THE PROBLEM OF LEGITIMIZING CRAFT ACTIVITIES AND PROFESSIONAL CRAFT EDUCATION IN RUSSIA

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Abstract

The relevance of the problem is due to the need for the implementation and protection of craft activities within the legal framework, the need for specific training for handicraft enterprises. The purpose of the article is the theoretical and methodological substantiation of the need to legitimize the craft activity and the development of organizational and pedagogical bases for the development of professional craft education in Russia. The comparative analysis of the organization and content of professional activity is carried out between activities of a craftsman and a self-employed person, a creative entrepreneur. The research describes institutional, socio-economic and educational components of the sphere of handicraft and craft education in Russia and offers ways and means of their solution, concluding that it is necessary to legitimize the handicraft activities, create and develop a new kind of professional education in contemporary Russia. The comparative analysis of the organization and content of professional activity is carried out between activities of a craftsman and a self-employed person, a creative entrepreneur. The research describes institutional, socio-economic and educational components of the sphere of handicraft and craft education in Russia and offers ways and means of their solution. The article can be useful for students in craft professions, all categories of professional and pedagogical workers, specialists of public authorities in the field of labor and employment, vocational education.

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Keywords: Creative entrepreneur, craftsman, self-employed person, legitimization of craft activities, craft legislation, professional craft education.
1. Introduction

A significant impact on the socio-economic development of the country is made by a new emerging type of social relations – "post-industrial society", one of the key features of which is the aspiration of a significant part of society to individualize and personify consumption. It entails the accelerated development of the small business sector, primarily working in the market of individual demand, as well as the growth of the need for appropriate highly qualified personnel (Efanov, 2014).

The legislation and economic practice of many countries suggests that the segment of the economy needs special legal and economic support, including the part that is associated with the production of material products and the provision of household services to the population, called the craft sector (National institute for system studies of entrepreneurship …). Craft activity means a type of entrepreneurial and / or professional activity that is aimed at the production of goods (services) using special knowledge, skills, technologies, means of small-scale mechanization to meet the utilitarian, aesthetic and other needs of citizens or economic entities.

In the international classification handicraft enterprises are called small businesses (including individual entrepreneurs), which provide citizens with the goods or services necessary for everyday life. They are characterized by small size, territorial proximity to the consumer, small-scale production, a large proportion of manual operations and high quality of work.

According to estimates of the Russian chamber of Crafts, the handicraft sector of the economy can provide up to 4-5 million new jobs in a few years (Kobelev, 2000). It will help to decrease the level of unemployment in the "problem" territories, small towns and single-industry towns; it will reduce the outflow of young people from these places and provide an opportunity to earn a living for wide and active segments of population that want, but do not have an opportunity to work due to the lack of jobs. (Kovalenko & Shcheglova, 2011; Simonova, Sankova, Mirzabalaeva, Shchipanova, & Dorozhkin, 2016).

However, at present, the development of handicraft activity in Russia is constrained by a number of factors (Romantsev, 2012; Romantsev, Efanov, & Bychkova, 2018; Romantsev, Tidemann, Efanov, & Bychkova, 2015):

▪ so far, no Federal legislation has been adopted on handicraft, which would regulate the socio-economic and legal aspects of this activity;
▪ there is no single definition of "craftsman", craft activity";
▪ the support infrastructure is not developed for subjects of crafts;
▪ the system of handicraft personnel training is not established.

In this regard, the problem of the research is the theoretical and methodological justification of the need to legitimize craft activities and the development of organizational and pedagogical foundations of the formation and development of professional craft education in Russia.

2. Problem Statement

The research problem is determined by the following contradictions:

▪ domestic economic legislation is not consistent with the norms of international law for the integration of the Russian economy into the structure of the global world market;
the Russian legal regulators of handicraft activity are not developed in the conditions of market economy of our country;

"non-legal practices" of economic activity became widespread;

the impact of social regulators on the behavior of people in different groups has weakened;

Russian handicraft industry is in dire need of human resources and its constant reproduction, but there is no system of training for them.

3. Research Questions

To date, the phenomenon of handicraft activity and professional craft education is not sufficiently developed. Unlike many countries where handicraft enterprises are brought into a separate sector of the economy, the activity is based on the appropriate regulatory framework, support infrastructure and its own system of training, Russia has a wide range of issues requiring action:

- there is no standard definition of the concept of "craftsman", there is no clear difference between this concept and others, in particular, such as "creative entrepreneur", "worker", "self-employed person", etc.;
- the Federal law on handicraft activity has not been adopted;
- there is no list of craft professions and professional standards;
- theoretical and methodological provisions of the development of vocational education as a special type of vocational education are not substantiated;
- educational standards of handicraft specialists training are not developed;
- there are no universally recognized educational programs and training plans for artisans;
- the system of continuous education of artisans is not built.

