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How to Settle the Russian Ear East: Fate the Idea of the “Far Eastern Hectare”

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How to Settle the Russian Ear East: Fate the Idea of the "Far Eastern Hectare"

Yu. N. Gladkiy [α] & V. D. Sukhorukov [σ]

Abstract- The Far Eastern Federal District of Russia is the largest by area (40.6% of its territory), but the most sparsely populated (5.57% of the population) and economically inactive. At the same time, the number of residents of the District continues to decline. The main reason for the observed quantitative losses is the outflow of the population in the form of the so-called "Western migration drift." The resulting demographic "vacuum" of the Far Eastern Federal district looks increasingly alarming against the background of very high demographic pressure on the adjacent territories of Russia's Asian neighbors. The development of problematic territories always requires significant investments in human capital. For sustainable development of the region and adequate realization of human capital, it is necessary to create appropriate institutional conditions. According to the decision of the Russian Government, one of them is a mechanism for attracting labor resources to the Far East through the free provision of land plots called "Far Eastern Hectare" (FE-hectare). The article critically analyzes the implementation of this law. The authors believe that high expectations from the project are associated not only with the unfavorable climate environment but also with the underdevelopment of transport infrastructure, the lack of jobs, low investment in human capital, etc.

Keywords: the far east of russia, "far eastern hectare," natural conditions, human capital, region, territory.

I. Introduction

In the middle of the XIX century, after the final annexation of the lands along the Amur and in Primorye (*the Southern maritime territory)*, Russia received a vast and almost deserted region. It was fenced off from the places of residence of the bulk of the Russian population by the powerful thousand-kilometer expanses of the Siberian taiga and off-road areas. However, in just half a century, the authorities of the Russian Empire managed to resolve the issue of the initial consolidation of the Far East by providing land, assistance, and benefits to migrants.

Nevertheless, uncomfortable (severe and extreme) climatic conditions have always had a strong impact on the development and settlement of the European North, Siberia, and the Russian Far East. Under the totalitarian regime of the Soviet Union, the large-scale use of the labor of prisoners and military personnel, as well as the relatively cheap labor of freelance workers, contributed to a serious lack of consideration of this objective reality in the policy of socio-economic development, settlement, and formation of a network of settlements in these vast territories.

Today, this problem has escalated again. We can hardly expect Russia to strengthen its strategic role in the *Pacific region* without increasing the number of the Far Eastern population, boosting economic activity, and attracting huge investments, especially in human capital. At the same time, a large number of Chinese migrants in this part of Russia makes this problem even more relevant.

This article is about an attempt by the authorities not only to stabilize the population of the Far East but also to increase it with the help of a special decree on the "*Far Eastern hectare.*" The authors argue that the expectations of this document are too high, and not only because of the harsh and extreme natural conditions. In addition to the shortcomings of the law itself, there is such an "Achilles' heel" as the underdevelopment of transport and energy infrastructure, a shortage of jobs, which encourages young people "to drift to the West" of Russia, etc.

II. Problem Statement and Research Methods

Almost all studies of the climatic conditions of the North and East of Russia on human survival conducted by scientists in the USSR, for all their depth and thoroughness, were under strict ideological pressure. Their profound results on the degree of territorial differentiation of the aggressive climate environment were combined with a too "soft" and optimistic assessment of these conditions for human habitation. Today, such estimates are gradually becoming more realistic.

The reorientation of the Russian economy to the market path of development, its more active inclusion in world economic relations, the rapid growth of fuel, energy, and transport prices have significantly increased the impact of the rise in the cost of human habitation and all types of economic activities on the system of settlement of the population of the Far East. It is not surprising that according to demographic forecasts, the decline of the population from the far Eastern region with

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a pronounced negative balance of the migration balance is a very long-term trend.

Under these conditions, the problem can be mitigated by additional investments in human capital, if not completely solved. Investments in people affect the nature of work, leisure, consumption, settlement, culture, life, worldview, and behavior of the individual [1]. However, the authors are not inclined to believe that the content of human capital is determined only by the socio-economic conditions in which society operates. Indeed, they will be different in industrial and post-industrial countries than in agricultural and peripheral states. But to reduce this question only to material well being is to consider a person as a passive object of external causes.

