

DEVELOPING THE CONCEPT OF SUSTAINABLE AGRICULTURE IN THE ECONOMY OF ROMANIA

Cristina BALACEANU, PhD Professor

”Dimitrie Cantemir” Christian University, Bucharest, Romania

Andreea - Monica PREDONU, Assistant, PhD Student

”Dimitrie Cantemir” Christian University, Bucharest, Romania

monica.predonu@yahoo.com

Diana APOSTOL, PhD Associate Prof.

”Dimitrie Cantemir” Christian University, Bucharest, Romania

Abstract

Romania's economy present the risk of underdevelopment due to the proliferation of economic measures adjusted interest immediately, without considering the long-term interests compatible of principles of sustainability.

In this context, the agriculture faces the most acute problems related to underfunding, lack of major investments to compete in creating a viable agricultural market in the immediate interest of the consumer and the farmer, with repercussions for the environment and agriculture in general.

Keywords: Sustainability, agriculture policy, economy

Objectives: The paper will analyze the causes that led to the backwardness of Romanian agriculture relative to other regions of the European Union, will be identified measures to harmonize the Romanian agricultural policy of the European Union and highlighting the features of Romanian agriculture, the necessary measures for the application of methods that lead to the development of the principles of sustainable agriculture.

Methods: In order to achieve the paper will be analyzed documents of departments of the Ministry of Agriculture, documents of Senate Committee on Agriculture. Also, will be analyzed the fulfillment of the Europe 2020 targets on sustainable agriculture.

The work will be designed using the following research methods: critical analysis, logical analysis, conceptualization, development of hypotheses.

Results: The paper will make a synoptic analyze of Romanian agriculture, sustainable development opportunities with the goal of protecting its agricultural

resources, their rational exploitation, timely and effective exploitation of agricultural resources in the agricultural market.

As an important branch of any modern economy, agriculture contributes to the economic growth and it is an important factor of social stability. This is also noticeable at the EU level, where over 86% of the rural population is employed in agriculture and where the agricultural surface is 40% of the entire surface on average. However, the EU agricultural policy considers agriculture in the general sense of rural development.

The rural problem with its main component – agriculture – is the focus of European debates whose emphasis is on sustainable development, improvement of the quality of rural life, food safety and protecting the environment.

Once the Accession Treaty was signed by Romania and the EU, the Romanian agriculture and its rural environment must cope with the standards and requirements of the Common Agricultural Policy.

Romanian agriculture is the main economic branch of the country, if we are to mention only the available natural and human resources and the making of the Gross Added Value and the Gross Domestic Product.

Agriculture, as an important branch of the economy, is required to bring in an important contribution to the natural resources rational use and to the rural economic development. It is also required to help the social structure redistribution and to improve the population life standard.

The economic, social and environmental importance, its contribution to the Romanian village development impose making and applying agricultural policy strategies that are oriented towards agricultural productivity growth and sustainable rural development. Romanian agricultural development is closely related to the transition results within the Romanian rural environment and to the level of adaptability to the EU requirements.

Romania's integration to the European Union causes a lot of problems related to the agriculture competitiveness. The sector's long-lasting stagnation and regress, the strong distortions of the agricultural market generated by property and production structures against concentration and qualification, the low capitalization and the great lack of manufacturing and service sectors in the rural environment, the destruction of energy and low investment have resulted in a very low agricultural productivity. The applied policies have had perverted effects on the evolution of Romanian agriculture, because the agricultural policy is still taken for agricultural works policy, thus not being able to reflect the right thought we should have about turning the comparative advantage into a competitive advantage created by us. Even if Romanian agriculture may be the main competitor of the great European farmers according to the market economy laws, having good equipment and diverse relief, good climate conditions and cheap qualified labor force, it may not be competitive as the modern sector is tearing apart and all the 4 mil peasant homes are sustained on insignificant amounts. Moreover, the predictable turn from the agricultural to the environmental sustainability – a fundamental orientation within the EU – is not adequate to Romania in the present stage.

Following the EU membership, Romania has focused on infrastructure that was needed to access the funds, as if it forgot about most of the agricultural working that are completely cut out from the market mechanisms. The European funds are instruments of the market mechanism used for the development and demand of a modern agricultural market, which is able to satisfy the needs of a European circuit of agricultural products, within a modern rural development. Even if the community fund flow could partially solve the financial problem, the main focus of the Romanian agriculture is to define the concept of organizing and making agriculture work.

Thus, it would be a mistake to consider the possibility of accessing community funds as a main element to profit from the EU accession, because this will contribute to the solving some due issues of the rural environment development.

The present stage, which is called post-accession, imposes a change of thought and method in the process of conceiving the agricultural policy. We need to jump from the careful and shy survival policy to the brave and bold policy of conquering foreign markets.

By reporting to quantity variables, namely geographical, geodetic, morphological, agriculture enjoys a high potential but does not generate added value due to lack of strategic vision on medium and long-term leading to development based on efficiency, sustainability, compatibility with sustainable development objectives of Europe Strategy 2020. In order to fulfill the real convergence criteria, Romanian agriculture development strategy must consider the following:

- preserving the productive potential. For this, there will be allocated investments managed by public-private partnerships for the restoration or construction of irrigation networks, endowed with technical capital which lead to increase in agricultural productivity

- conserving and attracting labor. Agricultural population of Romania is either aging or it has no access to financial resources to start economic activities. The main shortcomings of the agricultural population are low opportunities for schooling, low qualifications, lack of adaptation of the specific skills and professional skills to current agricultural products market. In this regard, local authorities should support rural education process but also motivations or facilities to attract labor in agriculture.

- developing agricultural products processing networks, as family associations with little or artisanal production, which are complementary with medium and large farms.