4. Purpose of the Study

The purpose of the article is the theoretical and methodological substantiation of the need to legitimize the craft activity and the development of organizational and pedagogical bases for the development of professional craft education in Russia.

5. Research Methods

The comparative analysis of the organization and content of professional activity is carried out between activities of a craftsman and a self-employed person, a creative entrepreneur. The research describes institutional, socio-economic and educational components of the sphere of handicraft and craft education in Russia and offers ways and means of their solution.

6. Findings

Article 2 of the civil code of the Russian Federation States that entrepreneurial activity is "an independent activity that is carried out at their own risk and aimed at systematic profit from the use of property, sale of goods, performance of work or provision of services. Individuals performing an
entrepreneurial activity must be registered in this capacity in the manner prescribed by law" (Civil Code of the Russian Federation, Part 1). The characteristic features of entrepreneurial activity include: property and organizational independence, presence of risk (the potential event that may cause adverse property consequences for the activities of an entrepreneur), systematic profit (from the use of property, sale of goods, performance of work, provision of services), it is carried out by individuals registered in this capacity in accordance with the procedure established by law.

Entrepreneurial activity is diverse and can be classified according to different criteria. Depending on the content of entrepreneurial activity and its connection with the main stages of the reproduction process, the following types are distinguished: production, commercial, financial, intermediary, insurance and consulting activities. Currently, there is a new kind - creative entrepreneurship. In a narrow sense, creative entrepreneurship refers to businesses that operate within the cultural and creative industries (design, architecture, music industry, tourism, advertising, etc.), in a broad sense, creative entrepreneurship involves profiting from the implementation of a new idea, technology, project.

Florida (2002) – the author of the Creative Class theory, gives the following definition: it's people who change the future, the creative class makes money by designing and creating something new, and makes it in more autonomous and flexible manner. If creativity is interpreted as an opportunity to find, create ways and tools for the development of new concepts, ideas and solutions, then the ideal creative sphere is a small and medium-sized entrepreneurship, which acts as a generator of transformation and implementation of ideas into certain material objects. It should be borne in mind that such a transformation should bring tangible benefits. Such cooperation – benefits and creativity – is the starting point of creative entrepreneurship (Ishchenko-Padukova & Movchan, 2015).

The specific features of creative entrepreneurship are as follows (Bujor & Avasilcai, 2016; Ishchenko-Padukova & Movchan, 2015; Forrester, Ustinova, Kosyakova, Ronzhina, & Suraeva, 2016; Romme & Reymen, 2018; Porfírio, Carrilho, & Mónico, 2016):

- the core of the creative entrepreneurship development is people with the principle of 3 "T": "technology, talent and tolerance»;
- the basis of entrepreneurship is talent / cultural creativity/ intellectual capital, which requires great skills, mobility and continuous learning skills;
- a characteristic feature is bright sense of individuality and personal freedom;
- the key to success is the creation of a team that combines all functions from management to technology;
- unlike other types of business, in which the motivation is based on a commercial idea (making profit), the creative sector is dominated by personal and social motivation and creative idea;
- in contrast to the working and service classes, representatives of the creative class prefer vertical promotion on the career ladder to horizontal one and they change jobs in favor of the most creative one;
- a high proportion of self-employed persons, which is an objective barrier to a reliable assessment of the dynamics of creative entrepreneurship;
- the unstable demand due to changes in consumer preferences and income;
- dependence on external factors and the phase of the economic cycle;
a special investment regime, as it is based on a project creative idea, often with unpredictable commercial results.

A specific type of creative entrepreneurship is handicraft activity, but in the current legislation of the Russian Federation there is no definition of the term "craftsman", "craft activity". The definition of the concept of "craftsman" is not fully represented in the normative legal acts developed by several subjects of the Russian Federation, the term "craftsman" is used as a synonym of the words "master", "entrepreneur", "worker", "self-employed person". Let us consider the significant differences between the work of craftsmen and the activities of workers and entrepreneurs. In contrast to the workers of large industrial enterprises performing a limited number of technological operations, artisans are to deliver the entire cycle of technological operations and perform numerous labor functions: to create new jobs for handicraft production, to fulfill individual orders of customers with high quality and in time, to establish links with suppliers of raw materials and consumers of products. In the process of handicraft activity there is an integration of operational, technological and entrepreneurial components of handicraft work. Unlike entrepreneurs who are not personally involved in the production process, craftsmen are directly involved in the execution of works, that are often unique and highly artistic. They use minor equipment and manual labor, apply elements of technical creativity and pass the secrets of skill to young workers. The products manufactured at the industrial enterprise are impersonal, as the potential buyer is unknown. The creative entrepreneur does not know the specific consumer, employees may be engaged in the process of sales and customer attraction. The craftsman makes a product focusing on the wishes of the customer, with whom he communicates personally, he directly interacts with the client from receiving the order to delivery of the finished work, provides warranty service of the craft product and its necessary post-warranty repair.

