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# Impact of Agri-Food Potential on the Level and Quality of Life of the Population

#### M M Teryutina<sup>1</sup>

<sup>1</sup>Marianna Mikhailovna Teryutina, Department of Sectoral Economics and Management, Faculty of Economics, Arctic State Agrotechnological University, 3 km. Sergelyakhskoe sh., 3, Yakutsk, 677007, Russia

#### E-mail: m\_teryutina@mail.ru

Abstract. In this article, the author examines various aspects of the impact of the agricultural and food potential of one of the largest regions of Russia, the Republic of Sakha (Yakutia), on higher living standards of the local population and the qualitative improvement of their life in this harsh Northern climate. The situation in providing for this Russian region has changed dramatically in recent years: if previously only quantitative and a few qualitative parameters were considered to assess the level of demand for food products, today the criteria have changed significantly. Suppliers are required not only to provide a certain range of food products, but also to increase the requirements for the quality component. The author clearly proves that support for agricultural producers and farms, infrastructure development of rural areas is a global trend of the last decade. These factors, in turn, contribute to stabilizing the socio-economic situation in the country as a whole. In addition, the food preferences and needs of citizens living in the Republic have recently changed: local agri-food products are more in demand. Balancing supplies from other regions and saturating the market with their own food is the main task in the field of state regulation of this area. In addition, local products are characterized by good biochemical parameters, and in terms of caloric content and mineralization, they correspond to a healthy diet for active life in the Far North. To study all these problems, the author needed to apply not only special economic methods, but also some cross-cutting methods that include a set of social, economic, and environmental methods.

#### **1. Introduction**

The events of recent years and months have significantly changed our understanding of the system of agri-food provision for the population of the country and regions. If earlier we took into account mainly only quantitative indicators and a sufficient range of agricultural food products supplied to the local market, today these criteria cannot be considered sufficient and complete to assess the security of the country's citizens. Today, the concept of security refers to many parameters that bring us closer to global indicators and standards. Increasing the importance of production and distribution of food products is considered by us as a mandatory factor in overcoming poverty among the local population, an indicator of sustainable economic growth and stability of living standards in the context of the global financial crisis. The main function of the agro-industrial sphere, which is to maintain the balance of the state's foreign economic policy and integrate Russia into a single system of the world economic space, cannot be discounted.

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In 1990s and 2000s, when the economy of our country was just becoming a market one, it was difficult to make economic entities engaged in the production and sale of food and industrial goods pay attention to other indicators other than quantitative ones. As Russians experienced a clear shortage in the local market of all types and types of goods, first of all, it was necessary, to fulfill the task of filling empty store shelves. In addition, foreign products were seen by default as high-quality, environmentally friendly, produced according to high international requirements and standards. The preferences of buyers were formed on the basis of the Soviet foreign trade system, which, indeed, supplied only the highest quality imported goods to the domestic market. But due to the transition to the market economy, state control was no longer in place, foreign trade has been liberalized as much as possible, and internal monitoring mechanisms for production and supply have not yet been implemented, and a wave of low-quality goods has flooded the country.

At the same time, the Russian Federation, even as part of the USSR, had a unique resource – a huge potential that allows us to successfully develop domestic agricultural production to fully provide both domestic consumers and supplies to the foreign market, harmoniously integrating with the global economic environment. Today, our country has all the opportunities to overcome economic and social problems in differentiating regional and sectoral production of goods, increasing the competitiveness of domestic food in the global economy, as well as in finding and implementing alternative opportunities for economic progress and achieving stable national economic growth.

*The purpose of the study* is to identify the determining role of the domestic and local agri-food sector in overcoming the global financial crisis, as well as to reveal, in this regard, through the analysis of economic indicators, its impact on the level and quality of life of the local population.

To achieve the goals set for the study, you need to solve the following tasks:

- to review the state of the agro-industrial sector of the regional economy to clearly represent the potential of local production in overcoming the consequences of global financial and economic problems;

- to determine the role of regional agricultural production in improving the level and quality of life of the local population, overcoming poverty factors among citizens, especially those living in rural areas;

- analysis of the prospects for sales, food trade organizations, as well as characteristics of regional agri-food production as an environment for innovation and modernization to increase the well-being of the population;

- determining the dynamics and productivity of the local agri-food sector, its position in the national economy in the context of the growing trend of the global economic system's comprehensive impact, stimulating crisis phenomena.

