# THE PERSPECTIVE OF AGRICULTURE IN THE CONTEXT OF SOCIO-ECONOMIC DEVELOPMENT POTENTIAL IN VRANCEA COUNTY

#### RĂDULESCU CARMEN VALENTINA

ASSOCIATE PROFESSOR, PHD, FACULTY OF AGRI-FOOD AND ENVIRONMENTAL ECONOMICS, THE BUCHAREST UNIVERSITY OF ECONOMIC STUDIES e-mail: cv\_radulescu@yahoo.com

### ANGHELUȚĂ PETRICĂ SORIN

PHD STUDENT, FACULTY OF AGRI-FOOD AND ENVIRONMENTAL ECONOMICS, THE BUCHAREST UNIVERSITY OF ECONOMIC STUDIES

e-mail: sorin.angheluta@gmail.com

### **IOAN ILDIKO**

ASSOCIATE PROFESSOR, PHD, FACULTY OF AGRI-FOOD AND ENVIRONMENTAL ECONOMICS, THE BUCHAREST UNIVERSITY OF ECONOMIC STUDIES e-mail: ildiko.ioan@yahoo.com

#### Abstract

Agriculture is an important field and also a priority of Romania's development. In this regard, providing food for population is a factor that ensures the specificity of agriculture. For this reason, we can consider that agriculture is a starting point for the socio-economic development of the country. Romania is recognized, at European and international level, for its experience in cultivating natural and traditional products.

The agricultural area offers the possibility of supplying raw materials for both the population and for the manufacturing industry. It is aimed that the organization of the agricultural area to be made so that the lands that have agricultural destination to be used as rationally as possible. Also, it is important to introduce in the agricultural circuit all the unused lands. The fragmentation of the agricultural land is a disadvantage in the process of rational organization of agricultural area. Efficient use of land, as a requirement of the intensive and durable agriculture is a complex activity that involves conservation activities and soil improvement.

Due to the role that they have, the approach of the aspects referring to the medium and big farms has to be different from the approaches referring to the small farms. If the farms from the first category take into account the agriculture as a business, the small farms are important for the rural area by oferring food and social security and means of traditional production that contributes to the environment conservation.

Romania's economic recovery can be achieved based on the attention that has to be given to this field.

Being an important factor of social stability and of the maintainance of the ecological balance, agriculture enjoys an increasing attention worldwide. The supply and the demand of food determines the use of agricultural resources.

The article presents the current situation of agriculture, at national and regional levels. Through this analysis, we highlighted the valuable elements of agriculture. We considered also the main functions of agricultural areas, including here the natural resources conservation, the ecosystems balance and the harmonization of social and cultural functions with the economic function.

Considering the agricultural potential that it has, Romania should consider that agriculture is one of the most important resources for the economic development.

In particular, the selection of Vrancea County was made in order to carry out an analysis of the current situation in this area.

The article offers information on the natural and agricultural area of Vrancea County. The analysis highlights the role and the importance that the agriculture has as a socio-economic development potential of Vrancea County.

Keywords: Agriculture, Rural Areas, Natural Resources, Sustainable Regional Development

JEL Classification: O13, O18, R11

### 1. Introduction

People have always been concerned about the expansion of agricultural areas, especially by constantly searching fertile places. In this regard, they used various methods in order to identify and use new lands, such as: terracing, irrigation, deforestation, drainage.

Baseline characteristics or rural areas were not kept. Due to agriculture, the rural area has been modified over the centuries. The diverse environment and the landscapes were created by the agriculture.

The expansion of the agricultural lands are important too, but more important are the ways of organizing and developing the agricultural area. Hereby, the formation and the development of the agricultural area involve a rational use of the agricultural lands and requires the introduction of the unused areas in the agricultural circuit, as well. A very important issue that negatively affects the agriculture is the fragmentation of the agricultural lands.

When referring to the ground planning, we can appreciate thate it is achieved by adapting the surfaces that are ready to be planted on (rehabilitation works, clearance, levelling). Hereby, considering that the organization and the use of the agricultural areas are complex activities, they need to meet the requirements of the intensive and durable agriculture, by using rationally and efficiently the lands and, also, by conserving and improving the ground.

In Romania, the agriculture is one of the most important branches of the national economy. Romania's ground fund surface is aprox. of 23,8 mil. hectares. Therefore, the agriculture, togheter with the silviculture and the pisciculture, contributes to the development of the gross domestic income in a percentage that was, in the latest years, around 6%.

