

The Features of Cooperation in the Republic of Tatarstan



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Abstract Agricultural cooperation is in demand in the economy, which is due to the unattractiveness of the agricultural sector for investment, restrictions on attracting wage labor, increased risk, and an extensive social base. Due to the specifics of the external and internal conditions for the emergence and development, agricultural cooperatives have standard features that determine the extent of their distribution, the internal nature of the organization, and the prospects for modern development. The purpose of the study is to show the features of the development of the cooperative movement in the Republic of Tatarstan. It is concluded that the cooperatives of Tatarstan have a high potential for the development of cooperation as small forms of farming in the countryside. The measures applied to support the cooperative movement at the regional level are also different.

Keywords Republic of Tatarstan · Cooperation · State support

1 Introduction

The cooperation of citizens and business entities is carried out when creating cooperatives, as legal entities that provide access to borrowed resources, supply industrial and domestic products, procuring and marketing of agricultural products, processing, and joint use of fixed assets.

The basis of the cooperative movement in agriculture is determined by the theoretical provisions of the works of A. V. Chayanov (on households of family-labor type, differential optimum of the size of enterprises) [1], V. I. Lenin (on the use of a cooperative organization in the transition period to socialism) [6], N. D. Kondratiev, N. P. Makarova, and A. N. Chelintsev (continuity in the development of the theory of cooperation), A. Shapiro (on the formation of cooperatives modeled on large corporations, which are characterized by strict unity of command, centralization of management, and the highest degree of responsibility), M. Deutsch (the system

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of interaction and interdependence between members of a small group, as well as legislative and normative acts of the Russian Federation that determine the legal framework for the development of cooperation) [2], and the works of many modern economists on the problems of the cooperative movement, including scholars of the Republic of Tatarstan [9, 11, 5,7].

Due to the specifics of the external and internal conditions for the emergence and development, agricultural cooperatives have standard features that determine the extent of their distribution, the internal nature of the organization, and the development prospects.

2 Materials and Methods

The object of research is agricultural cooperatives. When conducting research, general economic research methods were used. Based on the database of organizations that submitted financial statements to the Federal State Statistics Service [3, 4], a grouping and analysis of the results of activities of production and consumer cooperatives of the Republic of Tatarstan was carried out according to activity type 01 “Plant growing and livestock raising, hunting, and the provision of relevant services in these areas.”

3 Results

Following the plan for the development of cooperation in the Republic of Tatarstan, from 2017 to 2020, the annual growth in the volume of procurement, trade, and production activities of catering enterprises should be at the level of at least 10%. The costs of implementing measures to develop agricultural consumer cooperation in Tatarstan in 2018 amounted to 250 million rubles.

Cooperatives purchase and process products, provide veterinary services, artificial insemination of farm animals, prepare accounting, tax reporting, and supply livestock, machinery, equipment, and feed to the cooperative members. The social importance of cooperatives in resolving issues of rural life management should contribute to the creation of cooperatives in every large rural settlement in the municipal regions of the Republic of Tatarstan.

Analyzing the development of cooperation in the Republic of Tatarstan, we highlight the following features inherent in this region:

1. The importance of small forms of farming in the agricultural sector as a potential resource for the development of cooperation. The rural population makes up 23.4% of the total population of the republic. Small business forms (five thousand peasant (farmer) enterprises and 451 thousand households) produce 53.7% of agricultural products in the region (more than 128 billion rubles). The

