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MODERNIZATION AND SOCIO-ECONOMIC DEVELOPMENT OF THE ROMANIAN RURAL AREA – 1995-2016 EVOLUTION

LORENA FLORENTINA CHIȚEA ¹, ION DONA ²

Abstract: *The present paper intends to establish a reciprocity relationship between the modernization and development level of the rural space, as main modernization-development point of the rural household. On the basis of the interdependence relation between rural area modernization and development, the paper aims to establish a typology of the modernization-development potential of rural areas from the socio-economic point of view, starting from the premise that there are significant differences between the rural areas. The starting point in establishing this reciprocity is the development of a theoretical model for the evaluation of the socio-economic modernization and development level of the rural space in terms of the modernization-development potential of the countryside. Having in view the concerns for a balanced economic and social development in the recent period as well as the multi-dimensional character of rural development, we have opted for a set of relevant indicators to reveal the socio-economic development level (in terms of economic performance and living standard) in the rural area across counties. In the paper, each social and economic indicator will be approached to reveal the gap between counties, and finally a hierarchy of counties according to the composite indicators will be established to capture the socio-economic modernization and development level of rural areas, as well as the interdependency between these two phenomena. The entire analysis will be made from the point of view of the main actor: the rural household.*

Key words: *rural area, rural household, sustainable development*

JEL Classification: *R20, Q 01, O2*

INTRODUCTION

Modernization in the rural area emerged as a process in direct relation to the urban area [1]. The amplitude of the modernization process in the rural communities was different, and the main favourable factor was the proximity/accessibility to urban centers. The modernization process was not a constant continuous process, being directly linked to the historical evolution – political influence (change of the political regime).

The necessary elements in the modernization process are the presence of entrepreneurship, of modern infrastructure and of modern attitudes and values. The presence of these elements does not presuppose the loss of rural specificity (of traditions and customs), their valorization being an ideal situation.

Modernization means something different, in relation to the entity or phenomenon we refer to, namely [3]: in economic terms, modernization means high productivity, competitiveness; from the community point of view, modernization means infrastructure and access to utilities; from the social point of view, modernization means access to education, healthcare and information; from the ecological point of view, modernization means environment protection; from the political point of view, modernization means nation-state, with all its functions and organisms; at individual level, modernization means modern personality, in which the person has intellectual openness, detachment from tradition, sense of personal efficiency, desire to be an informed citizen, ability to adapt to new experiences.

The main hypothesis of the paper is that socio-economic modernization and development are two phenomena that are mutually reinforcing, with beneficial effects on all the involved actors. Modernization means development “the modernization concept – a much more comprehensive conceptual relative of economic development – refers to the fact that the technological, economic and ecological changes are spreading all over the social and cultural system” [4]. In other words, development is influenced by the technological progress in the first place.

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Modernization is different from rural development. Development is the last stage of modernization, with deep and long-term changes, presupposing various transformations: economic, social, political, technological and cultural.

MATERIALS AND WORKING METHODS

The working methodology, in the present paper, involved the consultation of recent literature on the classification of three defining concepts (rural household, rural space, sustainable rural development) to clarify the issue of the household’s role in the Romanian rural area from the sustainable rural development perspective.

In the development of the theoretical model for the analysis of the socio-economic modernization and development level of the rural area, the following criteria are considered in the analysis: natural and anthropic criterion, demographic criterion, social criterion, economic criterion; a set of specific indicators correspond to each criterion.

