

**Анотація.** У статті розглянуто процес становлення та розвитку холдингових структур в аграрному секторі економіки України та особливості їх функціонування. Проаналізовано основні показники, масштаби та наслідки їх діяльності для аграрного сектору.

**Ключові слова:** агрохолдинг, інтеграційні процеси, сільськогосподарське виробництво, державна підтримка.

U.D.C. 339.137.22

Legeza Dar'ya G.,  
Doctor of Economic Sciences, Associate Professor  
Tavria State Agrotechnological University  
Grischenko Elena U.,  
researcher, head of information department  
National Scientific Centre "Institute of Agrarian Economics"

## FARM CONCENTRATION INFLUENCE ON THE LEVEL OF MARKET COMPETITION

**Abstract.** It is lighted the relevance of concentration increasing since the development of market relations. Concentration ratio and Herfindahl-Hirschman Index is calculated at 1999, 2006 and 2011 periods. Margin of fluctuations in concentration is defined.

**Keywords:** concentration, Herfindahl-Hirschman index of concentration, concentration ratio, wheat, sunflower, milk.

**Statement of the problem.** Agricultural production is developing in conditions of imperfect competition: a lot of companies occupy a small share of the market, which makes it impossible to influence on the price. In fact, the struggle between them is for the quality and cost of production. From the other hand, if the difference between the cost of production and the price is low, competitive market potential is reducing automatically. Traditional features of organization of production processes, which have emerged in the post-Soviet countries, cause a separation of each individual subject in agricultural production.

According to the Decree of the President of Ukraine "On urgent measures to accelerate the reform of the economic agricultural sector" (1999), process of farm reformation became a new stage in the adaptation of farms of different organizational forms of management to the market conditions. In 1999 a lot of small farms appeared in market because of the output of agricultural workers with own land and property

shares, formation of new owners, the lack of market infrastructure. It was impossible to influence on the competition level by individual farms and to merge market by joint efforts of few small farms. Economic development in Ukraine in market conditions was recognized in December of 2006. This fact has led to the development of different management forms of farms and to the increasing of producers' concentration in countryside. From the other side, this was the reason of inability to find effective channels of agricultural products distribution. The market required of formation of wholesale contracts.

**Analysis of the recent research and publications.** The level of concentration in the market is characterized by the Herfindahl-Hirschman Index. The higher index, the more concentrated market. It is assumed, the market is concentrated if the index is more than 18% [2]. As I. Taranova says: "Concentration and specialization growth is accompanied by reduction of small farms and by the concentration of agricultural production in large farms" [2]. So, the deepening of market relations, the development of diversification and integration of production determines the concentration increasing of the agricultural enterprises at the regional level.

**Statement of the article (purpose of article).** The purpose of the research is to determine the level and the depth of farms concentration in Ukraine. According to the goal, there were following objectives: to determine the analysis periods of concentration indicators, to calculate the concentration ratio and Herfindahl-Hirschman Index for farms that produce wheat, sunflower seeds and milk, to determine the level of farms concentration.

**Statement of the research.** Analysis of concentration was conducted in three periods: the farms reformation, development of market conditions, market competition (Table 1).

Concentration in grain, sunflower and milk markets shows that in 1999 and 2006 years there was uniform allocation of farms on agricultural market. The level of concentration in the market had the type of slow concentrating. However, index increasing in 2011 to 15-20% in all types of agricultural products indicates there are

fewer producers offering products and deepening their concentration in certain regions.

Table 1

**The level of farms concentration at agricultural market of Ukraine**

Year, product	Concentration ratio	<i>Herfindahl-Hirschman index</i>
1999		
grain	52,2	1,7346
sunflower	57,3	3,8972
milk	58,8	2,7031
2006		
grain	45,6	6,565
sunflower	43,2	8,094
milk	52,5	11,330
2010		
grain	69,7	15,3633
sunflower	61,5	7,1709
milk	69,9	23,9218
2011		
grain	71,2	16,593
sunflower	64,3	7,717
milk	70,9	28,741

To compare with 2006 year, the level of concentration in the market of grain, sunflower and milk in 2011 increased by 24.1, 21.1 and 18.4 points. The data show that the largest narrowing of farms occurred in the market of sunflower.