*The object of research*: economic relations in the regional agri-food sector, mechanisms of state regulation and the industry business community, as well as the special features of the main patterns and socio-economic consequences in this area.

Subject of research: regional agri-food production.

*Methodology and theoretical base of the study* consisted of those fundamental concepts that have developed in classical and non-classical economic schools, the results of modern research in the industry, as well as the works of Russian and foreign authors on the subject of the participation of the agrifood system in stabilizing the world economic order.

### 2. Demographic situation in the Republic (Yakutia) in the regional economy

For a more detailed consideration of the factors that reveal the impact of the region's agri-food potential on changes in the level and quality of life of the local population, we will have to touch on some socio-demographic indicators. Yakutia is the largest administrative and territorial entity, not only in Russia, but also in the whole world. In addition, it is the most sparsely populated region in terms of density. As of January 1, 2020, 971,996 people lived in the Republic of Sakha (Yakutia) on more than 3 million square kilometers. The rural population was 329288, or 33.8%. At the same time, the

following trend is clearly visible: with the growth of the urban population by 13.2 thousand people, which is 1.4%, the number of villagers decreased by 3.0 thousand people, that is, by 0.9%.

These changes are explained both by an increase in the birth rate – a natural increase, and a decrease in the rate of migration outflow that threatened Yakutia in the late  $20^{th}$  – early  $21^{st}$  century. It should be noted that our region did not have a catastrophic demographic development, as in some regions of the country: the decline in the birth rate was minimal, and mortality did not prevail over it. This was especially true in rural areas, where large families were the norm rather than the exception. The outflow of population prevailed in the industrial centers of the Republic, Mirny, Aldan, Neryungri, and the Arctic coast, where the population employed in the mining industry lived. The mortality rate for various reasons, I must say, has been decreasing in recent years, which in 2019 amounted to 7.8 ppm (see table 1).

				-		
Indicators	Years				Changes in relation to	1 %, 2019 in
	2010	2015	2018	2019	2015	2018
Population, million						
Republic of Sakha						
(Yakutia) thousand people	958.5	956.9	964.3	967.0	1.3	0.5
Including the rural						
population, thousand	344.0	332.2	331.5	329.6	-0.9	-0.7
people.						
Share of the rural	35.9	34.7	34.4	34.1	-1.7	-0.8
population, %						
Population growth per year, %	-0.01	0.3	0.3	0.5	66.6	66.6
The growth of the						
rural population per	0.62	-0.08	-0.06	-0.08	0	33
year, %	0.02	0.00	0.00	0.00	0	00
Labor						
Total, thousands of	483.7	482.1	497.0	504.8	4.7	1.5
people	403.7	402.1	497.0	504.8	4.7	1.5
Employed in						
agriculture, thousands	42.078	40.753	34.571	33.928	-16.7	-1.8
of people.						
Total share of agriculture, %	8.7	8.4	7.0	6.7	-20.2	-4.3

**Table 1.** Demographic and economic indicators of the Republic of Sakha (Yakutia).

As can be seen from the statistical data (Table 1), approximately 34% of the Republic's population lives in rural areas, the rest is concentrated in cities and urban-type settlements. This is more typical for industrial centers of districts (uluses). At the same time, our analysis shows that in recent years there has been a constant decrease in the share of villagers with an average annual growth of the population of the Republic by 0.5%. The total share of agriculture and the population engaged in agricultural production is approximately 6.7% of the total labor force.

#### 3. The impact of agri-food production on the growth of rural living standards

It is generally accepted that the criterion and the main factor influencing the agri-food sector on regional development can be defined as the measure of the orientation of a region on the agricultural sector as the main economic activity and source of income for local people.

In the monographic publication of the collective of authors of the Federal State Budgetary Scientific Institution " M. G. Safronova Yakut Research Institute of Agriculture," it is concluded that in the system of agriculture of the Republic, five main agricultural zones can be distinguished: reindeer-breeding, animal-breeding, livestock, livestock-farming, suburban [1]. Each ulus has its own types of agricultural production that determine the development of the district, which traditionally acts as the main activity of the local population. This specificity has been developing for more than a decade, and this type of agricultural production functionally determines the entire life of this area.