- finalizing the legal relations of the agricultural population to the possibility of accumulation of production factors in order to build medium and large-sized farms.

- starting agricultural land market to form a real price of the land production factor, favoring the accumulation and production.

- supporting farmers through a system of subsidies linked to actual costs of productive act, designed to encourage the production and sale.

- the possibility of accessing credit at preferential rates for farmers.

- encouraging intensive agriculture, large-scale, mechanized practice means to increase productivity and to achieve scale economies.

- discouraging rudimental practices which cause auto-consumption, lack of economic motivation, impaired physical and mental health of the workforce.
- raising agriculture to the rank of profitable, efficient activity field, at the expense of the current attitude of marginalization, discrimination, degradation.

Romanian economy must be encouraged to exploit economic resources without becoming self-sufficient, neither could achieve this in terms of consumption liberalization and especially of being in an integrated economy, such as the European Union.

Romanian agriculture has to recover numerous gaps in relation to the EU caused, as we showed, by inefficient allocation of production factors due to inelastic demand for agricultural products or to metodependent pronounced character of the Romanian agriculture, and also to economic policy mistakes that were exacerbated in the first years after 1989. "Before december" agricultural policy had a strong extensively character, distribution and consumption process is ensured by a big market where centralized orientation was predominant. Post-revolutionary period was marked by institutional chaos, legislative especially, that caused restriction of production for several reasons:

1. Fragmentation of agricultural land with negative consequences on production capacity on the one hand, and on quality of realized products, on the other hand;
2. Lack of agriculture financing caused a technological gap and disparity development of agricultural research with consequences on the productive potential on medium and long term;
3. Widening disparity between urban and rural areas due to lack of manpower income in rural areas due to lack of a revenue stream that would cover living needs and prerequisites for a sustainable economic development;
4. Fewer opportunities to acces agricultural products markets for small producers. Agricultural market in Romania is an oligopolistic market which imposes many barriers to small producers both in price and in quality standards in agricultural products. This is exacerbated by limited access of small producers to forms of financing for growth and development of efficient farms.
5. Accession to the European Union has yet to develop the interest of small producers to attract financial and material resources, since it has done just a little part of it. In this case there is a need of information programs for the rural population on the importance of attracting European funds to develop agriculture on bases consistent with the European Union, but also changing people's attitude regarding work in agriculture: substitution in greater labor production factor capital, use of marketing techniques to streamline the process of distributing agricultural products, increase the labor force in agriculture and attracting a large number of young people in agricultural processes;
6. Integration into the European Union makes the Romanian agriculture to replace the common agricultural policy, which entails both advantages and disadvantages. So that Romania should improve production capacity on a

competitive, consistent and convergent basis consensus CAP(Common Agriculture Policy), relying on the exploitation of comparative advantages in relation to other countries in the European Union: big agricultural products market, high production potential, access to European funding to the extent they are attracted.

Viewed from inside, the Romanian agriculture shows low growth rates due to low productivity, insufficient development of human capital due to lack of adequate rural educational infrastructure and adapted to the requests of a competitive, and converging to the common agricultural policy, agricultural market.

The lack of rural infrastructure represents a real obstacle in the way of developing this space. By developing physical infrastructure, existing differences between rural life conditions and urban life conditions would be cut back. This kind of work would determine employment in agriculture external activities and would stimulate foreign investment process in this environment.

Rural community economic development depends mostly on the same factors as urban development: well-paid jobs, access to critical services such as education, health, technology, transport and telecommunications and on a long-term natural environment. Rural offers some more advantages such as: abundant and cheaper labor, much cheaper built surfaces, a lower cost of living, less crowded and more peaceful lifestyle. So three aspects are essential for the diversification of the rural economy: capital investment for business development in rural areas, targeting the rural population to other fields as well and development of basic infrastructure needed to develop other economic activities.

So, in a first phase, creating and maintaining an adequate infrastructure level represent essential conditions for economic and social rural development. Modern infrastructure conditions the ability to effectively compete in rural areas to promote domestic investment. This also contributes to increasing the attractiveness of rural areas in terms of residential areas and workplaces. Infrastructure for transport, telecommunications, electricity and water services is essential for business development and for attracting new investment in rural areas.

Capital, the third factor of production in agriculture has an important role as development capacity and efficiency of agriculture depend on the volume and structure of it. Increasing the role of capital in labor substitution is the result of a modernized technical and technological agriculture.

Romanian agriculture has suffered a strong disinvestment in conjunction with a low interest investment. This aspect has led to a deterioration of the technical equipment that cannot provide mechanical work execution for most farms.

Analysis of the current situation of the agricultural sector in Romania indicate the need to accelerate the processes of restructuring and modernization in rural areas, given their economic and social importance for ensuring integrated and sustainable economic development of rural areas.

Romania considers important to implement Europe Strategy 2020's credentials in agriculture due to the effect it has on businesses in the agro-food and the administrative system. We consider necessary to ensure the continuity and

predictability of European agriculture and its funding system as well to allow Romanian manufacturers to align to EU norms and to handle their competitors.

In accordance with the CAP and rural development of the European space, for Romania it is necessary to ensure enough income to farmers, the specificity of rural areas, employment in rural areas, avoiding rural depopulation, maintaining the specificity of local traditions, strengthening the objectives of the CAP food safety.

Conclusions: Implementing the principles of sustainable agriculture in Romania will lead to eco-efficient use of agricultural environmental resources, paving the way to minimize the negative effects of environmental degradation, species degradation, with an important impact on human health. At the same time, will be identifying opportunities to increase producers' incomes and consumer benefits in the medium and long term, effect of the practice of agriculture participatory field.

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