#### INNOVATIVE APPROACHES TO RURAL DEVELOPMENT

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### Modern trends in the development of rural areas

Systemic changes in the structure of the population (in favor of the growth of urban residents of Ukraine) is causing growing consumption of energy and material resources, which is accompanied by dynamic changes in the spheres of energy, water and gas supply, hygiene, sanitation, education, health and other. Similar consumption trends also can be noticed with other resources. The latter is one of the causes of social tensions. The outflow of the population (mostly young) to the cities is accompanied by the problems of housing. Big cities are consuming significantly more water, food, fuel and spew into the atmosphere a huge amount of gaseous, liquid and solid waste. At the same time the cities are the largest sources of waste.

Intervention in natural processes contributes changes in modes of soil and surface water, soil structure, changing the microclimate<sup>81</sup>. At the annual session of the Economic and Social Council of the United Nations in Geneva the solving the urgent problem of reducing the production of waste has been noticed as a priority for the researchers as well as the entire world community.

The development of rural territories is mainly focused on the manufacturing of agricultural products, the intensive use of the land plots, avoiding pesticides and herbicides. Primary orientation mainly on the tenant, instead of the landowner has caused the occurrence of some social and economic processes, the most decisive among which are the development of erosive processes, the decreasing of agricultural lands (within 1990–2013 their area was reduced by 504 thousand hectares), the significant reduction of agricultural population)<sup>82</sup>.

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<sup>&</sup>lt;sup>81</sup> UN. – Source: http://www.un.org/ru/ecosoc/president/corner/index.sht ml#mdg [09.05.2014]

Social-demographic characteristics of households in Ukraine in 2013.
Ukrstat.org – documentary publication of State Statistics Service of Ukraine. –
http://ukrstat.org/uk/operativ/operativ2013/gdn/sdh/sdh2013.htm [2014 08]

Production in specific climatic conditions is carried out in the conditions of the low level of investment activity on the territory of family homestead settlements and related sectors of the economy, physical and moral ageing infrastructure, loss of material and human resources. Increased social tension leaves potential sector unrealized. The question of provision of services in health, education and leisure remains insufficiently resolved. Inadequate level of financing forms means than there are traditionally difficult conditions for building institutions of social infrastructure and cultural and recreation complexes.

Diversification of economy could help to return the city dwellers to rural territories and, at the meantime, stimulates the needs of development of social infrastructure and services, creates opportunities for additional earnings for peasants, reduces the level of migration from the villages including migration abroad)<sup>83</sup>.

Efficient management of water, air, land and other resources should be a result of a multifunctional development of territories, which makes the pressure on agriculture low, contributes to the modernization and improvement of labor conditions. The problem of monofunctionalism of rural territories also limits the possibility of accumulation of investment resources in the rural economy. Reorientation of economic activities in the spheres of tourism, energy, consumer, information and other services should reduce the negative consequences of absence of administrative management and insufficient capacity of local authorities to strategic accumulation of the effect of the investment process. Thus, the modern system management approach by the means of using vector of innovational investment for development of rural territories should be created.

Understanding of the need for improving of the level and quality of life, forming the foundations of food and economic security at the global, supranational, national, regional and local levels identify a vector of rural development and research of foreign and domestic scientists.

<sup>09];</sup> State Statistics Service of Ukraine. Official site. – http://www.ukrstat.gov.ua/ [2014 08 09]

<sup>&</sup>lt;sup>83</sup> Baturina G. (2013) «Rodova sadyba» – one of the direction of sustainable development of rural areas / G.M. Baturina // Agroinkom. – №4-6: 102-109.

Currently, this research is dealing with finding of a modern man with healthy lifestyle, finding mechanisms for restoration ecology, development of new technologies, formation of social society based on raising awareness and providing direct democracy through local communities.

Unlike modern technology oriented on the intensive approaches to production with the main focus on a large-scale production, ease of packaging methods, transport and storage, traditional ones preserve the natural integrity of the product and its consumer component. Conceptual intention of the synergistic, symbiotic and other forms of configurative cooperation with nature go to eco-friendly products and nutritious, healthful and delicious food, characterized by growing demand from the population.

