

Theoretical fundamentals of the concept «Market of seeds of oily crops»

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The purpose. To generalize methodical approaches to understanding the nature of the market, to justify the concept «Market of seeds of oily crops». **Methods.** System generalization, abstract-logical, analysis and synthesis, observation, relative. **Results.** Various approaches to an economic class “market”, «agrarian market» are considered, sights at nature of market of leading domestic and foreign scientists, and also the causes and factors which stipulate high-grade operation of market of seeds of oily crops in the system of agrarian markets are brought. The nature is opened and the necessity of use of the concept «Market of seeds of oily crops» is justified, and its structure and functions are brought. External and internal factors are generalized of influence on the further development of market of seeds of oily crops. **Conclusions.** Market of seeds of oily crops is a constituent of home market of food and raw material and expresses economic relations, which develop, on the one hand, between originators of seeds, and on the another — intermediaries on sale and producers of commodity seeds. Implementation of the concept “Market of seeds of oily crops» will allow to characterize specificity of goods in the market, to concentrate attention to perfecting gears of its operation.

Key words: *agrarian market, market of seeds, oily crops, varieties, hybrids.*

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Topicality. Seed market occupies a special place in the system of agrarian markets. At present, the efficiency of functioning and the prospects of increasing the raw material sector and the processing industry of Ukraine directly depend on the use of the potential of varietal resources on which the production process of raw materials is based. High-performance modern varieties and hybrids of seeds are the basis of intensification of domestic agricultural production. Analysis of the development of domestic markets for sunflower, soybean and rape in the last 10 years demonstrates a planned transition to intensive production technologies and, first of all, due to the combination of modern hybrids and their cultivation technology. The growth of the yield of oilseeds doubled the increase in the raw material base, which motivated the buildup of processing capacity in the country. There is an increase in the number of participants in the market of oilseed crops, the dominance of world seed companies over domestic breeding establishments, firms, the annual update of the supply of seeds, increasing the scale of production, processing seeds at domestic seed plants. At the same time, the activity of the network of relevant state seed inspections, unbalanced due to ill-conceived reforms and imperfect regulatory framework, is reflected in the results of the formation of the seed fund of the country as a whole.

Analysis of recent research and publications. The question of the economic category and the essence of the market of agrarian sector products are constantly under the ears' attention. Theoretical foundations of the formation of the domestic agrarian market are laid down in the writings of famous scientists Gaiduckiy P.I., Sabluk P.T. [1], Malik M.Ya. [2], Alekseenko L.M. [3]. Different aspects of the development of the seed market are presented in the research by Fadeeva L.V. [4], O.V. Zaharchuk [5]. The research of these scientists focuses on theoretical and

methodological aspects of the market and certain segments of the agrarian market. However, the globalization of the economy and the dynamism of the transformational processes in the world necessarily affect the national markets of agrarian products and, accordingly, formulate new tasks that require adaptation and resolution. In Ukraine, until recently, virtually no research was carried out on the seeds market in general, and the market for oilseed crops, in particular. Issues of quality of domestic seeds remain insufficient; there is a problem of integration of the domestic market of seeds with world trends in the field of genetics and marketing of seeds. Important is the issue of interaction of supply and demand, price formation, as well as improvement of inter-branch economic relations and the creation of an appropriate market infrastructure for oilseed crops. The importance of the topic from the point of view of the agrarian potential of the domestic economy requires further research.

The aim is to generalize the methodological approaches to understanding the essence of the market, to justify the concept of "market of seeds of oilseeds".

