

Reserves of North Caucasus Mountain Regions Rural Settlements Development Increase

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Abstract: In the situation of increasing competition and rapidly changing social and economic conditions themes of the study become urgent due to the necessity of scientific substantiation of the ways to increase development stability of depressed rural settlements of mountainous regions of the North Caucasus as the basis for the growth of the quality of life of the rural population. The proposed scientific hypothesis is confirmed by variability of socio-economic and even political problems of rural areas of the North Caucasus, the existing imbalance of mountain region development, an unusually high level of differentiation of the population living standard

Key words: Rural settlements, mountain regions, living standards, increase of sustainability, development

INTRODUCTION

Today there is a quite acute problem of the need to study the problems of mountain areas as hard living conditions there and formed “mountain” culture that has a unique historical morphology, make their adjustments in all spheres of life. Villages of mountain areas of the North Caucasus republics have different economic backwardness lack of, first of all, sustainable transport and social infrastructure and as a consequence of all this, they are socially underdeveloped territories (Herter and Misakov, 2012). Even in the small territory of Kabardino-Balkaria (area of 12.5 (1000)² km) disparity of mountain, foothill and lowland areas is clearly visible. Similar situation is in other republics of the North Caucasus Federal District. Therefore, we believe it is important to improve the system of knowledge required for the “quality” development of rural areas in mountain regions. At the same time, you need to learn to identify the weak links of the regional economic system, establish cause-and-effect relationships, etc. to align the economic situation of mountain subjects.

MATERIALS AND METHODS

Main content: A study of mountain areas is specific as any mountain region must be studied within the framework of existing concepts, evaluation criteria,

methods of analysis but taking into consideration unique culture. Analysis and diagnosis of the impact of socio-economic conditions that have horizontal and vertical change will allow to develop specific ways of managing economy of rural settlements of mountainous areas that will improve the quality and standard of living of highlanders.

According to the UN mountainous areas account for one-fifth of the earth’s surface with a population of >10% of the world population. Moreover, the mountain ranges are unique centers of ethnic, cultural and biological diversity. Here large reserves of hydropower and mineral resources are concentrated. Of the 84 subjects of the Russian Federation mountainous areas present in 44 regions and these 44 regions account for 85% of the area of the Russian Federation including the mountains that occupy 63% of their area. In other words in the Russian Federation mountains occupy >50% of the territory (which is 70 mln. ha which is home for about 20 million people). This once again shows the need for an integrated knowledge, identification of identification factors, development of evaluation values system which is the theory of the mountainous areas (Bezirova and Misakov, 2011; Gogichaev *et al.*, 2009).

Republic of the North Caucasus border occupy the border position. The South Russian State border passes through their territories. The system of economic, political and social relations that formed throughout the decades

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shows the results of the historical development of the region. North Caucasus at the present stage has been politically instable in recent years, there were several military conflicts that had both inter-ethnic and separatist character involving external forces.

Some researchers point out to geopolitical parallels between the Russian Federation as a whole and the North Caucasus calling at the same time the region a kind of a small model of the country (Dolgushkin, 2006). In our view, it has its own logic: firstly, the Russian Federation and the North Caucasus are multinational. Secondly, in Russian Federation and in the North Caucasus there are some major nationalities. Third, what is more in some republics Karachay-Cherkessia, Kabardino-Balkaria there are two titular nations which is an additional factor of interethnic discord for redistribution of power and desire for the formation of independent monoethnic states.

Naturally, it is necessary to raise additional legal, research, conventional, organizational and other efforts of the state government, local authorities and the public.

In December 2001, in the UN headquarters in New York, the International Year of Mountains was opened where the President of the Republic of North Ossetia-Alania Alexander Dzasokhov was present from Russia. He delivered report "Sustainable development of mountain areas." He offered key principles of cooperation in order to achieve sustainable development of mountainous North Caucasus republics. Thus, he proposed to recognize mountainous areas to be national cultural, humanitarian and natural heritage of the whole society and the state. According to the second principle, sustainable socio-economic development of mountain areas may be exercised only in the interests of mountain communities. Also, it was particularly stated that fundamental and applied science should make a significant contribution to the development of the theory of sustainable development of mountain regions. At the same time, special attention was also paid to the restoration, maintenance and preservation of traditional systems of natural resources, cultural and natural heritage of mountains and mountain people.