Despite these challenges, the priorities of the development of family homesteads is the organic production, the development of a "green economy", the restoration of traditional agriculture with the aim of sustainable development and as an important source of income of the local population. The main factors of development should be the introduction of certification and sales expansion of markets through promotion of their local product brands, providing access of family businesses to financial services and local resources. Providing the benefits of a small (up to 1 ha) family homesteads will create the conditions for the safe of biological diversity, to achieve higher quality and purity of the product. Factors of structural adjustment of the economy will be the activation of own capital of the overwhelming part of the population by building the local community and strengthening control over her assets within rural areas.

### Teoretical acpects of sustainable rural development

Sustainable development is a progressive movement forward, conscious transformation of the pillars forming the natural energy balance through a permanent, high-quality refill for maximum filling volumes and climbing the social structure. It should be noted that the varied manifestations of the universe, each of them has a motion vector toward a common goal, which is defined as the trajectory, speed, time,

willingness consciousness starting potential and mechanism of movement. At the same time there remain unchanged, interdependence and integral nature of all components of the universe and activating the role of man in all processes that occur in it.

According to research by M. Porter, competitiveness of market conditions is characterized with their better ability to demonstrate higher performance indicators compared to the main competitors within a certain period of time, which is possible including monopoly of the entity in the absence of competition. Taken the above into consideration, support of a national identity is able to form a niche where there is a national competitiveness in conditions of global challenges. While the general trend towards urbanization, technocratic way and globalization processes in general create conditions for the unification of national interests and identity as improving processes, subjects of management, and the goods offered by them. Alternative trends emerged in the world over the past fifty years are one containing the desire to abandon the competition. The well-known agrarian revolutionary the Austrian farmer Sepp Holzer refuses to compete with his neighbors, creating new niches for economic activities, offering new products and methods of presentation to the consumer, refusing from patenting his experience in order to share with all willing (Хольцер, 2009). In Ukraine, a similar movement is on the organization and arrangement of tribal estates and tribal settlements. The main idea of which is arrangement on the site for at least 1 hectare by each willing adult citizen of Ukraine or a family of an independent self-efficient ecofriendly environment where it is possible to lead a harmonious life. The practice of economic activity and social processes in rural areas of Ukraine shows that at this site, which lovingly fitted for 10 years without sufficient labor, material and financial costs can produce more than 20 tons of wonderful organic foods. This activity is not farming. Special is the relationship of man with the land – area is not a subject to alienation, sale or mortgage, it can only be transferred and inherited. This brings economic benefits of naturaly grounded management and life. The positive consequences of Man and Nature interaction proved ecological, social and economic suitability of nature-reasonable functioning of social and economic systems<sup>84</sup>.

The results of such interaction are:

- 1) cultivation of unused, unpopular or exhausted ground as the agricultural lands restoring a fertile layer on them and transforming the Earth into blossoming gardens. Such gardens already exist in Ukraine and are equipped with the people creating patrimonial estates; preconditions are being created and the security potential is realized;
- 2) renewal of natural balance and biogeocenosis, which reduces under the influence of high monofarming, especially in the case of pesticides, herbicides and GMO application;
- 3) growth of indexes of production of agricultural, garden, forest and fish goods; reduction of hunger probability or food supplies shortage, including all socially unprotected layers of population;
- 4) increase in employment level of population and reduction in unemployment because of working the own land;
  5) simplification of financial burden for state and the local budgets, connected with payments for unemployment, pension and other types of social welfare; decrease in expenses for service of the out-of-date inhabited sector attracting private investments into housing
- 5) construction (additional pluses are gradual leaving habitation in cities and the decision of habitation shortage problem), maintenance with a necessary infrastructure;
- 6) society decriminalization due to the possibility for one family to own the indivisible plot of land in 1 hectare. It will be a small Motherland for this family that's why they try to equip it and take care

