

**THE PRESENT-DAY ROMANIAN VILLAGE.  
AT CROSSROADS BETWEEN VULNERABILITIES AND  
OPPORTUNITIES OF SOCIAL-ECONOMIC DEVELOPMENT**

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**Abstract**

*At the present, the Romanian rural world is facing a profound process of change. The functions of the rural space are diversifying and the rural structures are gaining in complexity. Despite the general tendencies, the Romanian village is still characterized by its ancestral activity: the agriculture, its main traits being: non performance, inefficiency and poverty. The aim of the paper is highlighting the main vulnerabilities of the Romanian village, our goal being to generate a reflection upon the possible ways of remedying those malfunctions and discovering new opportunities for development. Nevertheless, our purpose is to sound the alarm about the risks of maintaining the present situation, the lack of a strategy and of concrete measures causing the deepening of the discrepancy and of the disparities between the urban and rural Romania.*

**Key words:** rural development, sustainable agriculture

**JEL classification:** Q15, R14

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**1. Current tendencies in the Romanian agriculture.**

The agricultural potential of our country is unquestionable, the agricultural area representing 61 % of the total land fund, and the rural population amounting to 46 % of the total inhabitants (data base TEMPO-Online 2014: agricultural area: 14.630.072 ha/rural population: 9.198.308 inhabitants). According to data from the Farm Structure Survey (2013),

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Romania has a utilized agricultural area of 13.055 thousand ha, representing 89 % of the total agricultural area (14.677 thousand ha).

The distribution per development regions places the region South-Muntenia first: (2.250 thousand ha: 17.23 %), closely followed by the region South-East: (2.092 thousand ha: 16.02 %), then the region North-East: (1.937 thousand ha: 14.83 %), region North-West: (1.783 thousand ha: 13.65 %), region West: (1.648 thousand ha: 13.01 %), region Center: (1.693 thousand ha: 12.96 %), followed by the regions South-West Oltenia: (1.574 thousand ha: 12.05 %) and Ilfov-Bucharest: (75 thousand ha: 0.57 %) (Farm Structure Survey 2013, INS, 2014, pp. 15-16).

In what concerns the agricultural exploitations with utilized area, the 3,563,765 exploitations falling into this category constitute the vast majority (over 98 %) of the total agricultural exploitations in Romania: 3,629,656.

Reporting to this criteria, the best placed regions are: the region North-East (742,127 exploitations/20.82 %) and the region South Muntenia (732,890 thousand exploitations/20.65 %). These are closely followed by the region South-West Oltenia (548,220 thousand exploitations/15.38 %) and the region North-West (497,714 exploitations/13.96 %), then the regions South-East (424,478 thousand exploitations/11.91 %), the regions Center (350,857 exploitations/9.84 %) and West (243,722 thousand exploitations/6.38%), respectively the region Bucharest-Ilfov (23,757 thousand exploitations/0.66 %) (Farm Structure Survey 2013, INS, 2014).

The analysis of these numbers reveals a relatively balanced allocation of the utilized land per regions, percentages varying between 17.23 % and 12.05 %. As concerns the number of farms with agricultural areas being exploited, the differences noted among the development regions are more marked, proportions ranking from 20.82 % to 6.38 % (except for the region Ilfov-Bucharest).

**Table 1. Utilized agricultural area and the number of agricultural exploitations with utilized area,**

**per macro-regions and development regions (2013).**

Indicators	Macro-region 1		Macro-region 2	
	North-West	Center	North-East	South-East
<b>Utilized agricultural area (thousands ha)</b>	1.78	1.693	1.937	2.092
<b>Agricultural exploitations (thousands)</b>	497	350	742	424

**Table 1.** (continued)

Indicators	Macro-region 3		Macro-region 4	
	Bucharest-Ilfov	South Muntenia	South-West Oltenia	West
<b>Utilized agricultural area (thousands ha)</b>	75	2.250	1.574	1.648
<b>Agricultural exploitations (thousands)</b>	23	732	548	243

Source: Farm Structure Survey 2013, NIS, 2014.

As concerns the criterion of physical size (in general, farms are defined as small agricultural exploitations: which encompass areas smaller or equal with 5 ha UAA/ medium-sized farms: agricultural exploitations between 5-50 ha/ large farms: exploitations of over 50 ha), the majority of farms from our country belong to the category of small-sized exploitations. Thus, over 72 % of Romanian farms have areas below 2 ha, other 20 % of the exploitations have areas between 2-5 ha.

