Strategy Draft for Rural Development in Romania

Cosmin STOICA
Faculty of Finance, Banks and Accountancy, “Dimitrie Cantemir” Christian University
Email: cosminstoica23@yahoo.com

Abstract

Affirming rural identity better accommodates not only with the respect of values and tradition but also with the promotion of the rural economy for people’s well-being. The support of the growth and development in line with the present and future needs of the socio-economic environment calls for the effective management of human and material resources of the villages, which are in varying degrees of exploitation, but without converging with the current market features.

The Romanian village is currently in an advanced state of economic and social promiscuity as a result of the lack of markets for traditional products and specific agro-food products and the neglect in the structure of the consumption cooperatives, lack of jobs, rural aging, loss of interest in the conservation of popular traditions and especially for their transmission as a way of perpetuating them, low education opportunities for young people from rural areas due to poor income.

All the measures taken to revive the Romanian village are thought to be in line with the current trends of eco-environment development, the bio concept being complementary with the natural circumstances existing in Romania.

Keywords: Rural economy

Introduction

The chance of the Romanian village lies in the opportunity to facilitate the exchange of traditional products, the support of traditional goods trade through reviving ancient traditions performed in trade fairs villages, closely related to the people's spirituality, folklore, customs and local traditions. As some authors said: “analysis of the current situation of the agricultural sector in Romania indicates the need to accelerate the restructuring processes and modernization from the rural area, given their economic and social importance to ensure an integrated and sustainable economic development of rural areas.”(Balaceanu, Predonu, 2010)

The rebound of the village implies creating business communities, based on the structure of the craft guilds, associations of producers etc. responsible for managing human and material resources in order to create economic goods that take advantage of natural resources for the purposes of sustainable development and not its artificiality, just like the way in which the goods specific to the consumer society are known. Directions for action taken in order to
revive the Romanian village are intended to be in line with current trends of development of eco-environment, the concept of being complementary to bio natural conditions.

In this respect, The National Plan for Rural Development highlights inadvertencies regarding rural development as well as financeable solutions in a general sense, with addressability and financial statistics. Obviously, the problems of the village, considering its finance possibilities, are more sociological and ontological, which cannot always be solved through economic instruments. But, on the basis of the principle of good governance, through a comprehensive analysis of academic institutions, businesses and Government, rural resource can be both explored and exploited. People should be aware that the Romanian village represents the essence of the Romanian people, and also, in terms of the economic crisis, being the least affected because the natural economy may not be severely damaged.

Being aware of the positive and negative aspects of the strategies and strategic documents with higher incidence in the rural areas, knowing the reality of the Romanian village, we propose the initiation of an analysis and evaluation of the benefits of natural, economic and cultural needs of the village through its identification and commercial promotion. Thus, by highlighting the awareness of the importance of the rural economy and defining strategic approaches relating to the traditional advantages of the village, people can harness the commercial potential for the welfare of the Romanian peasant.

**The specific objectives of development strategy in agriculture field are:**

- identification of the resource and development potential specific to each area considering the endowment with natural and derived resource;
- socio-economic analysis of the benefits of development related to higher economic cohesion and social harmonization;
- harness of data through creation of strategic concepts: the concept of rural fair, funfair, village holidays, harvest day, traditional and specific product (for the promotion of traditional products with comparative and highly competitive advantage: agro-food products: cherry/cherry brandy, berries, cheese, sheep meat, artisan products: clothing made of leather, wood etc.);
- development of strategic recommendations and consistent solutions in the form of booklets for dissemination of information at local and regional level concerning the immediate possibilities of valorisation of human and material potential, awareness of European Union market requirements as well as the adjustment of the rules of human conduct and economic stability to them, employable population stability and the return of either the diasporas or the urbanized native population, deployed in haphazard economic causes;
- contribution to the absorption of the European funds granted by The National Rural Development Programme and The Fishing Operational Programme, too.

In order to revive the village, we consider that the following aspects should be taken into account:
1. **Investment development in rural environment, particularly in agricultural, agro-food and non-agricultural field:**
   - outlining a modest business environment and investment climate in rural areas (e.g.: in the Southwest of Oltenia, it does not exist);
   - development of farms and supply activities regarding the processing of raw materials used for agro-food products (e.g. cereals, meat and milk);
   - development of enterprises in the industry of bakery, vegetables, fruits, meat and dairy products;
   - development of investments in the non-agricultural sector (e.g. handicrafts, ceramics, wood);
   - the need to revitalise forest and orchards of fruit trees, balancing the potential versus losses.

2. **Post-accession effects mirrored in foreign trade with agricultural and agro-food products:**
   - negative consequences of commercial policy and common custom tariffs ;
   - strong competition in agricultural and agro-food products in member countries;
   - the loss of any benefits resulting from the elimination of customs duties;
   - modification of standards and requirements relating to the free movement of goods (quality standards and disposal of goods);
   - encouraging trade with autochthonous traditional natural products against products from foreign markets, lower quality Romanian products (e.g. encouraging the cultivation of fruit – apples, pears, plums, apricots, cherry trees, vegetables and products thereof);
   - exploiting comparative advantage in apiculture and marketing of apiculture products in the markets of member countries;
   - capitalizing on the comparative advantage of the superior organoleptic qualities of the vegetable products by encouraging agricultural production and creating new outlets which meet the new standards;
   - exploiting the comparative advantage in the fishing field;

3. **Post-accession effects regarding the population situation in the rural zone:**
   - aging population and practicing subsistence agriculture;
   - the predominance of natural economy to the detriment of the exchange economy;
   - lack of specialists, determined by the precarious financial situation of rural areas;
   - the problem of excessive migration of employable population;
   - the excessive fragmentation of the property and the lack of opportunities for Association;
   - encouragement of the establishment of producers' associations, depending on areas, activities and products.