The creative entrepreneur, like any entrepreneur plans to make profit. His task is to generate ideas that can either be sold for getting income, or be implemented with the help of hired employees. The aim of the craftsman's activity is to periodically obtain a small profit, since the craftsman is greatly dependent on the market condition and there can not be a predetermined number of orders that guarantees high profits.

Significant characteristics of the activities of a craftsman include (Fedorov & Hamatnurov, 2010; Ronzhina & Efano, 2018; Romantsev, Efano, & Bychkova, 2018; Romantsev, Efano, Moiseev, Bychkova, Karpova, & Tidemann, 2016; Romantsev, Tidemann, Efano, & Bychkova, 2015):

- wide professional qualification. The craftsman possesses a high level of practical experience and professional competence. Mastery comes from learned and masterfully processed / used materials, tools, procedures. The masters and staff are highly qualified and have special knowledge in some craft techniques. The master sees how processing creates value that is appreciated by himself and the client;
- the master is the central figure. His personality and professional qualifications characterize the activity and image for the outside world. The master personally engaged in the manufacture of products, knows all the functional areas of the craft business;
- personal responsibility for the results of work. The identification of the master with the activity and his personal sense of responsibility also affect the purpose of the activity, the relationship with the clients and his employees. There is a special loyalty between them;
personal relationships with customers. Unlike entrepreneurs serving all groups of clients, the craftsman develops individual solutions for each client in a variety of areas. Customer relationships can be considered primarily as personal, socially oriented, and secondarily as business / profit-making. Consequently, the relationship of the craftsman with his clients is not only official, it is based on personal trust and characterized by a direct connection. In this context, the "benefit" of the product is determined individually;

- close attitude to the daily life of the client. Handicrafts and services are closely related to the needs of the client. The product is developed on request and in cooperation with clients. Therefore, it is characterized by a high degree of individuality;

- the value of a product to customers. The value of a product lies in its individual, often creative design, processing, shaping and completion. The value is also related to the importance of the product to customers. Even if the cost of the product is high, its importance, individual approach, mutual respect between the craftsman and the client will be above all;

- services are an integral part of craft activities. The manufacture of the product, the subsequent care of the product, repair, maintenance and consultation are equally important for customers;

- orientation to the local market. The master knows the distinctive features of regional clients, speaks the same language as his clients. Accordingly, handicraft products and services have a special quality for the customer, as they are produced spatially and temporarily close to the consumer;

- flexibility of changes. Large and medium-sized enterprises react passively to changes. Handicraft enterprises quickly respond to new customer requirements, new technologies, new forms of work, they are more situational, flexible.

Thus, we can formulate the key and essential features of the concept of "craftsman": key characteristics (manual labour; technical creativity; ownership of the means of production; the unity of the labour functions; customer centricity of products); essential features: (the characteristics of occupation (craft is an occupation, and the craftsman – the person specialized in the occupation); vocational training – knowledge of the craft; type of activity – production of goods and services; production method – manual (skilled); the purpose of the activity – the order of the consumer; place of production (services) – at home or at the client’s place.

The analysis of handicraft work as an independent type of activity, new employment and self-employment relations, leads to the conclusion that in legal terms a craftsman is an employee of an entirely new type. In accordance with the current legislation the following types of organizational and legal forms of economic entities (craftsmen) are distinguished:

- craftsmen – the self-employed persons performing individual labor activity under civil contracts which subjects are performance of works (rendering services). The craftsman carries out independent professional activity (independently finds customers, receives the order, specifies the project of the future product together with the client, gets expendables, makes and sells production) and receives financial remuneration for his work directly from the customer;

- craftsmen employed by individual employers. A craftsman is employed by individual employers to perform a certain type of activity that is rendering services in the territory of a physical
person. The individual employer and the craftsman draw up an employment contract in writing and register it with the local government at the place of residence of the employer (in accordance with the registration). The contract must include the following conditions: place of work provided by the individual employer, the labor function of the craftsman, the date of commencement and completion of work, working time and rest time, conditions of payment;