The essence of value representations in the modern sense is that any social problem is being refracted through the cultural and psycho-informational sensorics of a person. Thus, the solution to important government objectives, in the end, should be reduced to solidarity (close dialogue) of the surrounding world with the life preferences and goal settings of the individual. By the way, the research of Russian scientists found that local patriotism is most inherent in the residents of the European part and the Far East of Russia. This fact can also play a specific role in strengthening the demographic potential of the region.

A necessary method of cognition of this unity should be a *system-composition analysis* that answers the questions posed.

III. Research Result

a) Far Eastern hectare: rules and regulations

According to the Federal law of the Russian Federation - "The law on the Far Eastern hectare" (entered into force from 01.06. 2016), every citizen of the Russian Federation can get land in the far East for free for 5 years, after which, subject to the development of land, a citizen has the right to issue a plot as property [2]. The right to choose a land plot in the pilot municipality of its FED subject was initially granted only to residents of the Far East, but later it was given to all citizens of the country, regardless of residence.

The common place of numerous publications devoted to the law on "FE-hectare" has become a mixture of the concepts of "*development of the territory*" and "*improvement of the demographic situation.*" Not only in journalistic but also in scientific literature, the expression "development of Siberia" has long acquired a purely figurative, metaphorical meaning. To develop means to "equip" vast Siberia, to create new settlements, to use for economic purposes previously unused areas with parallel construction of an extensive road network, etc. But is it possible at all in the foreseeable future, and, most importantly, what dictates the need for such "development"?

Ignoring the issue of the "cost of cold" in the Soviet past (including permafrost), dictated by the desire for "uniform distribution of production forces across the country," seems to current businessmen an absurd idea in market conditions. They are no longer inclined to invest ideological content in the concepts of "economic efficiency," "cost," "profitability of the economy" and are unlikely to agree that the lion's share of profits "burned in the fire" of cold winters.

Therefore, the main goal of this law is first to stabilize, and then to accelerate the growth of the demographic potential of the Far East, and to promote the state's balanced demographic development and the consolidation of the Russian population in the East of Russia. The authors of the law proceed from the fact that the continued lag of the small-populated region threatens to increase economic and political pressure on the Russian Federation with unpredictable consequences. In this connection, in parallel with the solution of the demographic problem, the goal is to accelerate the economic development of the territory with an increase in its spatial efficiency. Even before the adoption of the law, the government of the country had taken some measures: appropriate strategies and programs had been developed, and special institutional bodies had been created to promote the economic development of the region.

Government experts believe that settlers are those who decide to find a second homeland in the Far East, can engage in *agribusiness and processing of agricultural products, forestry, fish farming, low-rise housing construction, crafts*, etc. As for specific measures of state support, small and medium-sized businesses were been expected to have access to preferential loans (with the possibility of compensating part of the costs associated with paying interest on loans), start-up farmers are guaranteed grants of up to 1.5 million rubles, and representatives of family livestock farms up to 21.6 million rubles [3, 4]. Newcomers who decide to link their fate with the far Eastern region and settle in areas of Primorye equated to the regions of the Far North (Kavalerovskiy, Dalnegorskiy, Terneyskiy, and Olginskiy districts; the village of Vostok of the Krasnoarmeyskiy district and individual village councils of the Krasnoarmeyskiy district) are promised a surcharge to the salary and an increased pension.

Trying to attract citizens to the "hectare," the authorities are expanding the list of benefits. Thus, the demands on land recipients are becoming softer every year. In 2019, a law came into force that allows participants of the program to receive a hectare for the voluntary relocation of compatriots living abroad to the Russian Federation. The same act allowed the Russians to preregister the Far Eastern hectares as property when building a house. It is also planned to grant the right to citizens, after successful development of the land plot, to provide the next plot of the same size. In addition, we

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are talking about the upcoming preferential quota (2% per annum for 20 years) for the construction of a house, etc.