We have to take into account that in the last half century there were new challenges. We talk about climate change and about the sustainable management of natural resources, about the support offered in the rural areas, their vitality and the food safety.

Also, we have to consider that an economic activity cannot be broken by the natural processes that occur in the environment, or by the society processes, as independent systems. These processes can be attracted in economic activity either as potential suppliers or as consumers of economic potential [1].

### 2. Romanian agricultural area

In Romania, in rural areas, the most important activity is the agriculture.

We can define the agricultural areas as any expansion of land which is exploited in order to cultivate plants or to raise animals. Agricultural area is defined by the cultivated lands and by the fit-out works developed by people. If we talk about agricultural area as agricultural destination, then certainly we want to obtain the use at a rate as high as unused surfaces.

According to the European Charter of Rural Areas, lands are used for agriculture, silviculture, pisciculture and, also, for the economic and cultural activities of the locals [11]. Reduced anthropogenic pressure causes a higher capacity of conservation and reconstruction of the landscape. In the last century, due to urbanization trends, some structural changes happend in rural areas. There were taken some developments and improvement actions in order to increase the production capacity of the ground and to modernize the rural habitat. Therefore, the means of communication developed and there appeared new non-agricultural activites. These aspects draw attention to the modernization of the rural areas.

If we consider the demographic aspects, then we can say that, in 2014, 46% of the total resident population of Romania was living in the rural area. Of this percentage, 47.2% were males and 45.1% were females.

In terms of administrative-territorial issues, Romania has a total of 2,861 communes and 12,957 villages.

In 2013, in Romania, aprox. 8,53 million people were employed, with 2% more than in 2011. Of these persons, 47% were females.

Considering the national economic activities NACE Rev. 2, in 2013, the percentage of the people employed in the agriculture, silviculture and pisciculture fields, decreased with 3%, compared to 2012. However, the agriculture, the silviculture and the pisciculture fields remain in first place in a top of the employed population distribution, with a percentage of 27.9% of the total employed population.

The cultivated area has increased from 7.8 million hectares, in 2010, to 8.2 million hectares, in 2013, which means an increase of approximately 5%.

Table no. 1 shows the cultivated areas in 2013, with the main crops.

Table 1. Areas cultivated in 2013 with the main crops

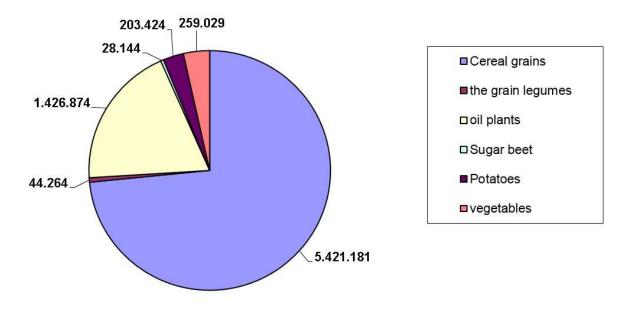
Main crops	Areas planted in 2013 (hectares)			
cereal grains	5.421.181			
wheat	2.103.985			
barley	495.685			
oat	182.227			
corn	2.518.268			
the grain legumes	44.264			
oil plants	1.426.874			
sunflowers	1.074.583			
colza	276.596			
soya grains	67.672			
sugar beet	28.144			
potatoes	203.424			
vegetables	259.029			
tomate	48.369			
white cabbage	54.907			
peppers	19.491			
edible root crops	18.014			
watermelons and melons	30.356			

Source: developed by authors based on data available on the website of the National Institute of Statistics (http://www.insse.ro/cms/)

The data in the table shows that in the cereals category, the largest surfaces were allocated to the cultivation of corns (almost 47%) and of wheat (almost 39%). Also, in the category of oily plants, 75% of the surfaces have been cultivated with sunflowers.

Based on the data from Table 1, we created Figure 1, which shows the distribution of the cultivated surfaces with main crops, in 2013, in hectares.

Figure 1. Distribution of the area with the main crops, in 2013



Source: developed by authors based on data available on the website of the National Institute of Statistics (http://www.insse.ro/cms/)

"ACADEMICA BRÂNCUŞI" PUBLISHER, ISSN 2344 – 3685/ISSN-L 1844 – 7007

It can be noted that for the cutivation of cereals for berries, there has been allocated the largest surface (over 5 million hectares), followed by the cultivation of oily plants (almost 1,5 million hectares).