Historically, the population of our Republic is unevenly distributed over a vast territory. At the same time, the highest population density is observed in the economically more developed Central part of the Republic, where the vast majority of the population is engaged in the production and processing of products in the livestock and livestock-farming industries.

Turna of product	2010	2015	2018	2010	Changes in 2	2019
Type of product	of product 2010 2015 2018 2019	2019	by 2015	by 2018		
Meat (live weight						
of livestock and						
poultry for	42.5	35.5	35.4	36.9	103.9	104.2
slaughter),						
thousand tons						
Milk, thousand tons	191.6	164.6	165.9	161.5	98.1	97.3
Chicken eggs,	123.6	136.4	120.6	133.6	97.9	110.7
million pieces	125.0	150.4	120.0	155.0	)1.)	110.7
Potatoes, t	67,889	65,328	82,936	81,483	124.7	98.2
Vegetables, t	28,802	23,931	28,283	26,787	111.9	94.7

Table 2. Indicators of agricultural production in the Republic's GDP.

Gross agricultural output in 2019 amounted to 26.1 billion rubles, which is 0.5% more than in the previous period. The increase in agricultural production compared to previous years is observed for meat and eggs. The rest of the indicators decreased, which can be explained by the fact that the output of agricultural products depends on natural, climatic and weather conditions. The gross regional product (GRP) of the Republic of Sakha (Yakutia) for 2019 amounted to 1133.2 billion rubles, which is 3.5% more than in 2018. The share of agricultural production in GRP is 2.3%, and this indicator tends to increase compared to previous years.

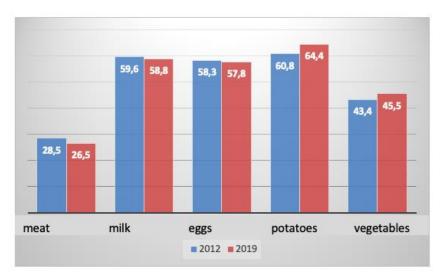


Figure 1. Level of self-sufficiency in basic agricultural products, %.

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In agriculture, according to the State Autonomous Agency "Center for strategic research under the head of the Republic of Sakha (Yakutia)», at the end of 2019, compared to 2018, 4.2% more livestock and poultry were produced for slaughter, 2.6% less milk, and 11.4% more eggs.

Every year, there is an increase in investment in agricultural production. For example, in 2018 alone, the share of investment in agriculture in total fixed capital investment was 3.2%. According to the Ministry of Agriculture of the Russian Federation, the volume of investments by 2024 should double and grow up to 822 billion rubles.

In Table 3, we consider the number of people with monetary incomes that are lower than the declared minimum subsistence level.

	2010	2015	2018	2019	Changes i in relation 2015	n %, 2019 n to 2018
The number of people with monetary incomes below the subsistence minimum	182.1	185.7	179.4	173.2	93.2	96.5
in % of the total population	19.0	19.4	18.6	17.9	92.2	96.2
Deficiency of money income, million rubles	6258.0	10478.4	11173.2	11179.2	106.6	100.05
as a percentage of the total monetary income of the population	2.4	2.5	2.3	2.1	84.0	91.3
The cost of living, rubles per month	9,145	15,140	16,511	17,126	113.1	103.7

Table 3. The number of people with monetary incomes below the subsistence minimum\*.

\*Source: statistical Yearbook of the Republic of Sakha (Yakutia)

Analysis of the presented data shows that about 17.9% of the total population received incomes below the subsistence minimum. However, the data for 2019 turned out to be somewhat contrary to this trend. There are no data for the first half of 2020 yet, but we can say with some confidence that the figures are unlikely to be comforting.

Table 4 shows the results of agricultural production, food resources and their use.

	Potato	Vegetables	Meat and meat products	Milk and dairy products	Eggs and egg products, mln PCs.
Resources					
Inventory at the					
beginning of the	38.4	22.8	13.8	18.7	7.9
year					
Production	82.9	28.5	21.3	166.1	120.6
Inbound, including	38.1	43.0	64.8	116.5	101.3
import Total resources	159.4	94.3	99.9	301.3	229.8
Using					
Industrial	38.3	3.7	0.1	14.8	2.8

 Table 4. Food resources and their use, thousand tons.