Of course, it is clear that the implementation of the ten (quite correctly formulated) principles cannot be realized without broad public support without propaganda in society on the cultural and traditional values of mountain people that make up the universal heritage of the whole Russian society and the state without lobbying mountain areas of Russia in the State Duma.

All this in the end, should complete the formation of public policy development in mountain regions of the Russian Federation.

Given that each mountain region of the North Caucasus republics has unique natural conditions, formed way of farming, culture, psychology of mountaineers has its own framework of social and economic problems there is a requirement of the development of various research-based solutions with a mandatory adjustment to the above conditions.

New model of mountain areas development: The above mentioned information sets the primary goal to find the reserves to improve the socio-economic situation in the mountainous regions of the North Caucasus Republics.

In the Russian Federation and its regions there are areas, enterprises and producers with sharply differing social and economic and operating conditions which can be explained by both subjective and objective factors. If the first reflect the implementation of the policy management system at all levels, the latter reflect economic and geographical location, socio-cultural and historical, climatic and other features (Misakov and Galachiev, 2009; Misakov and Misakov, 2011).

In conditions of market relations, the imbalance of economic development not only at the macro level (business entities) but also in the areas, administrative regions is shown (in inertial way). There are many areas especially in the South of Russia which have acquired the character of a depressive state.

One of the main reasons for the presence of depression can be considered a regional scheme of socio-economic development carried out in a particular area and its lack of adaptation to current market conditions. In the republics of the North Caucasus as a rule, we observed the production of small product range that is there has been inadequate and disproportionate development. Household tradition in the development of the production system became a brake and caused a chain reaction of crises, all the republics became depressed subsidized regions.

Depressed regions are characterized by the following features: faster pace of destruction of traditional industries as compared with other regions; poor performance of social and demographic conditions; falling incomes; the presence of chronic unemployment; inertial development; economic peripheral status and, etc. (Abaev *et al.*, 2012; Bekova *et al.*, 2011; Misakov and Adzhieva, 2008).

At present republics of North Caucasus Federal District are in a difficult social and economic situation. The economic backwardness is worsened by the weak development of market relations, the low effective demand of the population and high-risk business which nullify the

investment attractiveness of the country which in turn increases the negative trends in the economy and rising social tensions. For example, the Kabardino-Balkar Republic in recent years in terms of socio-economic situation is stable at the end of the list of regions of Russia. Today, the republic, in our opinion, faces a number of acute problems:

- How can the republic reduce disparities in the level of economic development of the territories especially, mountain and plain ones (we are talking about the level of economic development and not about financing current budgetary expenditures)?
- Whether the regional policy can achieve the objective of stimulating the rapid growth of the most economically backward mountain areas of the republic?
- What instruments of regional policy are most conducive to achieving accelerated growth in the economy of depressive region?

Recently, the subjects of North Caucasian Federal District are actively developing regional policies that are policies of coordination of state interests and regional interests. The level of their study is dependent on modeling and a variety of strategies to optimize the placement of the productive forces as well as the introduction of non-economic methods of spatial organization of territory economic complexes.

In the market conditions in the mountain areas of Russia differentiation of agriculture on the basis of a single economic space reform into heterogeneous territories sharply increases. Differentiation of regions and enterprises on the basis of socio-economic indicators is carried out due to the influence of objective organizational and economic mechanisms involved in the management.

The disproportion in the development of the territories, households, etc. within the Russian Federation even in North Caucasian Federal District and even in its regions is very high which is proved by the enormous differences in socio-economic status of the population, the state of the regional economy. The final results of the regions activities allow to highlight depressed areas which are falling behind quite significantly and steadily in comparison with other regions in all socio-economic indicators.

In the special economic literature, there is another definition of depressive region, it is understood as a local spatial formation where due to political, economic, social, environmental and other circumstances incentives to self-development cease to apply and hence, there are not

basis which can lead to self-destructive crises. In other words, depressed regions are not able to provide the necessary reproduction of socio-economic, demographic and other regionally-mediated processes (Bezirova and Misakov, 2011; Herter and Misakov, 2012; Misakov *et al.*, 2013; Misakov and Rasumov, 2013).

This leads to the conclusion that the elimination of these problems and the implementation of the state's role to create the conditions necessary to support a level of social conditions of the population in all the regions is a priority of government of the Russian Federation.