The main functions of agricultural areas refer to the production of food and raw materials for manufacturing, production of food for the population, conservation of natural resources (soil, water, flora, fauna, ecosystems balance), tourism potential.

Farms are primary economic units that ensure the development of the agricultural process. They can be formed by one or more properties of lands, animals and of the necessary means for the agricultural production process. The differentiation can be made depending on their legal nature, on the ownership, on the nature of the developed activities and on their economic size.

Considering that the farms may have one or more owners and may be in a private property or in an associative one, depending on the general type of agricultural activity, farms can be divided into farms specialized on crops (field, horticultural and permanent crops), farms specialized on animal production (livestock grazing, respectively granivores) and mixed (mixed crops, livestock, unclassified).

The rural area is dominated, usually, by the agriculture. On the mountain, predominate the silviculture and the woodworking. Also, on the mountainous areas, on the coast and in the delta, predominate the activities of agrotourism, the hunting and the pisciculture. Another characteristic of the agricultural areas is given by the involvement of people at the same time in agricultural and non-agricultural sectors. Thus, here, are predominant the practical professions that require more professional qualifications at the same time. Due to the familiar private property, the locals from the rural areas have a higher entrepreneurial spirit, based on a sense of property different from the locals from the urban areas.

Natural landscape in rural areas is an invaluable heritage of mankind. Traditional local and regional culture is given by the rural way of life, by the traditions and the customs. The true size and value of the rural area is represented by the social and cultural life of the locals in the rural areas. The environment in the rural area has a low population density and a discontinuity of the built surface. Here, the environment is less polluted than in the urban area. The productive activities are predominantly agricultural or silvicultural and, also, based on the manufacturing and trading industry.

According to the information published on the website of the European Commission, for 2007, Romania has 28.7% of European farms [9]. These farms have different size of surfaces. Considering this aspect, it is necessary a differentiated approach depending on the size of the respective farm. The medium and big farms have made agriculture to be a business, while small farms have a less important role on the market. Their importance is given by the possibility of offering food and social security, but also of protecting the environment, by using traditional means of production.

The importance of agriculture is given by the fact that it is the branch of the economy that can ensure the food for population and materials for the alimentary and non-alimentary industries. The agriculture ensures the maintenance of ecological balance, being also an important factor of the social stability. As long as there is demand for food, the rate of agriculture use is high. Another aspect of agricultural activity is given by the means of production. Therefore, in other economic activities, people coordinate the implementation of various activities. In agriculture, however, people do not have this role anymore, because many of the activities depend on the nature, on the climate and on the geographical positioning.

Romania has a high agricultural potential. The agriculture is one of the most important resources of development. The progress of a country and the accomplishment of the human needs can be achieved by its beneficial integration in the national economy.

However, its hard or, even, impossible, for traditional local products to find theri place in the hypermarkets, not only because of the policy of traders, but also because of some mismatches between the modern global marketing system and the particularities of the local producers. [2]

With a high capacity for regeneration and due to the contribution to the development of national economy, agriculture has several functions. Therefore, the first function is given by food function. This role is based on the possibility of providing daily food. Food requirements of a country depend mostly on the domestic agricultural production. People's wellbeing can be based on agricultural products.

Lately, there have developed the pollution trends of the environment. Thus, another function that the agriculture has, is the protection of the environment. As ecological function, agriculture contributes to the protection, the restoration and the maintenance of the environment. It is desired, in this way, to maintain a clean environment and to achieve high quality food.

Finally, another important function of agriculture is the socio-economic development. This role is given by the balance that the agriculture achieves in order to consolidate the economic development. With a high share in the economy, agriculture is an important source of employment and income. In many rural areas, agriculture is the main activity. It should be noted, however, that these functions have evolved both depending on timpe and dependin on the respective space.

### "ACADEMICA BRÂNCUŞI" PUBLISHER, ISSN 2344 - 3685/ISSN-L 1844 - 7007

In order to increase productivity, current technologies use chemical fertilizers, pesticides that harmful influence the environment. In order to avoid or to decrease the pollution produced by the chemical fertilizers, we have to ensure the growth of the use coefficient of the active substances by plants [3]. It is pleasing that there are concerns referring to the protection of nature and to the pollution decrease in the agriculture field. Thus, the concept of ecologic agriculture is more and more important in the Romanian agriculture. In this regard, it is aimed to establish strict rules for the use of polluting chemicals and fertilizers applied to agricultural areas. It is created, in this way, the premise of a sustainable agriculture in Romania, based on the protection of life quality and of the environment.

