%). The wage levels and the income of rural residents tend to reduce.

It is difficult to speak of the financial base reality in the municipal regions of mountainous areas within these conditions, and this is a key source of rural area development. A separate burden is also the excessive centralization of tax authority at the federal level, which makes revenue base insufficient, and also causes the complete financial dependence of municipalities, especially mountainous areas, on the transfers from higher-level budgets.

The data of the RF Ministry of Finance confirm that a rather significant part of local budget revenues was formed through inter-budgetary transfers and subventions. At that, their share makes about 50% in urban settlements, while in rural settlements it makes more than 75%. This situation does not allow local municipalities to plan their budget policy even for a short-term period.

During the analysis of local budget implementation in the context of rural area municipalities, we found that the share of rural settlements makes 6.6% in the income structure of RF local budgets, which is 2.5 p.p. more than in the mountain regions. The consequence of this situation is that the local budgets of CBR mountain region rural areas are executed with some deficit almost annually.

The analysis of internal resources and the potential capacity of CBR territorial system showed that there is a certain increase of agro-industrial production and agricultural enterprise efficiency in the regional economy, and the process of depopulation and the growth of employment are reduced in the social and labor spheres. However, with all this,

the living standard of villagers is still unacceptably low in mountainous areas, which, first of all, is associated with insufficient incomes and unsatisfied provision of rural residents with socio-economic services. The neutralization of the aggravating socio-ecological and economic problems in the village is constrained by the lack of a financial and economic base of rural territory budgets, and the main volume of their resources depends on state support significantly.

During the study they found that in terms of rural area social arrangement in the mountainous regions of the country they have the worst indicators as compared with the flat rural areas (the provision of children with school and preschool educational institutions, the number of cultural and residential facility objects per 1000 of men, the provision of roads with hard surface, etc.).

One can also note that rural areas are much worse provided with social infrastructure objects, including outlets - 26%, consumer services - 47%, hospital beds - 2.1 times, the proportion of the total area equipped with water supply is less by 12.4 %.

The structural transformations of the regional economic system became an impossible burden, also when they transferred all the objects of social and cultural purposes into the ownership of municipal equipment.

Local municipalities are not able (materially) to support their work at the appropriate level. Thus, the elimination of socially significant objects continues in mountainous villages. There is the gap increase between lowland settlements and the villages of mountainous territories concerning the level of social infrastructure development and the provision of villagers with socially necessary services.

In mountainous areas, there is a chronic absolute insufficiency and the inconstancy of basic and additional funding for the development of rural social infrastructure, and this is almost an insoluble problem for local authorities. Besides, it is burdened by the frequent change of municipal institution owners. All of this provokes the shortage of socially necessary facilities in the villages of mountainous areas, a high degree of institution material and technical base wear and tear, poor staffing and poor quality of provided services. Additional difficulties during the provision of social and cultural services in rural areas are incomparably higher costs in comparison with the flat terrain for the construction of new social facilities and the operation of existing ones, the repair of roads, as well as the features of working and living conditions in the highlands.

In the rural settlements of CBR mountainous areas, the territories are not developed by authorities or by business. This problem is left to the villagers, and they are forced to solve it themselves, not hoping for anyone. The mountain villages have no central heating, sewage, and hot water supply. There are also big problems that have not been solved for decades because of the budget scarcity, like the supply with plain cold water. Mountain villages are provided with kindergartens by 60-70%. A paradoxical situation is also observed here - on the one hand, there is an acute shortage of institutions for children in rural settlements, on the other, there is a large redundancy of places in working kindergartens. This is mainly due

to the low incomes of the rural population - young parents are unemployed, as a rule, and unable to pay for their children in kindergarten.

The situation with school places in mountain villages is more or less normal. Although this provision occurs for a banal reason - there is a big migration, the birth rate is falling. If thirty years ago 3-4 groups of first-graders were recruited in a rural school during fall, it is now hard to get half a group. There was not a single first grader in the village of Verkhniy Lesken during 2018. It should also be noted that the regulatory per capita financing introduced in schools, involving the transfer of funds from the local budget depending on the actual number of students, makes a destructive effect on the maintenance of small-scale rural schools with all the consequences up to their closure. It is difficult to call it the “policy of optimization” for the network of educational institutions in mountain villages.

There are similar problems in the public health of rural mountainous regions - the “optimization policy” also dominates there, according to which, in particular, all the first-aid and obstetric centers (FAOC), small local hospitals have been completely eliminated over the past 5 years. In these conditions, there is no possibility even to speculate about the provision of high-tech types of medical care to the population of mountainous areas (at least in the district center). All this leads to the fact that it is cheaper to be ill than to be treated for a villager in mountainous areas. Apparently, this is one of the key reasons for the high mortality of men under 60 years.

The abovementioned allows us to state that despite certain positive developments in Kabardino-Balkaria, conditioned by the implementation of a set of targeted federal and regional programs and social projects, the fundamental change of rural settlement social infrastructure improvement is practically not observed in rural areas.

5. CONCLUSION

The study of social infrastructure functioning and development in the rural areas of the mountainous regions of the North Caucasus depressed republics was carried out on the materials of a typical Kabardino-Balkarian region. A number of significant trends was identified, mostly negative ones, which requires the rethinking of social infrastructure model development and its improvement, aimed at internal source of its modernization increase and including the goal, the objectives, the principles and development concept, as well as specifying the subjects, the consolidation of which will allow to solve the accumulated problems existing for decades.

The etymological analysis of the definition “the social infrastructure of rural settlements in mountainous territories” allowed to consider its significance, composition, the principles of territorial organization and its functions. They substantiated that the social rural infrastructure affects the quality of villagers’ life in two ways: directly - by creating population living conditions and activities, and indirectly - by creating the basis for the development of socio-ecological-economic processes in rural areas.

6. CONFLICT OF INTEREST

The authors confirm that the presented data do not contain a conflict of interest.

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Professor Dr. Saida K. Shardan is Professor at Department of Finance and Credit, FSBEI HE Karachay-Cherkess State Academy, Russia. Professor Saida Shardan obtained a Doctoral degree in Economic Sciences.



Dr. Luiza A. Yandarbayeva is an Associate Professor at Department of State and Municipal Management, FSBEI HE Chechen State University, Russia. Luiza A. Yandarbayeva is a candidate in Economics.



Dr. Fatima E. Karaeva is an Associate Professor at Economics Department, FSBEI HE Kabardino-Balkarian State Agrarian University named after V.M. Kokov. Dr. Fatima E. Karaeva earned a Doctor of Economics degree.



Dr. Anzor V. Misakov is a researcher of the Kabardino-Balkarian Scientific Center of the Russian Academy of Sciences, Russia. Dr. Anzor V. Misakov obtained a Ph.D. in Economics.



Professor Dr. Valery S. Misakov is Professor of the Nature Management Laboratory at the Tembotov Institute of Ecology of Mountain Territories of Russian Academy of Sciences, Russia. Professor Dr. Valery S. Misakov got a Doctor of Economics degree. Russia.