<sup>84</sup> The Garden of Eden Video. Nature Ghosts. http://vk.com/video176831035 169879952?list=5773cb48c82a0d151a [2014 08 09]; Kholtser Z. (2012) Desert or Paradise. – Kyiv: Publishing house «Zerno». P. 26; Lupenko Yu. O., Meselia-Veseliak V. Ya. (2012) Strategic directions of Ukrainian agriculture development in the period up to 2020. -Kiev: ESC "IAE". 218 p.; Heiets V. M., Borodina O. M., Prokopa I. V. (2012) Ukrainian model of agrarian development and its socioeconomic reorientation: scientific report. – Kiev: Institute for Economics and Forecasting. 56 p.; Kholtser Z. (2012) Desert or Paradise. – Kyiv: Publishing house «Zerno». P. 26.

of it. There will be redirecting of destructive energy in the energy of life and creative work;

- 7) decrease in a political tension among people due to greater satisfaction of life and engaging the citizens in meaningful business making their own patrimonial estate comfortable in this creative and productive process;
- 8) revival and flourishing of national crafts and amateur and folk arts, the increasing popularity of creative collectives; sustainable development of home mini-production (furniture, clothing, shoe, foodstuffs / semi-products, articles of daily necessity, hygiene products, cosmetic etc.) and providing the whole country with the goods not only of high quality, but also of high cultural ethnic value owing to revival of traditional crafts and export of their products;
- 9) overall great interest of the nearby and distant states in the culture of Ukraine, the popularity of eco-tourism;
- 10) conservation and increase in natural resources of the country water, agrarian, wood, biological; restoration of air and water purity;
- 11) growth of quality indexes of plant-breeding work in selecting, brooding and reproducing valuable breeds of animals; traditional plants revival, including their disappearing types;
- 12) improvement of garbage distribution and processing; discharging the centralized system of the infrastructural provision, including cleansing system;
- 13) culture revival of family and children's leisure; upgrading of education, rest and strengthening of health with the help of hardening and greater physical activity;
- 14) decrease in a consumption level of tobacco, alcohol, drugs in connection with replacement of bent to the listed dependences due to satisfaction of physical, nutritious and psychological demands of the person in ecological products, creative activity, an involvement into arrangement of family space of love;
- 15) even distribution of population in urban and rural communities;
- 16) increase in the level and quality of the realized maternity and paternity; reduction of divorces (due to the improvement of psychological climate in the families); an increase in birth rate and a decrease in death rate; diminishing in the amount of abandoned

children and increase of adoptions; the decision of problems of increasingly grown loneliness and retired people unemployment as a result the cost cutting of budgets at all levels and social tension in a society;

17) rise in the general creativity of society (each patrimonial estate is unique).

The efficiency criterion is the health of Man, the improvement of social-demographic situation in the country and the world, an increase in pure water and air, circulating in the biosphere of our planet.

Taken into consideration the trends of Ukrainian European sustainable development, the future of society is based on the activities of local communities, and the fundamentals of the production of wealth - are realized through the mechanisms provided for in the consumer associations (communities, participation in whose management and activities is implemented on the basis of equity contributions). There is a corresponding legislative reinforcement. The society of the future is built on the principles of organic farming, waste-free life, use of renewable energy sources and bio-adequate approaches in education and upbringing of children, providing permanent spiritual improvement of each individual who lives in the village. It has to be noted that cooperation with nature, observation and careful attitude, particularly from the side of system-synergetic approach, is forming the foundations for sustainable growth, and creating conditions for improving the people's quality of life forming the foundations of food, economic and environmental security and development in the long run. Practical realization character of mankind heritage as a form of expression of open society is a guarantee of the preservation of its degradation. Further development of the acquired knowledge and dissemination of the principles of cooperation increases the stability of the system as a self-organized structure.