### 3. Agriculture in Vrancea County

Vrancea County is located in the South - East of Romania, in the Curvature Carpathians. Vrancea County has an area of 4.857 km², which represents 2,037% of the surface of Romania. Vrancea has a number of 5 towns and cities, of which 2 municipalities. It also has 68 communes and 331 villages.

According to the census of 2011, in Vrancea County live a number of 388,943 people. Of these, 37.7% live in urban areas and 62.3% live in rural areas.

Vrancea County is bordered in the north by Bacău County, in the north-east by Vaslui County, in the east by Galați County, in the south-east by Brăila County, in the south and south-west by Buzau County and in the west by Covasna County. From geographically point of view, Vrancea County has a varied landscape, from plains and mountains to hills, these landforms allowing a balanced and a diversified development of the agriculture in the county. Therefore, the relief of Vrancea county includes: Vrancea Mountains, the Carpathian Hills and the Lower Siret Plain.

Of the total area of Vrancea County, 52.54% is represented by agricultural lands and 47.46% are represented by non-agricultural areas. For the agricultural areas, the distribution of the use categories is described in Figure 2, and for the non-agricultural areas, the distribution is described in Figure 3.

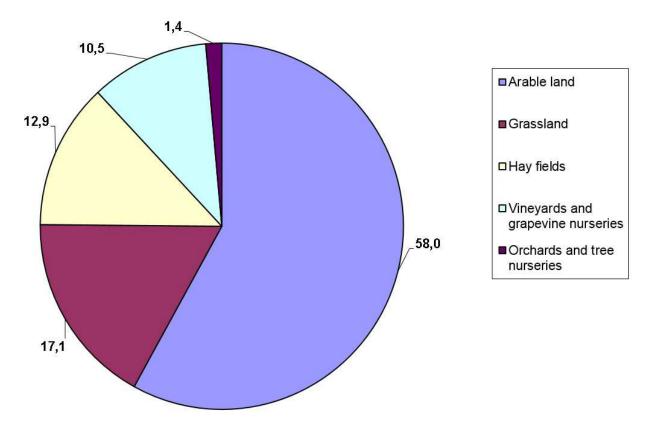


Figure 2. Distribution of use categories for agricultural areas

Source: developed by authors based on data available on the website of the National Institute of Statistics (http://www.insse.ro/cms/)

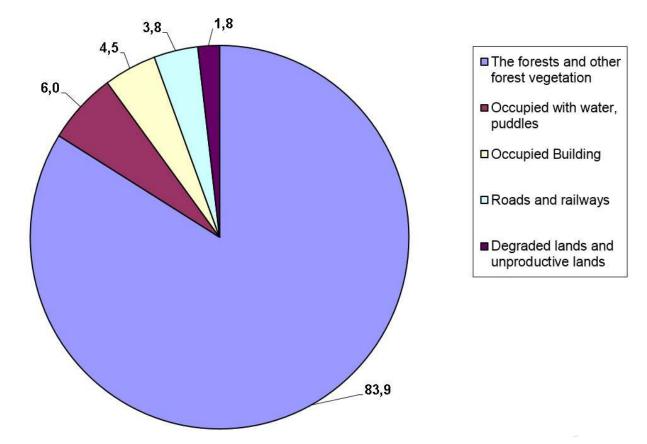


Figure 3. Distribution of use categories for non-agricultural areas

Source: developed by authors based on data available on the website of the National Institute of Statistics (http://www.insse.ro/cms/)

Thus, we can see that the majority of the agricultural lands in the county (58%) were used for different cultures as arable surfaces, and aprox. 10.5% were used for vineyards and grapevine nurseries.

Also, from the total area of non-agricultural land, almost 84% is used for forests and other forest vegetation. We have to consider that forest vegetation is the main factor that helps the water storage in the soil and that can prevent or greatly mitigate the torrential phenomena and the soil erosion [3].

Vrancea County is the county that has the largest area of vineyards bearing fruit in the country. In 2013, this was in amount of 25,351 hectares and represents 14.2% of the total vineyard in bearing, in Romania.

In the recent years, for Vrancea county, the employed population did not went through major changes. This situation is shown in Table 2.