Severe restriction of living space is a distinctive feature of the organization of the economy and settlement in the mountain areas. According to the theory of functional zoning of mountain areas (which is based on the principle of involvement of the territory according to the available natural resources, historical and economic factors), the following types of conduct of the economic development are given: agricultural, industrial, recreational. Accordingly, each region is given the status following one of these priority areas of economic development. In the Caucasus for centuries until the end of the XIX century agricultural type dominated namely, the type of livestock development. Since the second half of the XX century along with the extensive forms of farming, new types of management: industrial and recreational, appeared (Misakov and Rasumov, 2013; Shidov and Shidov, 2010).

It is less complicated to identify patterns of vertical zonation in the agricultural reproduction than in the industrial, since other than the zonal distribution and functioning factors azonal ones are still present which certainly complicates the mechanism of developing the concept of specificity of the industrial development of mountain areas.

Industrial (industrial) type of management is constituted by the industrial enterprises built in limited small contour areas. Thus it is necessary to consider another feature of the mountainous regions in the formation of industrial and Territorial Systems (PTS) the presence of the general background conditions for the dispersal of labor resources, the specific of transport and social infrastructure.

During the placement of TCP in mountain areas one can observe their particular concentrations in terminal areas usually located in the intermountain depressions. So as an example, Karachaevsk in Karachay-Cherkessia, where due to mountainous terrain industrial enterprises are concentrated in the intermountain basins and in Kabardino-Balkaria and North Ossetia-Alania industrial enterprises are built on the extended portions of river valleys (respectively Tyrnyauz mining complex and Sadono Mizurskiy mining region).

All industrial enterprises in mountainous areas of the North Caucasus republics have one feature “dividibility”: companies tend to specialize in “preliminary” stages of production of the product in the future products are processed in the foothill and plain regions.

RESULTS AND DISCUSSION

Factors for sustainable development of rural areas: The process of social and economic development of the area should be based on involvement of both external (independent of the subject of development) and internal factors, depending on the degree of exposure to external. The state and the vector of development of regional agrarian economy directly depends on many factors including the level of involvement of natural and material and technical means, organization and qualification of labor, scientific research of agricultural universities and research institutes, integration of structural units of the AIC. These factors are major. During the study one must carefully analyze local factors as well.

The most important resource in the rural areas is the land, its quality, geographical location. Quality of land a priori depends on a number of natural factors: location, precipitation, average temperature, etc. which together constitute the “bioclimatic potential”.

Even a small (in relation to the Russian Federation) territory of Kabardino-Balkar Republic is characterized by its own features of land resources. This necessitates the introduction of adapted farming systems, based on the zoning of agricultural crops and the need to take into consideration bioclimatic characteristics of each particular plant because it affects their adaptability to economic zones.

Another key factor for the sustainable development of agricultural production is the struggle for the improvement of soil fertility, its reproduction. In general, in the republics of the North Caucasus agroclimatic potential of the agricultural area has great opportunities for sustainable development of agricultural production (Misakov and Misakov, 2009, 2011; Chikatueva and Totorkulov, 2012).

In the situation of increasing competition farms should pay particular attention to the intensification of agricultural production which involves development and implementation of advanced technologies.

A key factor in increasing sustainability of rural areas development is optimization of agricultural production in rural areas. It can also be crucial for the recovery of reproduction in livestock and crop production.

In the system of factors aimed to ensure the sustainability of agriculture, social factors are important. They are inextricably linked to the economy in fact, economic development is the basis for social development. Historically, “economic development” always stood in the first place and social development was provided by a residual principle. Social transformations in developed countries (Sweden, Finland, Denmark and others.) today precede economic ones. Thus in these countries when choosing the place of work (no matter if it is a public service or private enterprise), first of all people pay attention to the development of social sphere, working conditions, the level of material rewards, etc.

In conditions of market relations specific advantages are formed: in particular, there is freedom to choose types of work. This allows any resident of the village to determine the forms of economic activity which in his opinion, will generate revenues in accordance with his needs (he can engage in business, organization of private farming, etc.). Moreover, the villagers are able to simultaneously use various kinds of work that ultimately would lead to the increase of the total income of each individual (Misakov *et al.*, 2009).

