STRATEGIC PRIORITIES OF AGRICULTURE’S RECONSTRUCTION OF UKRAINE IN POST-WAR PERIOD

The development of national agriculture always took an important role in the development of the economy of Ukraine. Agriculture is one of the main sectors of the national economy from the point of view of forming gross domestic product, from the point of view of providing food security for the country. From the beginning of the Russian military invasion, most landowners have been incurring financial losses, which caused the Ministry of Agrarian Policy and Food of Ukraine to work out the State Agrarian Register, which provides direct financial assistance to Ukrainian farmers and agricultural producers.

The issue of analyzing the activity of agriculture and the level of food security was dealt with by scientists such as Zakhodym M. [1], Fedun I., Bey R., & Pysklyvets, V. [2], Pestova A. & Opanasiuk V. [3], Gorobets N. [4], Dmytryshyn L. & Brynzei B. [5], Lemishko O., Davydenko N., & Shevchenko A [6], Ostashko T. [7].

Zakhodym M. [1] researches the conception and current state of food security in the country and defines its role in the structure of the economic security of Ukraine. The paper shows that to support the level of food security government should “establish parity intersectoral relations of agriculture with other sectors of the economy; maintain the profitability of the agricultural sector of the economy at the level of the average rate of profit of the Ukrainian economy through effective antitrust policy, regulation of prices for natural monopolies products, the introduction of the mechanism of minimum guaranteed prices, the introduction of public investments; finance state target programs, etc.”

Dmytryshyn L. & Brynzei B. [5] investigated the functioning of agriculture, and its main problems and identified the main goals of state support for agriculture, including increasing the production of high-quality products to solve the problem of food security, developing rural areas, increasing rural employment and increasing the competitiveness of the agricultural sector to stimulate economic growth.

Lemishko O., Davydenko N., & Shevchenko A [6], in turn, already analyse strategic directions of economic reconstruction of post-war Ukraine. They think that the first step has to be achieving the pre-war level of economic development; at the next – stage of post-war recovery – creating a basis for stimulating the revival and gradual development of the country’s economic, financial and social potential.

Ostashko T. [7] analyses such an agrarian problem as losses of Ukraine's agricultural exports as a result of blocking seaports by the armed forces of the Russian Federation. In her work, she identified the consequences of the war on domestic and world grain markets, as well as food security in the world. One possible way to reduce the risk to domestic export goods may be to initiate the process of Ukraine's accession to the EU, promote the restoration and growth of competitiveness of domestic agricultural producers, to revive agricultural exports by increasing the share of processed products.

It is obvious that already now we should work out the strategy for post-war reconstruction of the national economy. An instructive example can be the experience of France, the current biggest exporter of agricultural products in Europe.

The recovery of the French economy before the end of World War II was characterised by a significant campaign of nationalisation of the energy sector, which helped to increase labour productivity by about 30%, and accelerate the development of the electric power industry.

France, as a participant in the Marshall Plan, received $2.3 billion from the United States, resulting in negative consequences, including the expansion of the largest U.S. monopolies, which significantly displaced French capital in the domestic market. Marshall's plan also meant the imposition of the U.S. goods that France could produce itself. These were mainly industrial raw materials and agricultural products. The years of the "Marshall Plan" for France were characterised by great inflation, high unemployment (about 7%), and a 50% drop in the purchasing power of agricultural producers, undermining the economic position of the French peasantry.

One of France's first steps to overcome the crisis was the elimination of U.S. military bases on its territory and withdrawal from NATO military programs, which helped to direct the savings to further development of the country's own aerospace and defence industry, as well as a nuclear program. In turn, automation and mechanisation led to a doubling of the country's gross agricultural product, and an increase in the average annual growth of more than 3%, as a result of which the share of France increased significantly in world agricultural production. [8].

These steps have led to half of the wine production, 25% beef, about 1/6 milk and lamb production, and 1/3 poultry. The country annually collects 35% of cereals grown in the EU, 26% of sugar beetroot, and 15-16% of vegetables and fruits. Production of eggs and pork is close to this indicator.
France is ahead of the United States in terms of milk and dairy products per capita. [8].

In turn, the study of the current state of the Ukrainian economy by the Ukrainian Institute for the Future [9] helped to analyse, among other things, the agricultural sector of the national economy, and determine the state of the agro-industrial complex before a full-scale invasion, current problems and propose common steps for the development of the agro-industrial complex.

According to the report [9], Ukraine is one of the most important producers of agricultural products in the world and plays a leading role in the supply of food products to world markets. According to the results of 2021, Ukraine is the world’s largest exporter of sunflower oil (35% of world exports), ranks second in barley exports (14% of world exports), third in corn (11%) and rapeseed (over 10%), fifth place in wheat exports (about 10% of world exports) [9].

The current problems of the agrarian sector are Russia’s complete blockade of Ukrainian seaports, the loss of part of the acreage as a result of hostilities, and therefore less yield.

One of the possible steps to solve these problems, according to the Ukrainian Institute for the Future [9], may be:
- identification and elimination of ”bottlenecks” of the preferential lending program, expansion of them to manufacturers of final products;
- determination of the list and minimum volumes of crops to meet domestic demand to be grown with state support, for which the program of ”agrarian receipts” can be transformed, etc.

In turn, for the development of the agrarian sector in the post-war period, the following is proposed [9]:
1. demining agricultural land at the expense of international assistance;
2. implementation of the state land reclamation program through long-term loans from Western partners;
3. ensuring the completeness of registration of lands of all forms of ownership in the State Land Cadastre to increase market transparency, and reduce the scale of informal processing;
4. introduction of effective monitoring of land use with the help of satellite technologies.

In particular, the Ukrainian Institute for the Future proposes such steps for the development of the agricultural sector [9] as the privatisation of agricultural land of state-owned enterprises and institutions, the management of which is now inefficient, or the lease of this land to small and medium-sized agricultural producers and the legalisation of marijuana cultivation, which, of course, requires additional study.

References:
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