The numbers illustrate the major proportion of small homesteads in the structure of local agricultural exploitations (over 92 %). On the other hand, medium-sized and large farms are not widely represented, medium-sized farms constitute approx. 7 %, while large exploitations amount to approximately 0.5 % of the total exploitations in Romania (Farm Structure Survey 2013, NIS, 2014, pp. 14-15).

The above-mentioned data illustrate a marked concentration of Romanian agriculture, major discrepancies being noted even in the case of utilized agricultural areas. In this respect, small homesteads share only 28.5 % of the utilized agricultural area, at the opposite end of the scale, large farms encompass over 52 % of the total agricultural area. The difference is even more noticeable in the case of farms with surfaces of over 100 ha, which constitute 0.36 % of the total number of exploitations and encompass almost ½ (48 %) of the utilized area at the level of Romania (Farm Structure Survey 2013, NIS, 2014, pp. 16-17. Romania has an average of 3.66 ha/agricultural exploitation).

**Table 2. Structure of agricultural exploitations in Romania (per categories according to the size of the utilized agricultural area: number/surface).**

No.		Small agricultural exploitations	
1.	<b>Size categories</b>	<b>&gt;2 ha</b>	<b>2-5 ha</b>
2.	<b>Number of agricultural exploitations</b>	2589924	691257
3.	<b>%</b>	92 %	
4.	<b>Owned agricultural area (ha)</b>	1584499	2141102
5.	<b>%</b>	28.5 %	

**Table 2. (continued)**

No.		Medium-sized exploitations	Large agricultural exploitations
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<b>1.</b>	<b>Size categories</b>	<b>5-50 ha</b>	<b>50-100 ha</b>	<b>Over 100 ha</b>
<b>2.</b>	<b>Number of agricultural exploitations</b>	262.25	7263	13075
<b>3.</b>	<b>%</b>	7.3 %	0.5 %	
<b>4.</b>	<b>Owned agricultural area</b>	2523580	506.2	6.004.2
<b>5.</b>	<b>%</b>	19 %	52 %	

Source: Farm Structure Survey 2013, INS, 2014.

In what concerns their legal status, 99 % of the local farms are individual exploitations (3,522,544). Despite being numerous, individual homesteads own only half of the cultivated agricultural land (51 %). Among the exploitations with legal personality, priority is given to mostly private equity companies. Out of the total number of agricultural exploitations, this kind of exploitations are but a small percentage: only 0.3 %. From the point of view of the utilized agricultural area, the 14,110 companies recorded use approx  $\frac{1}{4}$  of the total agricultural land from our country.

Statistical data which indicate the ownership of the land are of significance. Thus, over 98 % (3,505,504 exploitations) of the total local farms have utilized land, leasing being recorded only in the case of 98,238 exploitations. From the point of view of surface, over 61 % of the utilized agricultural area is privately-owned, 27 % of the lands are leased and only 3.52 % are subjected to concession agreements (Farm Structure Survey 2013, NIS, 2014, pp. 18-19).

The marked fragmentation of the agricultural land confirms once again that, 26 years after the political change in Romania and the implementation of a new land fund regime, owners are still reluctant to the idea of consolidation, as well as to the idea of leasing (a measure meant to encourage consolidation is the granting of supplementary subsidies of 40 euros to the farmers with exploitations between 5-30 ha). The excessive fragmentation of land property and the extremely small size of the

exploitations continue to manifest themselves strikingly in the present-day rural environment, being one of the causes of poor productivity.

As far as land use is concerned, the largest part of the utilized agricultural area is allotted to arable land (62.78 %: 8.197.590 ha), followed by pastures and hay fields (33.68 %: 4.398.346 ha), permanent crops (2.31 %: 302.473 ha) and family gardens (1.20 %: 157.439 ha) (Farm Structure Survey 2013, NIS, 2014, p. 20).

The vast majority of Romanian exploitations (87 %) direct over 50% of the production towards their own consumption, only 8.5 % of agricultural exploitations directing more than half of their production to the market (Farm Structure Survey 2013, NIS, 2014, p. 12).

Mostly small-sized homesteads are confronted with the problem of subsistence/semi-subsistence productions, over 77 % of the exploitations between 0-2 ha directing the production obtained mostly towards their own consumption (statistical data refer only to agricultural exploitations without legal responsibility).