4. **Possibilities of development of rural infrastructure, tourism and agro-tourism:**
   - highlighting the connection between physical infrastructure and the economic and business potential;
   - developing the infrastructure in rural environment (roads, bridges, sewers, water supply, irrigation systems, dikes and embankments, etc.);
   - encouraging the development of tourism infrastructure and agro-tourism farms to provide agro-touristic pensions.
5. Opportunities to revive education and culture in rural environment:
- migration of population who has completed the secondary education and above level;
- encouragement of young teachers to maintain their job in rural areas;
- development of agronomic high schools and academic institutions on the basis of a market analysis;
- improvement of book funds in communal libraries;
- enhance school infrastructure in rural areas.

Rural economy comprises the totality of economic and social processes taking place within rural communities. It focuses on the achievement of environmental protection: natural motherland, developing in close harmony of farming activities with non-agricultural ones, preservation and valorisation of the socio-cultural traditions of the rural area. It identifies itself with the economy agriculture, rural space interfering with agricultural space.

Development of the rural economy has been achieved once with the agriculture process, mainly using labour force released from agricultural production to develop other economic sectors. Thus, in addition to agriculture, the occupations specific to rural economy are both traditional – such as handicrafts, crafts, capitalizing on local flora and fauna, as well as the new occupations generated by urban civilization which concerns the development of industry, services and infrastructure. Rural economy includes all economic activities in the rural space, which offers people an ancestor of the rural economy, in the context of developed economies.

Rural non-farm economy is defined as the economy that includes all economic activities in the rural area, except for agricultural ones. So, here there are all the activities associated with the work, either paid or in self-interest, developed in rural areas, except in agriculture: the processing of agricultural products, development of small business, and the nature of pensions, income interest and dividends).

Their current society values marked by economic and especially systemic crisis, requires wide-ranging systemic transformations of social and economic nature in order to be able to overcome institutional differences that separate the Romanian society from the powerful society of the developed countries.

Rural development is mainly focused to identify the social needs that require a human factor expertise for efficient human resource correlation with economic resources in order to increase the potential of productive or creative economy at regional or domestic level. Once with the creation of specialists with expertise in the social economy, the rural economy needs its own ones, both to conserve resources in exploiting countryside-human and financial resources-for the purpose of creating added value to ensure the rebirth of economic growth and the creation of jobs as well as the development of rural environment in line with the principles of sustainable development.
Subsequently, it calls for direct funding to rural areas. European programmes attach great importance to rural development, the objective being to conserve biodiversity, protect natural resources, still existing in the rural area, amazingly in a state as close to the natural one. The EU funds for the period 2014-2020 aim to reach these goals being focused in particular on the objectives laid down in agreement with all EU member countries and ruled by Europe 2020 Strategy (smart growth by developing knowledge and innovation; durable, grounded on highly eco-economy, more efficient in managing resources and more competitive; pro-inclusion, aiming at high occupancy rate, social and territorial cohesion).

In order to meet these requirements, the European Commission is contemplating a series of changes meant to integrate Common Agriculture Policy in Europe 2020 Strategy. In the future, the budget allocated for agriculture will support durable development of natural resources and the loss recovery after natural disasters, mainly the climate changes, and will contribute to a balanced territorial development in the whole Europe. Thus, European Commission intends to maintain the two pillar strategy of PAC, with a first pillar- more ecological and reality- oriented, and the second one- deeply focused on competition and innovation, as well as the fight against climate and environment changes.

The finance offered by the future budget PAC will focus on various changes in accordance with Strategy, thus Commission having in view the following changes: eco-trends regarding direct payments; payment convergence; direct payment ceiling. To reach these goals, €281.8bn will be allocated for the 1st pillar of PAC, €89.9bn for rural development, and an additional amount of €15.2bn will be distributed to the following sectors: research and innovation (€4.5bn), food safety (€2.2bn), food aids (€2.5bn), a new reserve for the crisis situation in agricultural field (€3.5bn), for the European Globalization Adjustment Fund (maximum €2.5bn).

Conclusions

Romanian village development involves a wide-ranging reform at the level of natural resources, proactively identifying ways of capitalizing the specific products of agricultural households, the development of markets in major cities to promote integrated, agro-food and manufactured products. It is also necessary to formulate development strategies that should take into account the profile of the Romanian peasant, his/her behaviour and attitudes in relation to the factors which may lead to changes or, on the contrary, resistance to change.


The Romanian Peasant's relationship with the market is fundamental in the context you want to embed a peasant in the consumption basket at a general level. In this regard, the strategy for the development of the village and of the rural environment, will be at the heart of her man, the peasant, the need for awareness of the population of the importance of product consumption, supporting peasant village with respect to educational and cultural policies, public health, and in particular the policy of support and promotion of rural tourism.

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