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consumption					
Losses	1.8	1.0	0.3	0.4	6.6
Personal consumption	85.4	67.8	84.5	268.1	214.3
Stocks at the end of the year	33.9	21.8	13.5	18.0	6.1

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As you know, food is a form of human interaction with the environment, and providing yourself with food is almost the only way to ensure the existence of an individual and the ability to lead an active lifestyle. Therefore, agri-food provision of people is the main task of economic activity as such. To build and continuously update the cells and tissues of the body, it is necessary to consume environmentally friendly, biologically high-quality and healthy food that contributes to the creation of the necessary amount of enzymes, hormones and other regulators of metabolic processes in the body and effective human life. It is nutrition that largely determines the duration and quality of people's lives, and the consumption of poor-quality food can lead to many serious diseases, including the spread of cardiovascular diseases and cancer that are the main enemies of humanity in recent times.

#### 4. Socio-economic situation in the region and global economic crises

Agricultural food is a renewable resource, but it is fundamentally different from all other terrestrial resources, since at the same time external factors are transformed into internal ones, physiological functions are transformed into energy ones, and biological processes are transformed into sociopsychological ones. That is why the quality of consumption and food security of the population should be a priority in any type of economic activity.

This kind of understanding prevails in modern economic theory and is a global trend in the economic policies of developed and developing countries, being quite effective. According to the OECD [3]. The review covers the period from 1986 to 2016: data on total agricultural support as a percentage of the country's GDP, also shows the amount of support in US dollars (Total Support Estimate (TSE)) and % of subsidies from gross farm income: Producer Support Estimate (PSE).

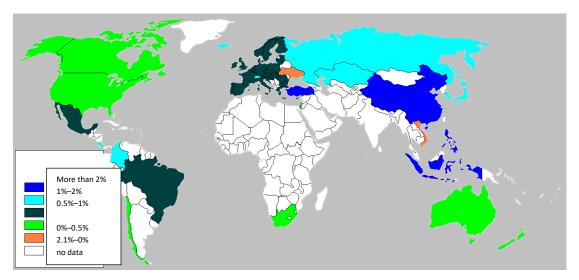
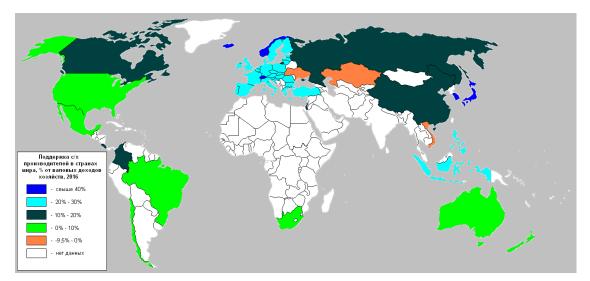


Figure 2. Support for agriculture in the world, in % of GDP [Total Support Estimate (TSE).

TSE subsidies in this case is an indicator of the overall support provided to agricultural production, and it includes, but is not limited to, support for producers only (PSE). TSE is presented as a total subsidy to the agricultural sector, consumers of agricultural resources, and infrastructure development in rural areas. In terms of gross state support for agriculture, China, the European Union, and the

United States are leading the way. The Russian Federation comes the 8<sup>th</sup>, somewhere between Turkey and Brazil. By the way, it is interesting that agricultural subsidies in China have increased almost 17 times over this period, as well as in Indonesia. During this time, the latter shows quite comparable economic growth with developed countries. As for the percentage of support to the GDP of the Russian Federation, it is also not the worst, on the contrary: Russia occupies the 12<sup>th</sup> place between Japan and Norway. Indonesia, Turkey and the Philippines are among the top three in this indicator. Ukraine, according to the Agency, is at the very end of their list.



**Figure 3.** Support for agricultural producers in the world, % of gross household income [Producer Support Estimate (PSE)] more than 40% no data Support for agricultural producers in the world, % of gross household income, 2016.

