

A BRIEF CRITICAL LOOK AT ROMANIAN AGRICULTURE

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Abstract: The evolution of Romania's rural area is the complex result of some natural historical, political, economic, social, conjunctural factors and last but not least some factors of an international nature.

To scientifically substantiate what we need to do to restructure For our agriculture, for the revitalization of the Romanian rural space, for the awakening of our peasant, an analysis of the path taken by Romanian agriculture is necessary because with the rebirth of the Romanian peasant and village, the Romanian nation is reborn.

Key words:Strategies, growth, risk, strategic plan

1. Introduction

More than three decades have passed since the first Romanian agrarian reforms and 14 years since Romania's accession to the EU, a period sufficient to have tangible results in our country's agriculture.

Two economic indicators, of maximum importance for the analysis of agricultural dynamics, the average grain production for 20 years and the value of agricultural production, show us the opposite: Romanian agriculture, as a whole, as an effect of the agrarian policies promoted by all Romanian governments, did not have an obvious positive evolution, but, on the contrary, demonstrates stopping and even regression in many years, in the case of cereal production.

Four major changes (it is possible to appreciate, four fractures) of the Romanian agrarian structures, in only one century

- the great agrarian reform of 1921,
- the agrarian reform of 1945,
- the collectivization of agriculture from 1949-1962 and
- the effects of the application of the Land Fund Law of 1991) made the conception impossible, but more chosen the application of a long-term Romanian agricultural project, like the majority (western) European countries.

2. Current situation

The transition to a market economy was necessary in the post-December period, but it required a

genuine economic reform, effective legislation capable of modernizing agriculture, and in general to revitalize the rural space of our nation. Agriculture is the first branch of the national economy that benefited from a series of laws that constituted the beginning of the reform in the national economy (we mention here the Land Fund Law 18/1991).

The evolution of Romanian agriculture after December is similar to that of the other countries in

central and eastern Europe (former communists). Immediately after the fall of the communist regimes it was

centralized planning is abandoned in these countries; official price controls have been abolished and gradually become free; most state-owned companies have entered a natural process of privatization. In the agricultural sector, the former agricultural production cooperatives and many of the state farms have been transformed. In all these countries the land was returned to the former owners.

Romania in the transition to a market economy has, due to agriculture, a special position which is due both to the relatively important share of agriculture in the national economy

and more chosen for the specificity of Romanian agriculture.

Major, successive changes in the system have generated instability and, what is more serious, the lack of continuity, stability, sustainability and sustainability of the national agricultural system. The effects of contradictory applied agricultural policies (reforms, restructurings, adjustments), lacking continuity after 1989, generated a fluid, unstructured, non-performing, non-competitive, non-competitive, majority subsistence agriculture, as well as the transition from large agricultural units (IAS, CAP) , characteristic of Eastern socialism, at small agricultural units (associations, societies) in the phase of primitive capitalism, on an area of over 5 million ha.

From the analysis of the causes that generate technical and economic non-performance in agriculture, it results that there is a chronic shortage in the allocation of production factors, along with poor management in most farms and agricultural companies and processing SMEs, and major deficiencies in management supply-storage-processing-marketing of agri-food products (functioning of the agricultural market).

The effects of capital shortages are reflected in low agricultural yields compared to those in the EU:

- 40-45% at the average cereal production, 35-40% at the value of the primary agricultural production (800-900 € / ha in Romania, 1 800-2 000 € / ha in the EU), and only at about 1 € food production processed, obtained from 1 € primary agricultural production, compared to 3-3.5 € in the EU.

The analysis of the Romanian agri-food consumption data highlights negative aspects from an economic and social point of view, both for agriculture and for the general economic balance of the country:

- the share of food expenditures in the total expenditures of the population (about 40-45%) is maintained at extremely high levels, values twice higher compared to the EU25 average and almost 2.8–3 times higher than the EU15 average;

- Last year, Romania imported 10.9 billion tons of agri-food products, up 21% compared to 2019, and the value increased by 6% to 8.93 billion euros, compared to 8.43 billion euros in 2019.

All this state of affairs had as an immediate effect the impossibility of applying appropriate technologies and even the return to some rudimentary procedures of practicing agriculture. But the effect felt by the entire population was to obtain low yields per hectare, respectively per hectare animal and finally the overall decrease in the production capacity of agriculture.