- craftsmen registered as an individual entrepreneur. In this case, a craftsman as a natural person is registered in accordance with the procedure established by law and carries out activities without forming a legal entity. An important feature of the implementation of activities as an individual entrepreneur is the fact that the craftsman is responsible for his obligations with all the property belonging to him. In addition, for some activities, a craftsman registered as an individual entrepreneur must obtain a license for the right to conduct a licensed activity. For example, building (masonry, installation), repairing, cladding, insulation and cleaning of furnaces, fireplaces, other heat generating devices and chimneys;

- craftsmen-founders of limited liability company, heads of small handicraft enterprises. A craftsman as a founder or a participant of a limited liability company is liable for the obligations of the company only within the limits of his share in the authorized capital of this company and in no case by his personal property.

These organizational and legal forms require an understanding of the artisan's employment: self-employed person, employee, individual entrepreneur.

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In the Russian legislation there is no definition of a self-employed person, but for tax purposes paragraph 7.3 of article 83 of the Tax Code of the Russian Federation states "a physical person who is not an individual entrepreneur and renders services to a physical person for personal, domestic and (or) other similar needs without engaging hired workers shall be registered (deregistered) in that capacity by the tax authority for the place of residence of that physical person on the basis of a notification submitted by him to any tax authority of his choice concerning activities involving the provision of services to a physical person for personal, home and (or) other similar needs" (Tax Code of the Russian Federation. Part 1). According to paragraph 70 of article 217 of the Tax Code the following types of income of individuals are not subject to taxation (are exempt from taxation): "income in the form of payments (remuneration) received by individuals who are not individual entrepreneurs, from individuals for the provision of the following services for personal, household and (or) other similar needs: care of children, patients, persons who have reached the age of 80 years, as well as other persons in need of constant external care according to the conclusion of a medical organization; tutoring; cleaning of premises, housekeeping. The law of the subject of the Russian Federation may also establish other types of services for personal, household and (or) other similar needs, the income from the provision of which are exempt from taxation. The provisions of this paragraph apply to individuals who have notified the tax authority in accordance with paragraph 7.3 of article 83 of the Tax Code and do not attract employees to provide these services" (Tax Code of the Russian Federation. Part 2). Thus, we can distinguish the following features of a self-employed person: creates a product or service independently, without intermediaries; independently
organizes the labor process and is responsible for its results; income consists of profits derived from the use of capital and revenues from the main activity; not an employee and not an individual entrepreneur; independently attracts customers; works alone; carries out activities that do not require licensing.

The differences between self-employed individuals and individual entrepreneurs (Bondarenko, 2018; Burlak, 2016; Ivanova, 2014) are the following:

- The procedure for registration in the Federal tax service. The self-employed person – on the basis of the notice on implementation of activity submitted to any tax authority of his choice; the individual entrepreneur – the order of registration is regulated by the Federal law "On state registration of legal entities and individual entrepreneurs".

- Tax accounts. Self-employed person – no, individual entrepreneur – depends on the selected tax regime (1 report per year or several declarations per quarter).

- Tax regime. Self-employed person – no, individual entrepreneur – the main tax system, simplified tax system, single tax on imputed income, patent.

- Hired employee. A self-employed person can hire employees, an individual entrepreneur can hire under an employment or civil contract.

- Insurance premium. A self-employed person – no, an individual entrepreneur pays insurance premiums, even if the activity is not carried out.

- Income restriction. A self-employed person – 2.4 million rubles a year, an individual entrepreneur – no.

In 2018, the Federal Tax service of Russia allowed 3 types of activities: supervision and care of children, sick persons, persons who have reached the age of 80 years, as well as other persons in need of constant external care according to the conclusion of a medical organization; tutoring; cleaning of premises / housekeeping, but the subjects of the Russian Federation can independently establish other types of services for personal, domestic and (or) other similar needs. As of March 1, 2018, the following types of self-employed persons were identified in some regions: grazing; sewing and repairing clothing; construction, finishing works, repair of apartments (houses); providing hairdressing services; activity in the field of photography; repair of electronic household appliances, computers; repair of household appliances, house and garden stock; organization and carrying out ceremonies (weddings, anniversaries), including musical maintenance; manicure and pedicure at home; shearing of sheep; services of massage; the organization and carrying out excursions by guides.

The Federal Tax Service of Russia has published statistics on the registration of self-employed persons on September 1, 2018 (Statistics on self-employed citizens, 2018). Total registered self-employed citizens is 1968, the largest number of which is in Moscow (199), Moscow region (135), Krasnodar region (94), Omsk region (84), the Republic of Crimea (72), the Republic of Tatarstan (51). Activities: tutoring - 1364 people, care of children / sick persons - 316 people, cleaning / housework - 247 persons, provision of hairdressing services - 13 people.