## **2. The present-day Romanian village. Between vulnerabilities and opportunities.**

A major problem of the present Romanian rural world is poverty. In 2013, approx. 24% of the European population was exposed to the risk of poverty and social exclusion, in Romania, the percentage of people vulnerable to such a risk amounting to 40.4%; considering this indicator, within EU-28, our country is surpassed only by Bulgaria with a percentage of 48% of its population being exposed to this risk (Eurostat News release 168/2014 – 4 November 2014. At risk of poverty or social exclusion in the EU-28).

The phenomenon of poverty and exclusion in the rural environment is felt more acutely considering the fact that, according to statistics, nearly  $\frac{3}{4}$  of the poor population of Romania comes from rural areas (Eurostat 2011; Research report concerning social economy in Romania from a comparative European perspective, 2010). The situation is even more serious since poverty afflicts mainly the children/ the young people from the Romanian rural space, a space which is aging at an extremely fast pace.

Thus, according to a study by the Ministry of Labor, Family and Social Protection, over 40% of homesteads with young people aged 16-35 were confronted with relative poverty, other 20% being in a state of absolute poverty (Study: Poverty, social exclusion and work opportunities for the young in rural areas, as part of the project "An inclusive labor market in the rural environment", 2012).

In what children are concerned, the situation is even more unsettling, according to the Ministry of Labor approx 50% of the children living in the Romanian villages suffer from poverty as compared to 17% in the case of children in urban areas (National Strategy regarding social inclusion and reduction of poverty 2014-2020).

Considering the prevalent economic activity, the Romanian village continues to be defined as mainly agricultural. The focus on agriculture and the limited character of occupational diversification specific to the rural environment have led to a series of challenges mainly deriving from the oversized employment rate in this sector. In this respect of the total 9,247 thousands employed population of Romania, 49.4% came from the rural area.

One cannot disregard the fact that an important percentage of the population employed in agriculture has a low level of professional training. In this respect, the Farm Structure Survey reveals that only 0.46% of the managers of agricultural exploitations from our country have a complete training in this domain. Meanwhile, the vast majority of managers of agricultural exploitations, over 96%, rely exclusively on practical experience in agriculture, similar to the situation of other members of the exploitation (Farm Structure Survey, 2013).

The phenomenon of the aging of the Romanian village is, in its turn, disquieting. Thus, of the total rural inhabitants, over 30% fall in the category of aged over 55.

Similarly, statistical data illustrate the reduced proportion of young people among the managers of agricultural exploitations, the managers of such exploitations aged over 55 representing 64%, compared to the managers aged

below 35: 4.5%. The aging of the inhabitants of villages becomes problematic, emphasizing the decrease of the demographic index of rural population and condemning, in the long run, the Romanian village to depopulation.

Another vulnerability of the Romanian village is its reduced capacity to adapt to elements of novelty, more precisely to identify and capitalize on the development opportunities. Thus, at present, an aspect of particular interest is that of the evolution of organic farming. In the context of the constant increase in demand for organically certified produce and the expansion of the market for this type of produce, Romania has recorded, lately, a more sustained pace of development in this sector.

Nevertheless, according to Farm Structure Survey, in 2013 Romania only had a number of 1,496 agricultural exploitations with certified organic farm land, namely 2,716 exploitations with utilized agricultural areas being converted and 2,250 farms with organically grown livestock. Referring to the total agricultural exploitations from our country, 3.629.656, one can conclude that the farms from the categories above (6.264 in number) amount to only 0.17 % of the total. In this context, organic farming proves to be a domain which does not benefit from constant support, both at national level, as well as at the level of the development regions (Farm Structure Survey, 2013, NIS, 2014, p. 181).

The situation does not differ greatly even in the case of sustainable rural development, according to the same source, in the period 2010-2013 only a number of 60,491 of the local agricultural exploitations (approx. 1.5 %) benefited from support for rural development, the majority of the measures being payments for agri-environment (Farm Structure Survey, 2013, NIS, 2014).

### **3. Conclusions**

All our abovementioned considerations point out that the shortages and the vulnerabilities of the autochthon rural world need urgent action. In this

respect, we consider as a priority the repopulation of the Romanian villages, by encouraging the young people to develop competitive agricultural exploitations.

Also, the Romanian rural space needs an occupational diversification, moving the accent from the agriculture to rural tourism, traditional crafts and services being possible engines of development. Another major challenge is to extend the certified organic farms, the huge potential of the Romania agriculture remaining almost unexploited.

Nevertheless, Romania economy needs a rethinking of the role of the small agricultural exploitations, transforming those farms into efficient ones increasing the farmers' incomes, by thus reducing the poverty in the rural space and creating a more equilibrate rural/urban development.

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