However, the first results of the implementation of the program do not justify the tasks assigned to it and, above all, the demographic ones. The owners of the far Eastern hectare are being faced with the fact that many of the promised support measures exist only on paper. The problem here is the lack of legal mechanisms for migrants to demand infrastructure from the authorities. In addition, obtaining a grant for farmers is conditional on the availability of special qualifications. Also, the newcomers are faced with limitations on the types of land use. For example, if a hectare is being located in a forest Fund, residential buildings cannot be built on it; it is being forbidden to take plots for tourist purposes near rivers and lakes, etc.

b) The homestead palliative: on the parallels of history

Conceptually, the law on the hectare fits perfectly into a series of well-known acts adopted by various countries to regulate land, forest, and other relations for the purpose of settling and developing free land. However, direct analogies of these acts with the law on "FE-hectares" hardly contain a constructive beginning, taking into account the features of the current era, the Russian "demographic pit," climate realities, geopolitical specifics of the region, and others. This is especially true when compared with the distribution of essentially free land plots in the United States in the XIX century. Here the similarity can be found only in the idea itself and, in part, in the mechanisms of state support.

Recall: The Federal «*Homestead-Act*», adopted in 1862 during the American Civil war, was a triumph of the Republican party of A. Lincoln, the result of many years of struggle, which culminated in the transfer to the colonists of farm plots-homesteads on labor standards (homesteads) from the Fund of public lands that were available in the West of the country. According to this law, any U.S. citizen over 21 years of age (not participating in the war against the North!) received the opportunity to purchase a land plot of no more than 160 acres (65 hectares), process it, and erect appropriate structures. The registration fee had been set at $10, after which, after five years, the site became owned (although it could have been purchased earlier at the rate of $ 1.25 per acre).

Fans of analogies should take into account the following facts:

* First, in the "wild" American West, vast fertile plains were empty, including those that were capable of producing two crops a year;
* Secondly, in the young state, many of yesterday's migrants (and their children) were very interested in arranging their fate in regions that were characterized by security, stability, and a completely benign climate;
* Third, the country was engulfed in the civil war and the establishment of agribusiness in new territories (production of wheat, tobacco, wool, etc.) promised guaranteed income to the colonists;
* Fourth, history shows that the demand of farmers, the urban poor and business representatives quickly exceeded the possibilities of acquiring land through the established procedure;
* And, finally, fifth, Lincoln was aware that sooner or later the vacant land will find a host from among European competitors (including Russia).

The conditions for implementing the Russian law on "FE-hectares" differ dramatically from those set out above. So, perhaps, when developing the far Eastern region, the experience of Stolypin's agrarian reform could be more in demand?

It is being known that the policy of the imperial Prime Minister Stolypin on the practical implementation of the "Siberian colonization" pursued several goals and was complex. In the context of the problem related to the government's "Far Eastern hectare" initiative, we note that the essence of Stolypin's agrarian reform was associated primarily with the strict consolidation of peasants' ownership of land and the replacement of collective and limited ownership of the land of peasant communities by *the private property* of individual peasant householders. In modern terms, the reformer tried to prepare the conditions for the formation of a progressive "farm system" in Russia.

Each settler had the opportunity to get up to 100 tithes of land at his disposal (the tithe exceeds the area of a hectare!), but after 1901, the calculation had been adjusted to 15 tithes per man. Elements of state support also provided for 150 rubles of lift per family (the cost of a cow was 3 rubles), preferential railway travel and preferential lending, etc.

Unfortunately, the vigorous activity of Stolypin, for various reasons, did not bring the expected result, which is confirmed, in particular, by the valuable idea of D. Lekukh: "...from 1905 to 1914, about 3.5 million people left to develop new territories. But at the same time, even though they were entitled not only to "free land," but also to start-up capital and even received a special "salary," about 16% of the population did not settle in Siberia and returned to the European part of Russia. At the same time, they returned poor, ruined, and this greatly increased the already considerable tension in the then Russian Empire. And this is not counting the fact that a decent part of the "settlers" simply did not settle on the ground, but went to the cities, to gold mining, to the extraction of furs, to work on the construction and maintenance of the Siberian and Trans-Siberian Railways, which was actively conducted in the same years" [5].