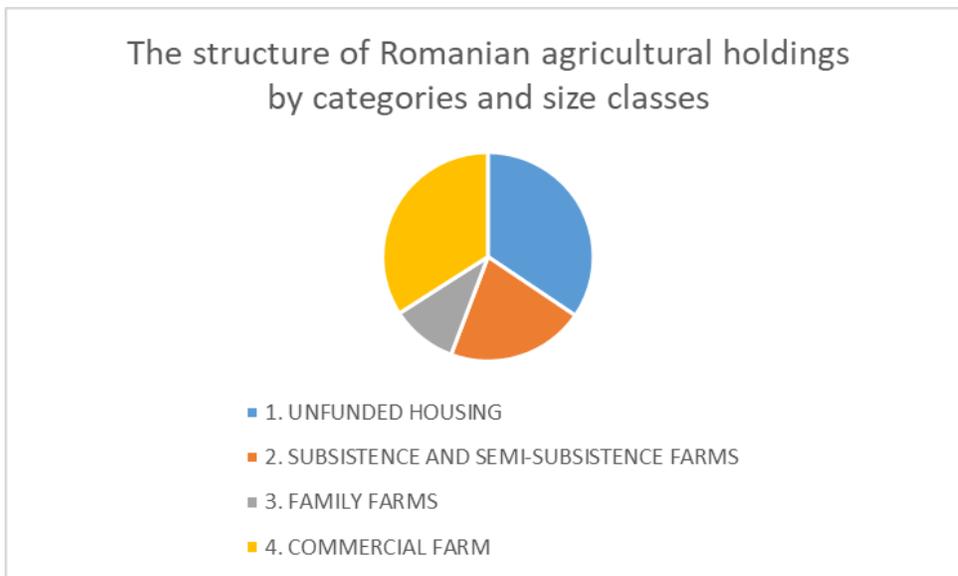
The main short-term objective of the restructuring of Romanian agriculture lies in the rapid increase of agricultural production in order to meet the consumption requirements of the population and the decrease of imports of agricultural products. To achieve this, it is necessary to resort to a series of tactical measures:

The main objective, in the long run, is the development of agriculture as a unitary system, able to make the most of material and human resources in order to efficiently perform its main functions and to practice a modern, efficient agriculture system, inscribed on the coordinates of development. European in general. In this sense it is outlined as directions of action:

a) Strengthening private property in agriculture, in conjunction with private-family farming, for the registration of this branch in an economy based on market economy principles by finalizing the application of the Land Law, the application of the Lease Law, the b) Stimulating the creation of viable agricultural holdings, of appropriate territorial dimensions that allow the efficient use of technical means and the application of modern technologies, based on the provisions of the laws that ensure the legal and institutional framework of the new structures of the rural agriculture.

The structure of Romanian agricultural holdings by categories and size classes

Farm size class (ha)	Nr. farms (thousands)	% of no. total firm	Area (thousand ha)	% of total area
1. UNFUNDED HOUSING	2 740	71,1	5 073	34,5
2. SUBSISTENCE AND SEMI-SUBSISTENCE FARMS	1 044	27,1	3 108	21,2
3. FAMILY FARMS	60	1,6	1 494	10,2
4. COMMERCIAL FARM	12	0,3	5 010	34,1



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3. AGRIBUSINESS

The dynamic adjustment of agriculture to market requirements requires the cooperation of producers and processors, especially in the areas of upstream supply and marketing of agri-food products.

Agribusiness creates direct links between agri-food demand and supply based on market research and contracts between corporations, specialized farms, processing networks and trade.

Agribusiness initially developed in the USA and became a modern, functional and integrated system. The integration of agriculture with upstream and downstream industries is very strong. Large national and supranational corporations integrate the production-processing-sales of products through specialized units.

In the European Union is developed agribusiness based on small and medium farms, and a diversified system of cooperatives.

European agribusiness from upstream to downstream includes: supply and services; agricultural production; industrialization; distribution and trade.

4. CONCLUSIONS

1. Agricultural entrepreneurial income increased significantly during 2007-2019, in Romania; it has practically doubled on average. It has grown more than in Bulgaria, Poland and the European average. The ratio between

agricultural incomes and incomes from non-agricultural branches is higher in Romania than the European average, in some of the years. Incomes to most specializations have increased, respectively to field crops, wine, other herbivores, granivores, milk and mixed farms, but the gaps are quite large compared to the European average.

2. There are deficiencies in productivity and competitiveness. There is a need to improve market orientation and increase competitiveness, including a stronger focus on research, technology and digitalisation.

3. In order to eliminate imbalances in food chains and achieve food security and safety for the population, it is necessary to improve the position of farmers in the value chain, including by integrating upstream and downstream activities.

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