Table 2. Employed people, by activities of national economy, for the period 2010-2013, for Vrancea County

Population	Year				
(thousands of people)	2010	2011	2012	2013	
Total	142,2	140,5	145,5	141,9	
male	71,4	69,4	72,1	72,3	
female	70,8	71,1	73,4	69,6	

Source: developed by authors based on data available on the website of the National Institute of Statistics (http://www.insse.ro/cms/)

It is noted that for females, after an increase in 2010-2012, followed 2013 when there was observed a decrease to a value of about 70 thousand people. Also, for males, as of 2011, there was observed an increase of employed people. Given the activities of the national economy for Vrancea Count, for 2013, we have described in Figure 4, the distribution of the employed population.

"ACADEMICA BRÂNCUŞI" PUBLISHER, ISSN 2344 - 3685/ISSN-L 1844 - 7007

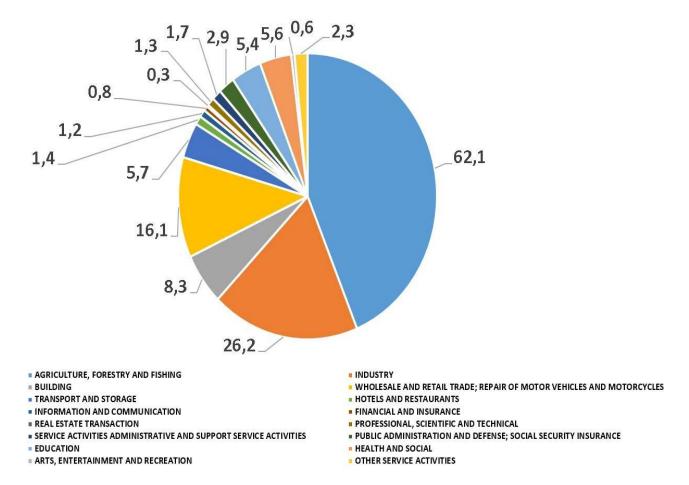


Figure 4. Distribution of employment for Vrancea County, in 2013

Source: developed by authors based on data available on the website of the National Institute of Statistics (http://www.insse.ro/cms/)

The employed population of Vrancea County for the agriculture, silviculture and pisciculture fields, after an increase in 2012 to 65,700 persons, had a decrease, in 2013, to 62.1 thousand people. Compared to 2010, in 2013, the employed population of Vrancea County for the agriculture, silviculture and pisciculture fields had a decrease of 4%.

Also, compared to 2010, in 2013 the share of employed female, of Vrancea County, in agriculture, silviculture and pisciculture fields, increased from 53.3% to 55.2%.

#### 4. Conclusions

The agriculture and the food production are essential components of any economy or of any society.

The vitality and the unity of many rural communities is maintained due to the agriculture.

In rural areas, the possibilities of employment are limited, and the unemployment rate is very high. The investments in public services, such as schools or health facilities, can provide for the locals some reasons to stay in the rural areas and to raise their children here.

In Vrancea County, we can find factors that encourage the development of agriculture, but there are also factors less favourable, which discourages the farmers. We can find work force in rural areas, but it is not sufficiently qualified. We can also talk about the high fragmentation of farms and about the small farmers who associate.

A good opportunity for farmers in Vrancea County is the organic farming.

Given the large business opportunities in the production of wine, the viticulture sector can have a strong development in the next period.

The socio-economic potential of development in a community must necessarily take into account the human factor. The economic development is considered legitimate only if the minimum social and environmental requirements are fulfilled. Progress is realised only if the economy has a socio-human purpose [4].

### 5. Bibliography

- [1] Bran P., Managementul prin valoare, Editura Universitară, București, 2009;
- [2] Bran F., Manea Gh., Ioan I., Rădulescu C.V., Globalizarea: manifestări și reacții, Editura Economică, București, 2012;
- [3] Bran F., Ioan I., Terra casa vieții, Editura Universitară, București, 2013;
- [4] **Ioan I., Bran F., Rădulescu C.V.,** Dimensiunea managerială a conservării naturii, Editura Universitară, București, 2009;
- [5] \*\*\* http://www.madr.ro, Ministry of Agriculture and Rural Development;
- [6] \*\*\* http://www.mmediu.ro, Ministry of Environment, Water and Forests;
- [7] \*\*\* http://statistici.insse.ro, The National Institute of Statistics
- [8] \*\*\* http://www.gazetadeagricultura.info, Gazeta de agricultură
- [9] \*\*\* http://ec.europa.eu/index\_ro.htm, Comisia Europeană
- [10] \*\*\* http://www.consilium.europa.eu/ro/home, Consiliul European
- [11] \*\*\* http://www.assembly.coe.int, Parliamentary Assembly