Low Herfindahl-Hirschman Index shows, that there are many sellers on agricultural market, and they are not able to affect change in the market. This indicates that farmers are not able to change market price, so the level of competitiveness is not deeply influenced by the price. The limits of the index in 1999 and 2006 ranged from 1.7 to 11.3%. This means that 12% of farms with the largest size are able to compete on the market. It's interesting, the most market control is on the milk market. Big volume of investments in livestock caused reluctance of small businesses to be involved into of cattle breeding.

The less the concentration index, the more enterprises seek to cooperate and understand the dependence from one to other. During research period increasing of

Herfindahl-Hirschman Index in the milk market is a prime example of increasing market control by major producers, while the concentration ratio indicates the deep interdependence of farms in this market.

Ukraine is resource country for export of grains, particularly wheat, barley and grain maize. The climate conditions and opportunities of entry to external market are the reason for the grain production in most farms. The official recognition of Ukraine as a market economy on the 25th of December, 2005 has become a precondition for enhancing competition. It respectively required from the agricultural sector to increase the size of production, to increase specialization of enterprises and increase their concentration on the domestic market.

Concentration ratio shows that 20% of farms in 2011 controlled almost 70% of the market. Pareto's theorem actually works: 20% of farms provide 80% of the production. This indicates that the grain market is still potential market and in a future this potential has to be used to reduce competition on it. So, we are talking about the enlargement of farms and their joint activities. Indeed, according to the index of Hall Taydman, the role of small and medium-sized businesses is low.

Despite the gradual increase of the index, its low level (0.2-0.4%) indicates that these farms can not affect on the development of the grain market and dominate here. Analysis of the entropy shows that the desire to monopolize and to control on market caused reducing of profit per farm. Grain companies in Ukraine at a cost of commodity products have almost the same dimensions. According logarithmic dispersion, deviation of profit margins in the group ranging is from 1.9 to 3.7%.

**Conclusions.** Suming up, we can draw the following conclusions. Farms are not able to influence the economic policies of the agriculture to change market price and control the market of agricultural products. There is a uniform allocation of farms on the business market. From 1999 to 2011, there is a reduction of the number of farmers offering products and deepening their concentration in certain regions.

## References

1. Кваша С. М. Конкуреноспроможність виробництва яловичини на зовнішньому ринку / С. М. Кваша, О. В. Жемойда // Економіка АПК. – 2003. – № 5. – С. 121- 126.
2. Таранова И. В. Влияние рыночного хозяйства на размещение, специализацию и концентрацию сельскохозяйственного производства / И. В. Таранова // Никоновские чтения. – 2009. - №14. – С. 226-227.
3. Трачук А. В. Влияние процессов вертикальной интеграции на оптовом рынке электроэнергии на рыночную концентрацию / А. В. Трачук // Известия Санкт-Петербургского университета экономики и финансов. – 2011. - №1. - С. 47-50.

***Анотація.** Висвітлюються питання зростання концентрації з розвитком ринкових відносин. Розраховані коефіцієнт концентрації та індекс Херфіндаля-Хіршмана за 1999, 2006 і 2011 періоди. Визначено межі коливання концентрації.*

***Ключові слова:** концентрація, індекс Херфіндаля-Хіршмана, коефіцієнт концентрації, пшениця, соняшник, молоко*

УДК 81'374

Адамович А.Є.,  
к.філол.н., доц. кафедри українознавства ТДАТУ

## РОЛЬ ЛЕКСИКОГРАФІЧНОЇ КОМПЕТЕНЦІЇ У РОЗВИТКОВІ МОВНОЇ КУЛЬТУРИ СТУДЕНТА

***Анотація.** У статті розглядається один із компонентів мовної/мовленнєвої компетентності, яка є одним з основних аспектів у професійній підготовці. Метою даного дослідження є аналіз особливостей мовної культури студентів, а саме лексикографічних знань, потреби звернення до словника з метою розв'язання пізнавальних і комунікативних завдань. Об'єктом виступають складові мовнокомунікативної компетенції особистості, предметом – лексикографічна компетенція студентів.*

***Ключові слова:** лексикографічна компетенція; мотиваційний, компенсаторний, операційно-діяльнісний (технологічний) компоненти.*

У рамках переходу вищої освітньої школи до положень болонського процесу провідним методом педагогічної роботи стає компетентнісний підхід