# Investments as priority directions of sustainable rural development

Sustainable rural development of the regions should be enforced by measures of increase the possibilities and by opening the potential

of individual territories and persons living on them, on the basis of environmental protection, ecological culture with the active participation of the state in the context of the formulation of the principles of rational nature management. Multifunctional approach from the standpoint of management of socio-ecological and economic components of sustainable rural development is a prerequisite for ensuring internal demand, boosting productivity, employment of rural population, guarantee of national food and economic security, enhancing international exchanges.

Evaluation of investment processes in the system of interaction between the investor and the entities can be represented as follows:

1) in case of absence of interactions, for example: the increase in production is proportional to the nested resources, when the last are unlimited, an investor interested in the related field of activity:

$$\begin{cases} \frac{dx}{dt} = \alpha x, \\ \frac{dy}{dt} = \beta y. \end{cases}$$
 (1)

 $^{\chi}$  ,  $^{\mathcal{Y}}$  – correspond the production volumes and the applicable resource;

resource;  $\alpha \ , \ \beta \ - \ {\rm correspond} \ \ {\rm the} \ \ {\rm rates} \ \ {\rm of} \ \ {\rm growth} \ \ {\rm of} \ \ {\rm volumes} \ \ {\rm of} \ \ {\rm manufacture} \ \ {\rm and} \ \ {\rm consumed} \ \ {\rm resources};$ 

*t* – time.

2) in the case of synergy interaction of investor and an investment:

$$\begin{cases} \frac{dx}{dt} = \alpha y, \\ \frac{dy}{dt} = \beta x. \end{cases}$$
 (2)

Graphical model of described situation presents in Fig. 1 (a, b). In the case of formation of investment priorities in the alternative

sector/region economy or in competitive in relation to the researched subject entities, a third model of investment processes formes:

3) model of the demand for factors of production, in the absence of competition:

$$\begin{cases} \frac{dx}{dt} = \alpha y, \\ \frac{dy}{dt} = -\beta x. \end{cases}$$
 (3)

x – the production volumes;

y – the demand for factors of production.

Solving a system of equations by finding the first derivative, we get the following expression:

$$\begin{cases} \dot{x} = \alpha y, \\ \dot{y} = -\beta x. \end{cases} \Rightarrow \ddot{x} = \alpha \dot{y} \Rightarrow \ddot{x} + \alpha \beta x = 0$$

Cyclical nature of technology in the agricultural sector let us show the model of production as follows:

$$x = A\sin\left(\sqrt{\alpha\beta}t + \varphi\right) + C$$

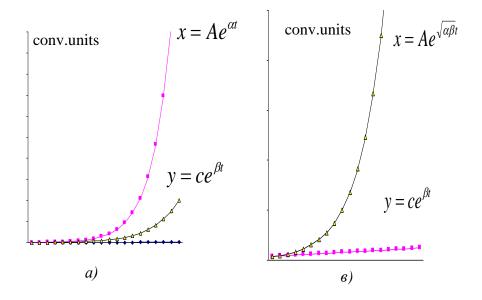
 $\varphi$  – the scale of production;

 ${\it C}$  – minimum level of production.

In the conditions of competition both between the consumers of the factors of production and between investors, model suggestions for investment resources can be represented as follows:

$$\begin{cases} \frac{dx}{dt} = \alpha y + \gamma x, \\ \Rightarrow x = Ae^{kt} \sin(k_1 t_1 + \varphi) \end{cases}$$

$$\begin{cases} \frac{dy}{dt} = -\beta x. \end{cases}$$
(4)



a) unlimited flow of resourses , B) the synergetic interaction Fig. 1. The dynamics of the production volumes and consumed resources

A graphical model is presented in Fig. 7.2.2. Such a system more resistant to external influences, but is characterized by large amplitude fluctuations that do not have a central axis.