Research results. The views of economists on the nature of the market as an economic category are different, sometimes the opposite. The market is defined as a set of sales agreements for certain goods or as a place where sellers and buyers of goods or services meet. According to V.M. Konoplytsky, the market - the economic category of commodity production, associated with the system of economic relations, conditioned by the method of material production [6, p. 276]. The market is an attribute of the sustainability of the progressive economic development of society, and the gradually regulated market is transformed into a social institution. Since the market is a category of merchandise, it corresponds to a certain system of economic relations [3, p. 5]. Well-known scientist SV The basis of market research is the economic relations that arise between producers, sellers and consumers, and which manifest themselves in accordance with the laws of commodity production and money circulation. He notes that "the modern market is a certain set of economic relations between households, different types of firms and organizations (first of all large companies) and the state (including supranational bodies) concerning the purchase of goods and services in the sphere of circulation and the mechanism of ensuring this process accordingly to the laws of commodity production and monetary circulation "[7, p. 159]. Polish economist S. Martsinjuk adds to the concept of the market its peculiarities as to carrying out transaction transactions. He believes that the market represents only a set of economic conditions in which the exchange transactions between sellers offering goods and services and buyers who need them are supported and supported by appropriate financial calculations [8, p. 72]. Radaev V.V. offers the definition of the market as a system of economic relations and a set of institutions in the field of commodity circulation, through which the acts of sale of goods are carried out to meet the needs of consumers in the country. The domestic market is an economic form of communication between production and consumption, on the basis of which the sale of goods and the implementation of their value are provided, and therefore - and necessary prerequisites for resolving the contradiction between production and consumption are created. To do this, it is necessary to ensure that commodity producers have free access to the market, and to consumers (buyers) - the freedom to choose a competitive product and the safety of their consumption. This means that a truly complete idea of the balance of production and consumption can be obtained only by including in the object of research all subjects of the chain of market movement of goods - from the time of production to the time of final implementation and directly the consumption itself [9, p. 10-14]. The market is also seen as a mechanism that facilitates the establishment of certain relationships between the seller and the buyer. Samuelson P., Nordhaus A., William D. perceive the market as a mechanism in which buyers and sellers interact, which results in determining the price of the goods: "The market is a mechanism through which buyers and sellers interact to determine the price and quantity of goods "[10, p. 75].

The market balances not only supply and demand, but also production opportunities and consumer preferences, forming a mechanism for equilibrium commodity prices. Yes, Mazaraki AA, Lagutin V.D. emphasize that under present conditions the situation is changing: the actual demand and supply balance between the quantity, range and quality of the goods offered in the field of trade, the demand of buyers (consumers), which is expressed in their specific solvency requirements, becomes necessary [11, c . 7]. The mechanism of development of the contradiction between production and consumption is based on the dynamics of three main parameters of the market: supply, demand and prices. The developed market requires the presence, on the one hand, of sellers of a certain volume of competitive goods, and, on the other hand, the buyers of the appropriate mass of funds that would form the proper capacity of the market. Offer of goods is a market form of manifestation of production results, and solvent demand - a market form of manifestation of consumption (needs). Growth in demand is confirmed by an increase in sales volumes and at the same time it becomes a signal for an increase in investments in the process of production of goods [11, p. 7]. Consequently, the market means "the scope of commodity circulation", "economic relations between producers and consumers (sellers and buyers)", "supply and demand for goods", "the totality of transactions of purchase and sale", "the mechanism of establishing connections," " a set of economic conditions "" a set of institutions in the field of commodity circulation ", etc. Multidimensional interpretations of the market of I.M. Salimzhanov considers natural, because the market - a phenomenon quite complicated and not sufficiently studied. In his opinion, the market is stable, constantly restoring, repeating connections (production, trade, economic, technological, etc.) between the subjects of market relations, but necessarily mediated through mechanisms of value, commodity-money relations, mechanisms pricing, demand, supply and all other components of the circulation of goods [12, p. 7]. Thus, the market in a generalized form is regarded as a system of commodity-money relations, which are subject to the laws of commodity production. In our opinion, according to the above-mentioned market notions that are most suitable for use in studies of the period of transformation and globalization of the market, there is such a definition in which commodity-money relations are governed by demand and supply, when the seller and the buyer conclude an agreement on the basis of a mutually acceptable price. The market as a complex, polysystem education has an extremely rich structure. Its components are markets: goods, capital, financial and credit, currency, labor, information, so-called shadow, as well as market infrastructure. Each of the listed elements is capable of functioning in the so-called stand-alone mode and therefore has its structural structure. They all interact as part of a single system, because they are organically interconnected in the formation and development. Violation of this relationship becomes a serious obstacle to the existence of a complete market environment [13, p. 18]. In the conditions of commodity production, the market functions as a "simplified" mechanism for the sale of consumer goods. In modern conditions, the market system encompasses commodity circulation, financial and insurance services, currency transactions, labor force, scientific achievements, information technology and Internet services, etc. Today, according to various calculations, more than 20-25 types of markets have their own specific features, peculiarities of development, their subjects and objects and interact with each other. Each of these markets is divided into subspecies of markets. Investigating the interconnections of these markets and determining the role of each of them individually allows you to get an idea of the economy as a whole. The agrarian market is complex and multifaceted as it is formed by grain, oilseed, milk, meat, vegetable, sugar and other markets, where each product has its functional purpose, features and requirements for processing, storage, packaging, packaging, certification, marking, transportation, sale, etc. [14, p. 23].