One of the reasons for the low number of legally registered self-employed persons and craftsmen is the lack of Federal legislation. But the main problem is that the multidimensional and personified nature of the activities certainly requires special organization of vocational training with the structure, content, methods and forms different from those of the existing vocational education of workers. Craft
training needs specialized educational programs, complemented by blocks of competencies, aimed at building all the above-mentioned professionally important qualities, requires a special scientific-methodological and organizational-methodological basis (Romantsev, Efanov, Moiseev, Bychkova, Karpova, & Tidemann, 2016; Romantsev, Tidemann, Efanov, & Bychkova, 2015).

However, the increase in the number of craft enterprises over the past two decades has not been accompanied by the creation of the craft training system. The lack of the legal framework and professional standards for craft activities, does not make it possible to train modern craft entrepreneurs within the existing educational programs. A paradoxical situation has come about: a substantial increase in the number of small craft enterprises, craft entrepreneurs, self-employed people in the past three decades has not been supported by the establishment of the specialized training system for craftsmen that continue to be trained on the basis of the educational model that was created in the 1960-s when craftsmanship was purposefully forced out of the economy of the country (Romantsev, Efanov, Moiseev, Bychkova, Karpova, & Tidemann, 2016; Romantsev, Tidemann, Efanov, & Bychkova, 2015).

Since then there have been enormous changes in all spheres of society, the socio-economic structure, industrial relations, technological base, public policy, ideology have dramatically changed. The requirements for the training quality at vocational schools have also changed. A new generation of young people has grown up and developed in this new reality. It would seem that the vocational education system should respond to these challenges of the time with a profound re-evaluation of the fundamental purposes, principles, content, requirements for the quality of training, etc. But, in our opinion, it has not happened. The existing list of occupations as well as the requirements for the training content set out in the state professional and educational standards do not form the background for the development of craft training. The current legislative and regulatory framework of education regarding craftsmanship represents, metaphorically speaking, the Procrustean bed, which fails to fit in even what has already appeared in the course of experimental work (Romantsev, Efanov, Moiseev, Bychkova, Karpova, & Tidemann, 2016; Romantsev, Tidemann, Efanov, & Bychkova, 2015).

An adequate response to this situation would be the creation of a specialized branch of craft training in the country's educational system for purposeful training of workers for craft enterprises, which requires tackling several clusters of tasks. The first cluster of tasks is associated with the legitimization of craft activities and craft training at the federal level through the adoption of appropriate legislative acts regulating relations in the sphere of labour and education. The second cluster of tasks is dedicated to creating a separate list of craft occupations and professional standards, documents to be used by human resources and social services. The third cluster of tasks is associated with introducing changes into the list of occupations and specialties of initial and secondary vocational education, as well as with the development of state educational standards for training craft entrepreneurs in order to form a regulatory framework for craft training (Romantsev, Efanov, Moiseev, Bychkova, Karpova, & Tidemann, 2016; Romantsev, Tidemann, Efanov, & Bychkova, 2015).

7. Conclusion

In conclusion, we note that two draft Federal laws "On handicraft activities and craft associations in the Russian Federation" developed in 2001 and 2005 and the craft Federal law N 1101103-6 "On
amendments to certain legislative acts of the Russian Federation (in terms of improving the legal regulation of handicraft activities) have not yet been adopted. In 2012 specialists of the scientific and educational center for the development of handicraft in Russian state vocational pedagogical university prepared a proposal "New craftsmen of Russia: the revival of the social layer of craftsmen-entrepreneurs" which was supported and recommended for implementation by the President of Russia Vladimir Putin as the head of the Agency for strategic initiatives (Project...). As part of this project, the content of the Federal law on the development of handicraft activities in Russia and the national road map for developing handicraft were elaborated. However, it is impossible for only one interested party to change the situation without participation of other social partners. In our country legitimization of handicraft activity and professional craft education is a very urgent scientific problem and a priority practical task, and the interaction of all parties directly and indirectly involved in this process is a necessary condition for its successful implementation.

**Acknowledgments**

The authors are grateful to the academician of the Russian Academy of Education G. M. Romantsev (dates of life: November 27, 1950 - December 17, 2017), the founder of the scientific school «Scientific basis for the development and design of professional and vocational pedagogical education in Russia» for valuable advice and recommendations on research problems of formation and development of vocational craft education in Russia.

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