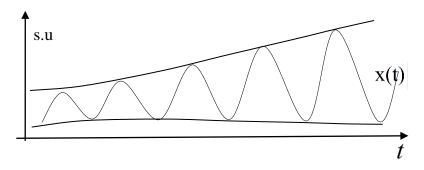


Fig. 2. Dynamics of production volumes in the conditions of market competition

Evaluation and engaging external resources leads to increasing productivity, increasing production and buildup of potential of subjects, revealing new possibilities for gaining competitive advantage in the future. National agricultural sector shows a tendency to activise the role of infrastructures of the agricultural market and the impact of their activities on economic entities. The latter especially evident at the regional level. Meanwhile, national producers are at a stage of formation and acquirement of new qualities and properties, but not enough coordinated, which often does not allow use of their potential sustainable development. Initial prerequisites explanations of innovational investment decisions are: type and basic parameters of innovational investment strategies; the total amount of capital, aiming at the formation of the enterprise portfolio; the volume of investment market proposals, investment tools, which are fully correspond to the most important parameters of the chosen type of portfolio (formed as a result of their value list); the values of the indicators of the level of profitability, level of risk and the coefficient of correlation, which are included in a list of certain types of instruments for investing. The formation of the food safety – aim of the economic policy of any country, so the sustainable development of national agriculture sector is permanent interest to the government and parliament. Evaluation and engaging external resources leads to increasing productivity, increasing production and buildup of potential of subjects, revealing new possibilities for gaining competitive advantage in the future.

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## Public activity of new ecological settlements of sustainable rural development

Life in nature creates a new level of consciousness that promotes healthier nation, revival of historical and cultural heritage, handicrafts, creates conditions for attraction of its own private investment, increases employment, including through diversification (shift from agricultural production to refining, industrial production, incl. furniture, woodworking, sewing, etc., the provision of services, incl. green tourism, repair, consulting and advisory activity, infrastructure); developments in education (incl. noosphere); reducing the burden on the environment, objects of industrial and social infrastructure in the cities; improvement of agricultural raw materials in place of their production. Handling and processing of local raw materials, environmental technologies, particularly in construction contribute to the work motivation and self-motivation itself of the settlers which is socially and environmentally appropriate, and contribute to the restoration of the resource potential of the territory, promote an active role of local communities which are targeted sector of the national program of decentralization of power. Therefore, standard approaches, which are used in the analysis of socio-economic processes in rural areas in the market, in the case of the revival of the village by organizing family homestead settlements, are not triggered. Moreover, in practice, family homestead settlements appear, paradoxically, in the rural areas with the worst indicators of socio-economic development. To some extent, the fate of these villages can be compared to a man who survived clinical death. Typically, after clinical death a man takes such physical and spiritual properties, which he (a man) has not had before. Villages where left several people, or ones being somewhere administrative and territorial centers having simultaneously no residences on its territory, with the advent of the settlers begin to

renovate on a new moral - psychological basis not only through these, new residents, but also by coming home of those who hails from the village and decided to go back after seeing its revival. These villages are filled with new young people with new visions of life and a new outlook on these areas and new approaches to life and life of a separate family homesteads and settlements in general. The current state of Ukraine is characterized by significant structural, functional, system and related to them social, environmental and economic problems and significant potential for the development of entrepreneurial and other activities. The implementation of capacity-building strategy requires the active support of the local authorities and population residing in the territory, as well as the formation of the local economy of the region.

Systemic and direct involvement in providing strategic sustainable development are the pillars of the implementation of multidimensional and multi-functional nature of space. Formation of multifunctional regional development territory is characterized by 1) environmental imperative as the principle of objective necessity of the moral development of the person in contact with nature; 2) natural and genetic, harmonious, holistic, universal, forward-oriented thinking of people living in the territory; 3) healthy, able-bodied, creative, dynamic and environmentally-thinking people; 4) increasing the capacity of the territory due to the increased harmonization of interaction "Biosphere-Society" system; 5) increasing personal and social opportunities in their human transformation from the problems; 6) the ecologization of consciousness while person's fulfilling of biosphere function; 7) conscious choice in favor of the laws of the world and the cosmos. Thus, indicators of a holistic multi-regional development are environmental imperative; holistic social and environmental thinking; integrated, decision-making structured approach to and implementation; ideological activities on the basis of the genetic understanding of unity of the world; improving the spiritual and moral potential of human society; increase axiological (spiritual and moral integrity purposes) activities of the company; improving the nation's health and its ability to learn. Axiological and ideological activities of groups are typical for such an approach (high standards of behavior and self-actualization).