According to Dudar T., the agrarian market is an organized system of commodity-money relations, the purpose of which is the restoration of the agricultural sector, the increase in the volume of sales of products that are produced there, and ensuring the restoration and replenishment of the factors and means of production required in this area [15, p. 131]. Y.S. Kovalenko, taking into account the exchange processes of the institutes of the agro-industrial complex, notes that the agrarian market is a system of institutions, methods and resources for the implementation of exchange processes, the main task of which is to coordinate and manage the country's agro-industrial production in order to meet the consumer needs of its citizens "[16, p. 21]. Levkivska L. M. The most important condition for the formation of a civilized agrarian market is its structural elements, which are characterized by a variety of channels of sale, forms of sale, intermediaries and buyers, as well as a developed network of service, primarily scientific and informational services for commodity producers [17, p. 415]. On the basis of agricultural ties, the market for oilseed crops is an integral part of the agrarian market, the market for means of production, the land market, and the financial market. The basis for the market of oilseed oil seeds is the scale of production of sunflower seeds, soybean, rape for the needs of the market of oilseeds, the volume of export and import operations, expansion of the area under cultivation of seeds of oilseeds in all regions of Ukraine, development of infrastructure and marketing activities of its subjects. This market is distinguished by a variety of varieties and hybrids of oilseed crops from a large number of originators and sellers, and its weight is determined by the irreplaceability of sunflower seeds, soybeans, rapeseed for the functioning of the market of oilseeds and oilseed fat complex of the country. The market for oilseed crops is isolated in the background of the general market for agricultural products due to certain factors, namely: the production of seeds by experts-collectors and agronomists-seed researchers, agrotechnics and the production of the final product is technologically similar, and the product itself meets the relevant standards of quality (DSTU) and consumed in the process of production of agricultural products, has an appropriate assortment with different cost and consumer needs, has no substitutes. There are certain risks in the production, storage and transportation. The product has seasonal production and sales and requires perfect logistics and marketing. The basis for motivating the economic development of the market for oilseed crops at the state level is the social and national interests: food security, which is determined by stable indicators of production, availability of stocks; scientific organization of regulation of the competitiveness of seed oilseeds on the basis of systemic political, economic, organizational and technological measures. Territorial placement of production and sale of oilseeds seeds is the basis of its structuring. Under the existing system of food security, it is necessary to specify the peculiarities of the formation and use of seed products. The seed fund in Ukraine is formed on the national, regional (district, region), local (seed sector) levels. The consolidation of local, regional markets forms the national market for oilseed crops, which is an integral part of the global seed market. The state, in the person of the authorized body, carries out certification, monitoring of the prepared seed, generalizes its volumes of use, forms a reserve seed fund. In the economic literature, there are no systematic studies of the market for oilseed crops, the term "seed market" is not used. Problems of the formation and functioning of the oilseed oilseed market are by far the least studied in Ukraine, especially during the period of the WTO regime, the implementation of the Agreement with the EU, the lifting of restrictions on the export of domestic seed abroad. By this time, there was practically no comprehensive study of the oilseed oil seed market in terms of its market conditions and infrastructure development. The most important goal of infrastructure development is the formation of a competitive environment, the free access of oilseed crop seed producers to foreign markets. The economic essence of the market for oilseeds is revealed by defining its main functions: - development of the scientific component in the field of seed production and introduction of the latest achievements in production; - formation of an effective

competitive environment; - Provision of subjects of the agrarian market with raw material (seeds) for the production of commodity products through the establishment of optimal proportions of demand and supply; - pricing; - coordination of interests of all market players of oilseeds crops; - state control over the use of plant varieties of oilseeds.