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But the conditions of state support for farmers were then more noticeable than in the implementation of the current project "Far Eastern hectare," if only because the issued lifting (equivalent to the cost of 50 cows!) then it was enough to build a house and get a farm.

c) *On the overestimation of expectations from the "Far Eastern hectare"*

From the very beginning of the implementation of the analyzed Federal project - the free allocation of one hectare of land in the Far Eastern Federal District, it has been subjected to severe, sometimes insufficiently reasoned criticism. A wave of acute dissatisfaction with the law was manifested, in particular, in the Republic of Sakha Yakutia, where an attempt had even been made to hold a referendum to repeal the law on the territory of the Republic. One of the heads of the Institute of the Far East of the Russian Academy of Sciences, A. Ostrovsky, also contributed to the "piggy bank of skepticism": "if we talk about the issue of land in the Far East, it is not a good thing. Even if they gave out land for free, then you have to spend a lot of money on it so that something grows on it... Without infrastructure, who needs land?" [6]. "The idea is an empty shell", "fixed idea," etc. - such metaphors are often (openly or latently) put by authors in the content of critical assessments of the law.

In this regard, the point of view of the head of the Russian state Vladimir Putin seems to be quite balanced: "the idea itself is correct and was already being implemented in Siberia in the history of Russia. Modern farming conditions, the modern economy is a little different, so you need to think through all the details carefully. You can see where these lands are, what quality they are, whether one hectare is enough in the Far East, and what conditions should be associated with the need to use them" [7]. It is taking into account all the details and conditions for implementing this Federal project that can not only "save" it from sharp criticism, but also help to achieve a real effect, especially since the development of Siberia and the Far East was designated by the head of state as a national priority for the entire XXI century in 2013.

Later, 12 priority development territories were created within the Far East (with more than $15 billion in funds raised at the end of 2016).); established the Russian-Chinese Fund in the area of agribusiness; received the status of the free port of Vladivostok, which gave the impetus for the creation of various logistics projects; is intended to provide the "Porto-Franco" other key harbors of Primorye, etc. But all these facts did not change skepticism of critics of "Far Eastern hectare."

One of the well-known experts in regional studies, Yu. Krupnov has the following bright phrase: "in the Far East, you need to give a job, not a "hectare." Despite its peremptory nature, it, in fact, correctly grasps the idea that it is very problematic to lure people to the Far East by land alone - it is necessary to create social and industrial infrastructure in parallel. Let's remember that in the "wild" West in the United States, highways and railways were being laid on new territories at the same time, cities were being created, social infrastructure facilities were being built, and new jobs were being appeared. Krupnov believes that despite the position of the head of state, little is being done in the Ear East for this purpose: "No one creates decent employment in the Far East, that is, they do not implement the main function and purpose of the state. This is the tragedy that we are witnessing - the tragedy of inadequate management, the tragedy of not understanding the basic issues of human life in general" [8].

You can understand a critic who is nostalgic for the positive Soviet experience of developing new territories, when the secretaries of district committees reported that they had introduced another school, another hospital, another paramedic station, another factory. But we can hardly agree with him about the lack of "positive, meaningful actions of the government" about the implementation of the far Eastern hectare project. By the way, in parallel, we can cite examples of egregious economic and social costs of developing new territories under the Soviet regime (at least the development of "virgin and fallow lands").

Of course, we should not lose sight of the fact that in the "Stolypin" era, the basis of the migration wave to Siberia and the Far East had deen made up of small-land peasants from today's Ukraine, who made do before moving to a new place of residence, mainly with a cow, a horse and a plow, which represented a natural economy. Modern migrants (including Ukrainians) are mostly "residents of high-rise buildings," i.e., workers who do not have the skills of agricultural labor, but who seek immediately to buy a tractor, car, seeds, etc. They are talking about multi-million dollar expenses, which they usually can't afford to implement.