Optimization of relations "man-nature" is implemented through the harmonization of the Company's interaction with natural systems through organic farming, permaculture design, nature congruous waste less management and livelihood, meeting consumer needs, restoration of the natural resource potential, the introduction of renewable energy sources, adequate methods of education and training in power system improvement parts of the world as a whole. World experience of ecological settlements testifies to their close association with science and high technology in harmony with nature<sup>85</sup>.

The first experience of practical realization of development tasks and local self-government was embodied in economic and public activity of new ecological settlements. Patrimony settlements are an association of people with the purpose of revival of national traditions, natural and historical heritage with the help of patrimony creation by each family wishing that. Today there are about hundred patrimonial settlements at different stages of formation which are placed in all regions of Ukraine. The results of sociological questioning of residents living in fifteen patrimonial settlements in Zhytomyr and Kiev regions of Ukraine and the practice of their patrimonial settlements managing testify that four-five hours of daily work is enough for absolute satisfaction of vital needs. The rest time settlers can devoted to their children's upbringing, education, preventive measures and recovery of health, creative work and socially useful work, etc.

The average age of the settlers is thirty-five years which enhances fertility, "the rejuvenation of the village", the return of national customs

<sup>85</sup> Christian D. L. (2003) Creating a Life Together: Practical Tools to Grow Ecovillages and Intentional Communities / D. L. Christian. – Paperback: New Society Publishers. – 273 p. – https://archive.org/details/fa Creating a Life Together-

Practical\_Tools\_to\_Grow\_Ecovillages\_and\_Intentional\_Com [27.01.2016]; GEN (Global Ecovilladg Network). — http://gen.ecovillage.org [27.01.2016]; Gilman R. (2013) The Eco-village Challenge. The challenge of developing a community living in balanced harmony - with itself as well as nature - is tough, but attainable / R. Gilman // Context Institute. Catalyzing a graceful transition to the Planetary Era. — http://www.context.org/iclib/ic29/gilman1/ [27.01.2016]; Inspiring Stories from Ecovillages: Experiences with Ecological Technologies and Practices (2013). Editors: Ansa Palojarvi, Jarkko Pyysiainen, Mia Saloranta. Vilnius: BMK Leidykla. 120 p.; Living in harmony: inspiring stories from ecovillages (2013). Editor: Dalia Vidickiene. Vilnius: BMK Leidykla. 124 p.

and traditions, folk crafts, etc. So we see two processes in the development of society:

- 1) capitalistic (market) key point for its development are the rate of profi. This process of social development, as industrialization (urbanization) technocratic approaches in manufacturing, consumer approaches to life, went to "dead end" of a social development that was noted in UN documents.;
- 2) social and environmental (family farms, tribal and environmental settlements) determinant of development sees the principle of necessary sufficiency of material goods, providing the possibility of permanent spiritual improvement.

Settlements are mainly located in 15 and more kilometers from motorways and, as a rule, in 70-100 km and more from the regional centers. The land fund of settlements is mainly presented by poor humus, sod-podzol, sandy and clay sour forest soils, which are often eroded and useless for a scale agricultural production. Active settlers try to invest in house building (in particular, using the traditional technology from adobe), water supply (wells, ponds, chinks), renewal of roads and other objects of their infrastructure, as a rule, without additional financing from local and regional budgets.