Oilseeds market is a system of economic relations that arise between its actors in the process of creation, production, preparation, certification, sale and purchase of varieties of seeds, hybrids of oilseeds, in conditions of free competition, free choice of sales and cooperation, as well as state control over quality and storage of products. The market for oilseed crops is characterized by the supply of seed from seed originators and producers, and the demand for seeds from the producers of seed oilseeds that act as seed buyers. In practice, there are two types of demand for seeds: potential demand based on sales volumes of past periods and specific demand, which is characterized by specific applications for seeds to seize its purchases. A prerequisite for a competitive environment in the market for oilseeds, with a relatively stable demand for seeds, is the promising trend of seed supply. Balancing supply and demand for seeds is carried out through the mechanism of pricing, which operates under conditions of free competition. So, if the demand for seeds exceeds the supply, in a competitive market this will lead to an increase in seed prices. Conversely, the excess supply of seed over demand for it, mixes sellers to lower prices. The current development of the market for oilseeds seeds in the context of ensuring food security of the state is coordinated by the current legislative and regulatory acts that determine the legal, economic, and organizational principles of state policy in the field of food security. The market for oilseeds grows under the influence of external and internal factors of influence. External factors for the development of the market for oilseeds seeds are formed as a result of the processes of globalization of economic relations and under the influence of the provisions of the Association Agreement between Ukraine and the EU. External factors reveal investment opportunities for implementing innovative projects promoting development is export potential market players oilseeds. At the same time, not equal are domestic and foreign seed companies in foreign markets. We note that in the vast majority of the seed market, the prevalence of foreign technology, selection work on the current development of domestic companies and institutions. In the aspect of the influence of external factors in the foreground is the level of competition, and more, the level of competition. Under the influence of internal factors such as the cost of seed production, price, regulatory policy, the competitiveness of market players of oilseed crops is formed. Formation and functioning of the market for oilseed crops must be ensured by the following methods: - stimulation of oilseed producers of seeds for the purpose of development of the seed industry, increase of production volumes of their products; - creation of market infrastructure; - forecasted market conditions. The market for oilseed crops is an integral part of the internal market of food and raw materials and expresses the economic relations, consisting on the one hand, between the originators (breeding establishments) of these products, and on the other hand - trade representatives, producers of commodity seeds. On the amount of seed manufacturers presented in the market of oilseeds affect the state of production, its size and structure of production. At present, suppliers of seed oilseeds are originators, seed producers and resellers. When forming a market for oilseed crops, the following functions should be taken into account: - accounting and balancing of supply and demand for oilseeds seeds; - Competitive environment of producers and consumers of oilseeds seeds; - Motivational conditions for the development of domestic seed production of oilseeds; - development of scientific and technological progress in the selection and seeding of oilseeds. Based on the available practical knowledge in the realm of the seed industry, the functioning of the domestic market of seeds we offer our view on the classification of market players of oilseeds. According to G. G. Black, the subjects of agribusiness are complex production systems and the achievement of the goal of the dissertation research within

these subjects requires the solution of a number of work tasks. Among these tasks require you to use some special methods empirically, others - the theoretical, others - combining methods of these two levels of studies [19, p. 17].

Conclusions

The market for oilseed crops is characterized by the scale and high saturation of the components. It consists of separate segments that are interconnected and form its structure. Each individual segment is endowed with functions and provides the full implementation of a specific type of activity. Terms efficient functioning of the market of oilseeds is the presence of: a large number of seeds originators to ensure a competitive environment; certified seed producers; solvent consumer; effective bodies of certification, laboratory support and arbitration, place of exchange operations; perfect competition and legal regulation on relations. The importance of separating the market of seed oilseeds will provide an opportunity to characterize the specifics of the product of the market, to focus on the development of a legal and regulatory framework precisely in this area.

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