The authors associate the overestimation of expectations from the implementation of the Far Eastern hectare project not only with economic, social, or political reasons, but also with *geographical* ones. Many authors, and, above all, geographers, including the authors, have written about the severity of the nature of Siberia, as the most extensive circumpolar territory on Earth, and the "misfortunes" generated by this [9, 10, 11, 12, 13, etc]. Of course, Primorye and neighboring territories are not the circumpolar regions, but no one has "canceled" the pronounced continental climate and the zone of "risky agriculture." (For this reason, often drawn analogies with the agricultural development of the American "wild" West suffer not only from inaccuracy but also from geographical illiteracy).

The situation is being complicated by the fact that, on the one hand, the traditional form of *farming* practiced in Western countries is unlikely to become widespread in the climatic conditions of the Far East. Several experts rightly believe that large cooperative

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farms could be more effective here, which in some ways contradicts the promoted idea of "*one family - one hectare.*" Therefore, the regional authorities should study more carefully the possibilities of developing both classical "farming" and vertically integrated agro-industrial complexes (taking into account the lessons of Stolypin's colonization of Siberia).

On the other hand, such agricultural complexes, aimed at marketing products in the countries of the Asia-Pacific region, will inevitably face the difficult problem of low production efficiency of commodity crops - primarily soybeans and durum wheat. At the same time, the low efficiency by world standards is due not only to the unacceptable yield (wheat - only 15-18 c/ha) but also to the widespread cultivation of genetically modified wheat and soy varieties in the Asia-Pacific region. Under these conditions, the cost of wheat and soybeans cultivated in the Far East will remain higher than foreign crops.

Weighing all the arguments "for" and "against" the FE-hectare, we can conclude that this is a good idea (although it was turned by some officials into a PR campaign). Even the most "incorrigible" pessimists of this initiative cannot but admit that the Far Eastern vector of Russia's development was implemented in practice successfully. Huge changes are associated with dozens of industrial enterprises, new ports, the Vostochny cosmodrome, the trans-Siberian highway, the BAM-2 program, and so on. "The Far Eastern hectare" is only one of the elements of the state strategy that can bring a synergistic effect.

As the main drivers of successful implementation of far Eastern strategy of Russia, of course, is not FE-hectare, and industrial buildings in the south of the Far Eastern Federal district, the construction of large production infrastructure, organization, and extensive high-speed rail, the spread mode "Porto-Franco" on all the key harbors, intensive housing construction, recreational development of territory, etc. This type of activity will give additional geopolitical and geo-economic weight to the Russian Far East and will actually reduce the outflow of the population and attract new immigrants.

IV. Conclusion

Currently, "The Far Eastern hectare" program involves not only citizens of the whole of Russia, but also foreigners who can get an FE-hectare for free use, and after registration of their Russian citizenship - in subsequent ownership. Also, a piece of far Eastern land can be found by compatriots who live abroad and are participants in the voluntary resettlement program in the Russian Federation.

In the first two years of the EF-hectare law, more than 120,000 applications for land have been submitted. This is why supporters of the "futility" of the government initiative are mistaken. Primorskiy Krai became the leader among the Far Eastern Federal district subjects - almost 40% of the total number. More than 2 thousand applications were being received from residents of Moscow. According to available data, more than 40% of those who want to get land plan to build housing on their site, 26% - to engage in agriculture, 13% intend to equip a dacha complex or a subsidiary farm, 12% - to implement projects in the tourism industry, 8% have chosen other types of business, including the opening of cafes, shops, gas stations and much more.

It follows that about half of the recipients of the EF-hectare have an active life position and plan to engage in business activities on their land. This fact indicates that the law on EF-hectares has started to work. It has already initiated the creation of new settlements by citizens in the Far East, has become an additional incentive for the development of cooperation, and the formation of industry communities, new points of growth. Of course, the law needs to be adjusted, amended, and supplemented.

The law will be in effect until 2040, and everyone can apply for a land plot until 2035 inclusive. Registration of the DV-hectare is carried out free of charge, without contact with officials, via the Internet from anywhere in the world [14].

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