Realization of the project "The Patrimonial estate" and on its basis the Bill of Ukraine "About patrimonial estate and patrimonial settlement" drawn up by All Ukrainian public organization "National movement for protection of the Earth" (chairman Vasilev M. L.) together with the National scientific centre "Institute of Agricultural Economy" (Kiev) provides legislative fastening to each Ukrainian family wishing to equip their own patrimonial estate the right for 1 hectare of land. It is offered to provide such plot free-of-charge in eternal use without the right for sale, but with the possibility to transfer by right of succession. At the moment the Bill is under consideration in the appropriate ministries of the Cabinet of Ministers and in the committees of the Supreme Soviet of Ukraine.

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creation by each family wishing that. Today there are about hundred family homestead settlements at different stages of formation which are placed in all regions of Ukraine. The results of sociological questioning of residents living in fifteen Family homestead settlements in Zhytomyr and Kiev regions of Ukraine and the practice of their Family homestead settlements managing testify that four-five hours of daily work is enough for absolute satisfaction of vital needs. The rest time settlers can devoted to their children's upbringing, education, preventive measures and recovery of health, creative work and socially useful work, etc.

The average age of the settlers is thirty-five years which enhances fertility, "the rejuvenation of the village", the return of national customs and traditions, folk crafts, etc. So we see two processes in the development of society:

- 1) capitalistic (market) key point for its development are the rate of profit. This process of social development, as industrialization (urbanization) technocratic approaches in manufacturing, consumer approaches to life, went to "dead end" of a social development that was noted in UN documents;
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Economy" (Kiev) provides legislative fastening to each Ukrainian family wishing to equip their own family homestead by receiving the right of owning 1 hectare of land. It is offered to provide such plot free-of-charge in eternal use without the right for sale, but with the possibility to transfer by right of succession. At the moment the Bill is under consideration in the appropriate ministries of the Cabinet of Ministers and in the committees of the Supreme Soviet of Ukraine.

The existing management practice in Ukraine has witnessed that creation of the family homesteads with all essential things provides investments no less than 300 thousand hryvnias during 10 years period. If we consider the territory of the average Ukrainian village, with its area of 250 hectares, so the investments of private individuals for this one village will be 75 million hryvnias during 10 years period or 7.5 million hryvnias every year. Also the environmentally safe products will be grown to the sum no less than 2.5 million hryvnias every year. Revival of 600 settlements that have been taken away from the map of Ukraine during the Independence period and 600 villages which are on the verge of extinction nowadays, will provide employment for 100 thousand workers during the following 10 years and new investments amounting to 9 billion hryvnias per year and the production of ecologically safe goods to the sum of 3 billion hryvnias. One of the settlers' advantages is plantation of unfruitful trees on their areas no less than 0.3 hectares, green fence along the perimeter, creation of selfproviding and harmonic ecosystem demanding very little human interference for its functioning. In the mentioned villages workers will plant 100–150 thousand hectares of wood preserving up to 1.5 billions of hryvnias state-financed investments for soil protecting actions. The increase of settlements will provoke the increase of service sector employment, as long as creation of service organizations, new enterprises including high technological, preserving and revival of cultural establishments, kindergartens functioning and another parts of social and industrial infrastructures. The described actions will lead to the development of family budget economy, physical health, decrease of the infrastructure workload in the cities, development of new settlements and as a result development of service sector and new work places. Adoption and realization of items from the Bill of Ukraine "About family homestead and family homestead settlement" in context

"1 hectare for every Ukrainian family" will provide the Ukrainian family development on the qualitatively new level of moral and psychological base and will have not only tactical but strategically positive effect.

Nowadays the new prerogative of village is implied in practice – it is the preservation of authenticity, family traditions, actions concerning preservation and development of national culture, history, traditions, values system that are realized in the home town, consisting of one's own house and a dale. In particular, the techniques of cutting out wood spoons, painting eggs, embroidery, batik painting, pine root, willow, straw, herbage braiding, bee keeping, making of dolls, amulets, clay toys, potter and hammered products, fir tree toys of felt and some other materials; building of the local natural ecological materials; baking domestic nonyeasty bread; herbs gathering and herbal treatment; storing up wood mushrooms, berries; actions arrangement concerning green, ecological and village tourism, revival of local flora and fauna; joint projects with research institutes and educational establishments are mastered on a high level. The settlers conduct active work concerning rubbish gathering, revival soil fertility, supply of ecological norms, water and air cleaning; formation of people's outlook through conscious relation to the Earth as the ideal place of human's existing, upbringing of youth, education, culture, science and art orientation for propaganda of spirituality leadership in our life and activity, the realization of principle "Earth's Health – Human's Health"86.