According to the Agency, the highest level of support can be observed in Norway, Iceland and Switzerland – the share of total revenues is more than 50% of the gross income of farms. South Korea and Japan also subsidize their producers by almost half. But in Ukraine, Kazakhstan, and Vietnam, negative values are observed, which shows the following: in these States, the state apparently takes more from farmers than it directly subsidizes such production.

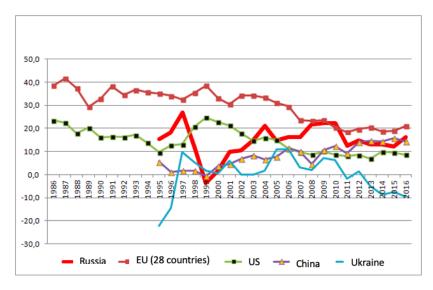


Figure 4. Support for the agricultural production sector, as a percentage of gross farm income.

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As can be seen from this graph (Fig. 4), it is in those countries where the agricultural sector is actively supported by the state that we are seeing a gradual recovery from the recession and better indicators in the economic sphere. In those countries, and at a time when the agricultural sector is not supported, it is possible to predict not only a General deterioration in the standard of living of citizens, but also worse conditions in the social and political development of the situation.

Indeed, we see an increase in investment in the agri-food system in many countries that have achieved great results in this sector of production, including in the Russian Federation, which is an indicator of its importance as a factor in the country's positioning in the world economy and the international division of labor.

These indicators in many ways tend to directly affect the overall level of economic development, well-being and standard of living of the local population at the level of a particular region. An analysis of the potential of the agri-food system in stimulating economic growth in the region and the ability to withstand global financial problems can be made by indicators of growth in stimulating the agricultural sector. For this reason, it is very important for regional authorities to support agricultural producers. In the Republic of Sakha (Yakutia), there is an understanding on the part of the government, which resulted in measures for state support of agro-industrial production. These data are presented in Table 5.

	Planned for 2020, thousand rubles				
		Including at the	the expense of funds		
Direction of state support	Total	Of the federal budget	Of the budget of the subject of the Russian Federation		
Development of agribusiness industries	545,675	502,021	43,654		
- Grants for the development of the agricultural complex infrastructure	260,222	239,404	20,818		
- Support for agricultural production in certain sub-sectors of crop and livestock production	285,453	262,617	22,836		
Promotion of investment activities in the agro-industrial complex	43,081	39,635	3,447		
Development of agricultural land reclamation in Russia	126,765	116,624	10,141		
Creation of a system of support for farmers and development of rural cooperation	104,945	103,895	1,049		
Integrated development of rural areas	1,569,526	1,448,848	120,678		

**Table 5.** Measures and areas of state support for industries. In the agro-industrial complex of the Republic of Sakha (Yakutia)\*.

\*Source: information directory of the Ministry of Agriculture of the Russian Federation on measures and areas of state support for the agro-industrial complex of the Russian Federation.

The strategic directions of agricultural development implemented in the Republic provide for technical re-equipment of the agro-industrial complex, the emphasis is on stimulating investment activities in the agro-industrial complex, and developing land reclamation. A support system for farmers and development of rural societies is created through the grants under "AgroStart-up" and subsidies for reimbursement of the cost of an integrated agricultural production centre as part of creation support system of the farmer.

The development of agriculture requires state support, especially in the North. If earlier the authorities of the Republic attracted about 1 billion rubles a year from the federal budget, this year the volume increased to 1.33 billion rubles.

In addition, Russian banks are actively developing new credit programs for farmers in 2020. VTB starts lending to farmers under the new state program, the Russian Agricultural Bank increased lending for seasonal work by 31%, and Sovcombank and the government of Belarus signed an agreement on subsidizing loans for the purchase of agricultural and industrial equipment in Belarus [2].

Recently, lending to agricultural production has not decreased, and some indicators have even shown some growth. This is a demonstration of the readiness of credit and financial organizations to lend to the agri-food sector production. If you compare the terms of lending in different banks, only Rosselkhoznadzor offers specially designed packages for agriculture, the rest being on equal terms with other businesses. The agricultural sector has always been considered and is considered a risky investment, and investments were not offered very actively. However, the global economic crisis gives farmers carte blanche to expand their influence on the local, regional and global sectors. This trend is observed not only in our country.