- volume of livestock and poultry production in small forms of management is 28.5%, milk—31.8% of the total production in the region, which confirms the importance of this sector in the development of the industry.
2. State support for cooperation. The cooperative grant support program was launched in 2015. In 2018, more than 2 billion rubles were allocated to support small business forms, including 525 million rubles for grants to farmers, 478 million rubles for subsidies to private farms (in seven directions), 208 million rubles for loan servicing, 200 million rubles for subsidies for plant growing, 180 million rubles for livestock breeding, 141.5 million rubles for equipment, up to 5 million rubles to support the development of the material and technical base for start-up cooperatives. According to the results of 2018, 64 agricultural cooperatives were created in the Republic of Tatarstan. In 2019, the Federal project “The creation of a system of support for farmers and the development of rural cooperation” was launched, which is designed until 2024. It provides grant support to the newly organized peasant (farmer) enterprises, which are members of an agricultural cooperative, in the amount of 4 million rubles, subject to 25% of the grant to the indivisible cooperative fund for the development of its material and technical base. Agricultural consumer cooperatives will also be provided with subsidies for the reimbursement of part of SPOK costs associated with the sale of agricultural products from 10 to 15% of the costs (of total sales), for reimbursement of costs (not more than 50%) for the purchase of farm animals for members of the cooperative and agricultural machinery to provide services to members of the cooperative. These measures are aimed at increasing the attractiveness of the association of disparate agricultural producers.
 3. The creation of infrastructure for the development of cooperation. The creation in the municipal districts of wholesale distribution centers and agro-industrial parks with the legal form “Agricultural Consumer Cooperative” to combine small forms of management and production of the necessary raw materials, its subsequent processing, packaging, and certification of product delivery to retail chains. Since 2017, the construction of 6 agricultural parks has begun in the Sabinsky, Bugulminsky, Almetyevsky, Zainsky, Drozhzhanovsky, and Kukmorsky districts. In Tatarstan, the revision union “Cooperative Union” was created. It is a non-profit organization uniting agricultural cooperatives to conduct audits of their financial and economic activities. Membership in the union is mandatory according to the law 193-FZ “On agricultural cooperation.”
 4. Promoting the sale of cooperative products in convenience stores based on the development of partnerships between rural entrepreneurs and retailers, the introduction of a discount card system for buying local products at a discount. In Kazan, seven tent sites for the sale of agricultural cooperatives were provided, two grounds for fair trade were transferred to the management of the Association of Farmers and Peasant Farmsteads of Tatarstan, specialized sections are allocated at retail outlets for selling farmer products. An online portal has been developed to create an online store for product sales.
 5. Providing information and consulting services to the rural population, teaching the basics of cooperation. For that purpose, the Competence Center for the

Table 1 The description of the Republic of Tatarstan cooperatives by type of activity 01 “Crop production and livestock raising, hunting, and the provision of related services in these areas,” 2017

	The number of organizations		Total, million rubles		Per 1 organization, million rubles	
	Units	%	Revenue	Assets	Revenue	Assets
Production cooperatives	27	3.6	3,338.4	6,807.4	123.6	252.1
Consumer cooperatives	17	2.2	111.6	212.7	6.5	12.5
All organizations	745	100	96,785.6	216,568.3	129.9	290.7

Source Developed by the authors

- Development of Agricultural Cooperation was created in the Republic of Tatarstan. Its tasks include informing cooperators about grant support programs, assistance in business planning, audit union work, and performance monitoring.
- The attractiveness of a cooperative form of management. Based on a database of 745 organizations of the Republic of Tatarstan that submitted financial statements to the Federal State Statistics Service, we analyzed their results by type of activity 01 “Crop production and livestock raising, hunting and the provision of related services in these areas” [8] (Table 1).

Joint-stock companies prevail among the legal forms (88.2%). The cooperative form occupies 5.9% of all organizations. Production cooperatives dominate, marked with the revenue of 123.6 million rubles per organization, which corresponds to the average value for all legal forms (129.9 million rubles per organization). In consumer cooperation, the scope of activities is lower. The assets of cooperatives are two times higher than revenue. The growth of the income of cooperative members is ensured by the distribution of value-added between shareholders in proportion to the share of participation [10].

4 Discussion

Such cooperatives as “Vostok” (Nurlatsky district), “Indeyka” (Zelenodolsky district), “Big Yelga” (Rybno-Slobodsky district), “Vostok” (Menzelinsky district), “Agro Leader” (Muslyumovsky district), “Karat” (Novosheshminsky district) are good examples of successful cooperatives, although there are cooperatives created formally.

The cooperative “Indeyka” for the production and processing of turkey poultry, which provides the members of the cooperative with young poultry and feed, buys livestock and helps to realize it. The cooperative “Village” located in the Almeysk district unites five farmers and specializes in the production of vegetable

products. The cooperative provides its members with favorable conditions, specialized equipment, a vegetable store, and a sales department. The republican grant for the development of the material and technical base made it possible to create drip irrigation infrastructure on an area of 170 hectares, temperature-controlled fruit storage, purchase a set of refrigeration equipment, a freezer, electric forklifts, and a filling machine.

The development of agricultural consumer cooperation is aimed at increasing profitability and ensuring access for agricultural producers, small farms in rural areas, and consumer societies to markets for the sale of agricultural products and food, which helps to improve the quality of life in rural areas, in the development of the territory and employment.

For the development of cooperation in the Republic of Tatarstan, it is proposed to attract young people into cooperatives, along with individual shareholders, including cooperative and production cooperatives, which will allow participating in state support programs and increase the effectiveness of rural cooperation.

5 Conclusion

The development of rural cooperation is an urgent task. An example of its successful implementation is the Republic of Tatarstan, where the number of cooperatives increased over six years from 15 to 200 units. Russian cooperation is notable for the level of mobile commerce, the revival of folk crafts, interest in national culture and everyday life, the diversity of talents of cooperative workers, and the continuity of generations.

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