The average settlers' age is 40 years with a greater part of young workers of a childbearing age. On the background of the general decrease in birth rate the tendency for increase in the amount of settlers is considered as positive. The average amount of children in a family is 2-3. In general the postpensionary age of the village population contrasts with thirty-five year settlers, who are oriented on the area revival, solving of domestic and village problems together. The realization of the Conception "The Family homestead" allows solve the spectrum of social-ecological and economic tasks of rural territories

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<sup>&</sup>lt;sup>86</sup> Semenets, H., Yakobchuk, V. & Plotnikova, M. (2018), Family Homesteads Settlements as the Subjects of the Public Management in Rural Territories. Management Theory and Studies for Rural Business and Infrastructure Development. Vol. 40. No. 4 p 587-598.

development without additional financing from local and state budgets, that absolute positively represented both a demographic situation in rural territories and the prospects of its potential disclosing in future. The support of already active and still creating settlements by the state includes passing the Law of Ukraine "About family homestead and family homestead settlement", simplification and transparency of getting 1 hectare land by each wishing family to arrange its own patrimonial estate as well as carrying out the information activity to revive national history, culture and way of life in Ukraine.

The general decrease in the agricultural production, the decline in rate of demographic development of rural settlements and the general population demotivation lead to the degradation and disappearance of rural way of life as such. The strategic significance of the village areas for foundation and formation of the basis of national self-determination, industrial and economical safety, support of nation's health and its future lead to the search of new problem solving ways in this situation.

Thus, as the rural development consider progressive systemic conscious purposeful movement forward, accompanied by the growth of natural energy balance of rural areas through its continuous replenishment, increasing volumes of resource potential and hierarchical increase of individual and of a system as a whole in the public hierarchy.

Analysis of the situation in rural areas is characterized with such the indicators and trends as follows: low employment, wages, gasification, road surface, water and district heating; reduction of network of schools and pre-schools, kindergartens, village health centers; absence or irregular nature of bus service; wide range of other social problems, forcing villagers to travel to cities or abroad. Trends for the demise of rural areas accompanied by appearances and growth of new settlements in rural areas by settlers from the cities. Their development belongs to the change of consciousness. Reviving settlements in rural areas the settlers are building housing, roads, schools, houses of culture and creativity, healing, health and recreational facilities. The average age of the settlers is thirty-five years which enhances fertility, "the rejuvenation of the village," the return of national customs and traditions, folk crafts, etc.

The strategic importance for the development of rural areas and forming the foundation for the nation's self-determination, food and economic security governance steering vector in the direction of the law based on the rights of any of the Ukrainian family wanting to get 1 hectare of land with a view to equipping family homesteads free of charge, without sale or pledge but only with the right to transfer it inherited. Public-private partnerships towards purposeful and organized work on the planned development of the network of settlements in rural areas will increase revenues to local and national budgets and solve socio-economic problems on territories.

Mechanism of rural territories' achieving of self-sufficiency is based on: 1) their development as a non-stop movement, the evolution of space and structures in it, multi-vector nature of the development is realized through a variety of forms and methods of achieving it, as well as the ongoing process of transformation (conversion of energy and elements that make up the system); 2) man as a living self-developing system is inextricably linked to self-development of the environment, which is possible due to the optimization of natural farming, permaculture design, wasteless life, the introduction of renewable energy sources, bioadequate methods of education and training; 3) practical realization of regional development is implemented to the practice of regional development, is implemented to the practice of administration on regional, district and rural level in Zhytomyr region and may be successfully widespread to other community of Ukraine and the world.