As you know, developed countries allocate significant financial resources to support agriculture, for example, in the EU countries, the share of state support reaches 39% of GDP.

Any country has a state policy to support agriculture and the entire food system, and the amount of funding is usually growing, which on the one hand has a positive effect on the growth of employment. For example, in the Republic of Kazakhstan, on average, budget financing is only 16% of the total, 24% are own funds of agricultural companies, 14% are funds of the National Fund of the Republic of Kazakhstan and 46% are loans. Agricultural lending portfolios in the country in 2011-2016 almost doubled, but a significant increase in production volumes was not achieved.

Indeed, we see an increase in investment in the agri-food system in many countries, including the Russian Federation, which is an indicator of its importance as a factor in the country's positioning in the world economy and the international division of labor.

#### 5. Regional economy and local households

The main task facing agricultural producers is not limited to global problems. Speaking at the forum "Russia is calling!" Russian President Vladimir Putin Putin called on the government to achieve growth in real incomes of the population. In particular, he said: "It is known that today wages in Russia are growing both in nominal and real terms, but at the same time, the disposable income of citizens is practically standing still." In January of this year, the President also said that the fate of the country depends on whether we can overcome the growing population decline, which in 2019 amounted to 316 thousand people. A direct threat to the demographic future, according to Putin, is the low incomes of a significant part of Russians [4]. To provide social support to families with children, the head of state proposed a whole package of measures, including providing hot meals to all primary school students. According to the authors, the implementation of "...these measures will undoubtedly change the situation, and will allow a significant part of the population, especially large families, to increase their income and, consequently, the living standard" [5].

For an objective analysis of the real income of the population, we will consider the composition and structure of consumer spending of households in the Republic (see Table 6).

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	2010		2015		2018	
Consumer spending – total	11,575.3	100	18,202.8	100	22,799.3	100
including: food and non-alcoholic beverages	4,130.4	35.7	6,356.5	34.9	7,156.7	31.4
alcoholic beverages, tobacco products	287.0	2.5	410.7	2.3	667.1	2.9
clothing and footwear housing and utilities, fuel	1,357.0 1,131.5	11.7 9.8	1,895.6 1,827.5	10.4 10.0	2,381.1 2,690.5	10.4 11.8
household items,			·		·	
household appliances, home care	707.2	6.1	1,210.2	6.6	1,327.7	5.8
Health	250.1	2.2	567.2	3.1	655.5	2.9
Transport	1,224.1	10.6	2,196.2	12.1	2,579.3	11.3
Communication the organization of	571.5	4.9	682.3	3.7	981.3	4.3
the organization of leisure and cultural activities	713.4	6.2	907.2	5.0	1296.9	5.7
Education	295.7	2.6	153.2	0.8	195.8	0.9
hotels, cafes and restaurants	148.6	1.3	367.3	2.0	833.9	3.7
other products and services	758.7	6.6	1628.8	8.9	2,033.4	8.9

**Table 6.** Composition and structure of household consumer spending (average per household member; rubles per month).

Almost all the items of household spending are decreasing. People began to to spend a little more on alcohol and tobacco products, however, here higher prices on this type of product contributed to it, so that in real terms, their consumption remains in the same place. The cost of housing and utilities, medical services, transport, consumer services and services is also growing. So, we can say that consumption remains either the same, or even is decreasing. This restriction is explained by the general decline in income of the population.

Recently, there has been an increase in labor productivity in agriculture, associated with an increase in state funding and subsidies, modernization of production and innovations in this area. At the same time, innovation, modernization and automation in the agri-food system leads to an increase in the total supply of food products, as well as to a corresponding decrease in their prices. This leads to a widespread restriction on the growth of nominal wages of agricultural producers, especially affecting unskilled workers. Also, the price of agricultural production factors is also declining that covers the major and significant labor costs in the overall indicator at the lowest level of the technological chain. But all this contributes to a significant increase in the competitiveness of non-food products in the relevant market [1].

The positive indicators that are observed in the socio-demographic situation in the Republic of Sakha (Yakutia) are primarily related to the measures taken by the Executive power to provide social support to children with children and improve health care. In addition, the government is constantly improving these social support measures for families with children, introducing new types and degrees of targeting of support measures aimed at stimulating the preservation and increase of the birth rate. Mortgage loans at low rates are becoming very popular, the so-called "Far Eastern mortgage" is just beginning to gain momentum.