One cannot ignore the fact that the state does not have unlimited possibilities for the rapid development of social sphere of the village. At the same time, as a rule, local governments usually do not have sufficient material and financial resources. In this regard, we believe that one of the sources of rural development can be fundraising from urban enterprises and citizens who use rural infrastructure and natural resources in rural areas. Sustainability of agricultural production is heavily dependent on the disparity in prices for machinery and agricultural products, development of the integrated agroindustrial complex structures with different profiles. Progressive forms of economic organization such as cluster associations, companies (Gogichaev *et al.*, 2009; Misakov *et al.*, 2006; Misakov *et al.*, 2009) have an important role in the establishment of an effective mechanism of economic interaction between processing and agricultural enterprises.

Naturally, increasing the sustainability of agricultural production can be achieved primarily through the use of modern Scientific and Technological Progress (STP). Today, there is a task to create ecologically intensive type of expanded production in the agro-industrial complex of the Russian Federation which naturally should be reflected in the production of modern agricultural machinery, new technologies, human resources with market thinking, it should be reflected in all elements of the economic mechanism.

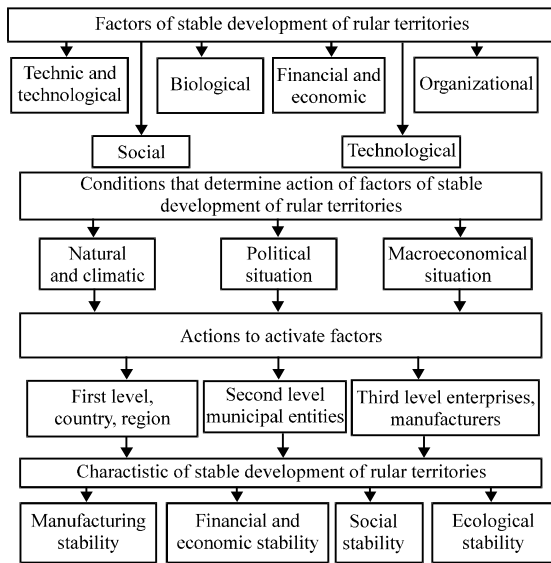


Fig. 1: The factors of sustainable development of rural areas

One of the priorities for STP is to create flexible technologies which are provided with modern systems of machines also conditions for maneuver of the whole biotech base of agroindustrial complex that will allow us to adapt to extreme situations. Also, it is necessary to ensure optimum dynamic stability of the exchange between the society and the environment in which the needs of the nature of living systems would be implemented in the same way they are implemented for society. In this regard, bioprotective zonal systems of organization of agricultural production become urgent.

On the basis of analysis of the results of research of leading scientists on the issue (Herter and Misakov, 2012; Dolgushkin, 2006), we propose the following modified classification of countervailing factors affecting the sustainable development of rural areas (Fig. 1).

The factors of sustainable development of rural areas themselves are often not sustainable, since they depend on the overall geopolitical situation, the macroeconomic policies of the state, the social guidelines, the methods of management of economic development, etc.

CONCLUSION

Analysis and diagnosis of regional problems cannot be limited with identifying external signs of socio-economic backwardness. Retrospective analysis of the genetic roots of these problems is required. Its task is to find the causes of crises in the agricultural economy of

rural areas and primarily the causes related to the consequences of political, organizational and economic restructuring.

The following points can help with implementation of the task for mountain areas and in general, the republics of North Caucasus Federal District to fight depressive condition:

- The need for rational use of local diversified resource base (petrochemical, building materials, recreation, food, etc.)
- Wider use of traditional handicrafts
- Focus on the release of progressive goods
- The use of energy-saving technologies
- The development of cooperation and integration of work
- Improving the system of governance at all levels of the national economy
- Implementation of the necessary institutional reforms

The end result of the depressive condition exit of the republics of North Caucasus Federal District is organization of competitive production in the priority areas of the regional economy (agriculture, tourism and recreation complex, building complex) with an aim to improve the living standards of the population.

Today in the country, due to ongoing geopolitical events (the global crisis, Western and the United States sanctions against Russia) it is necessary to develop an action plan to activate the factors affecting the sustainable development of rural areas agriculture. They primarily can be divided into three levels. Among the activities developed on the first level we can name activation of factors for sustainable development of agriculture on the level of country, region. Events developed on the second level, activate factors on the municipal level, the third level the enterprise, specific producers.

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