Our research shows that the development of the agri-food potential system leads to an expansion and increase in the share of agricultural production, which is directly related to it. In addition, agricultural production does not decline during financial and economic crises: people do not stop buying food, although households buy significantly less other products and services. Yakut sociologists based on their research show that in our Republic there is a tendency to increase the consumption of local Yakut products, which is environmentally friendly, and in terms of many microbiological characteristics it is more suitable for active life of the body in harsh Northern conditions. For this reason, experts believe that to address the issues of high-quality and sufficient self-reliance production in the Republic, measures are needed to provide targeted investment support to the agri-food sector. "Only under such conditions is it possible to form effective qualified subjects of market relations: real owners, entrepreneurs, managers and create conditions for the development of competitive food products of their own production" [6].

#### 6. Conclusion and results of the study. Main conclusions

The study of problems related to the production of agri-food products in Russia and the regions, which we considered together with other demographic, social, and socio-psychological issues, shows how interconnected various spheres of human life are. The mutual influence of production, sales, and consumption of goods with everyday tasks facing specific households shows that it is impossible to consider the economic situation in a country or region in isolation from such parameters as income and expenses of the population, food preferences of residents, poverty and insolvency of citizens. All these issues must be considered together, in the aggregate, otherwise there is no point in any economic growth or prosperity of the nation.

Analysis of the impact of local agri-food potential on the level and quality of life of the population of the Republic of Sakha (Yakutia) shows that during the economic crisis, reinforced by the pandemic that has hit all countries of the world, the population does not reduce the amount of spending on food, although it reduces its spending on other types of goods and services. On the contrary, the global financial crisis gives farmers carte blanche to expand the parameters and range of products supplied to the market. At the same time, it should be borne in mind that at the moment the consumer's attention will be paid not to the scale or price of the product, but to the quality parameters. The modern Russian buyer will not buy "Bush's legs" to satisfy their food needs, they will be interested in the place of production and the origin of products, their biochemical and environmental qualities.

Of course, advertising is the driver of trade. But you should take into account the peculiarities of the Russian perception of advertising as a consultant when buying: our compatriot often sees it not as a smart adviser, but as a businessman who wants to sell a low-quality, but expensive product. Therefore, advertising is very often accepted not as a practical guide to action, but rather as an art that has no pragmatic value.

Due to objective problems, the development of agriculture in Russia is not proceeding at a sufficient pace. "By analyzing and influencing factors that affect the level of food self-sufficiency in the region, it is possible to change not only the indicators of agricultural production and the agroindustrial complex as a whole, but also to influence the socio-economic development of rural territories, improve the quality of life of the rural population" [7]. Therefore, further extensive research in this area is extremely necessary in modern conditions.

When we consider the agri-food potential, we rightly mean, first of all, the labor and activity of the villager: the city can only process products. It will not be a secret that its life and work were not and are not prestigious for the citizens of our country and a priority for the younger generation. And, despite some activation of banks to provide loans to agricultural producers, they are still inaccessible to many. However, the government, presenting their programs related to "Far Eastern hectares" and "the Far Eastern mortgage" meant that the settlers come to these lands to become entrepreneurs, rapidly develop tourism, first of all, and implement other projects, and the government also wanted this land to be inhabited with active young Russians.

But in our opinion, these programs should be further enriched with other infrastructure components that will become special clusters for the new development of Siberia and the Far East, along modern and innovative ways. Along with migration preferences, the state will also have to take care of building up the agro-food potential, primarily of local production. We are confident that "with the reform of the economy, the implementation of a deep structural adjustment of the entire industrial and social order, significant changes will inevitably occur in the standard of living of the population, especially in rural areas, the sharp stratification of the population in terms of income will slow down, and unemployment will be overcome" [8]. All these measures address not only food security and support, but also the problem of poverty among the rural population, which has been working so hard for so many years on this harsh land. The solution to all these problems is a far-reaching goal for the development of the North, Siberia and the Far East, and will definitely have a positive impact on the overall economic condition of Russia.

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