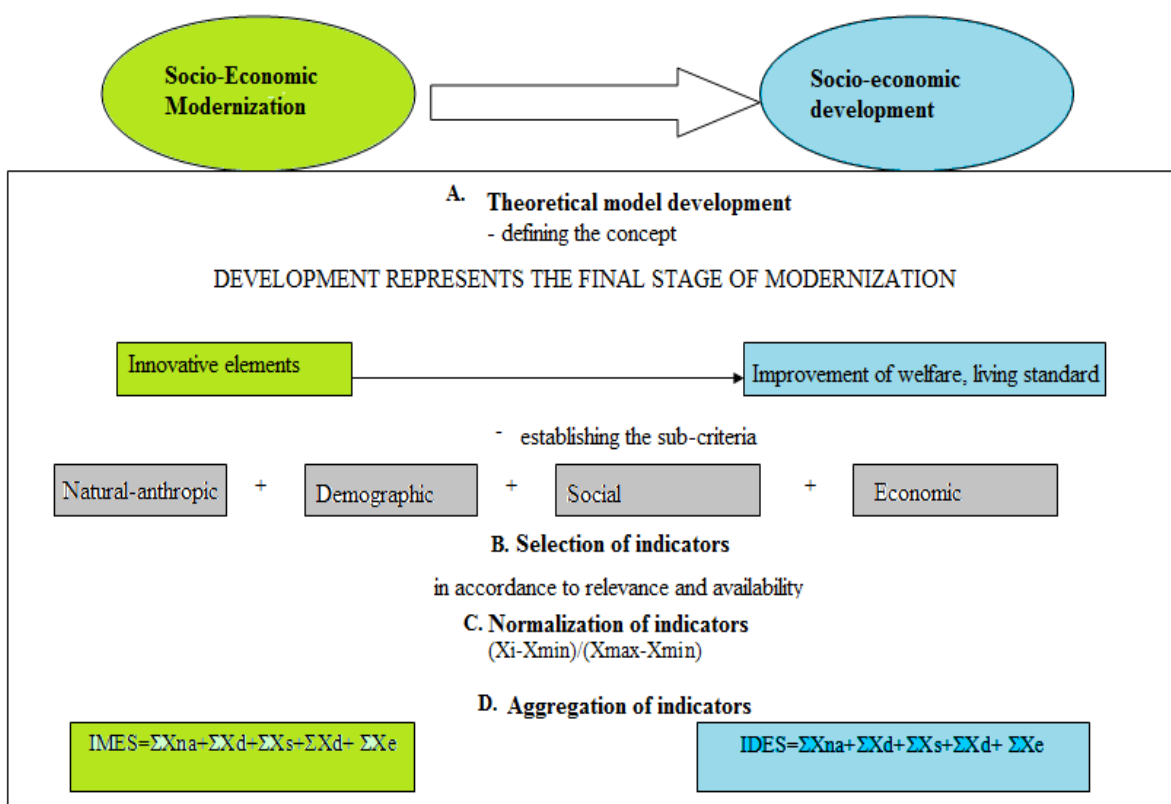


Figure 1: Developing the theoretical model of analysis of the degree of socio-economic modernization and development of the rural area

Source: [6], [7], [8], [9],[10], [11] and [12]

RESULTS AND DISCUSSIONS

The main hypothesis of the paper, i.e. the linkage between the socio-economic modernization and development level in the rural area, has been confirmed. The integration of the modernization elements entails development and implicitly the continuous improvement of life quality and welfare at rural household level.

The correlation between the two indices has been intensified over time, evolving from a significant correlation in the year 1995 to a strongly significant correlation in the years 2005 and 2016.

Table 1: Correlation between the Socio-Economic Development Index and the Socio-Economic Modernization Index of the rural area (Pearson Correlation), 1995-2016

SEDI	SEMI						
		1995	2000	2005	2007	2010	2016
	1995	0.302*					
	2000		0,537**				
	2005			0.596**			
	2007				0.511**		
	2010					0.503**	
	2016						0.636**

Source: authors' own calculations SPSS using NIS statistical data – tempo online

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

From the analysis of the development index, the strongest correlations exist with the social dimension (0.797**), demographic dimension (0.690**) and economic dimension (0.666**); these correlations have been intensified over time. The natural-anthropoc dimension has no positive influence on SEDI or on the other component dimensions.

In the year 1995, the influence between the criteria underpinning SEDI index construction was non-significant, and since 2005 significant correlations have emerged between the economic, social and demographic dimensions. The natural-anthropoc factor, in the investigated period, did not positively influence any of its components, while in the year 2016 a significant influence on the social dimension emerged for the first time.

The counties with the highest socio-economic development level of the rural area are the following: Timiș, Brașov, Constanța, followed by Suceava, Iași, Ilfov, Arad, Sibiu, Cluj, Bihor, Dolj, Prahova. The following counties are at the opposite pole, with a low modernization level: Teleorman, Sălaj, Olt, Vâlcea, Giurgiu, Gorj, Covasna, Hunedoara, Mehedinți.

In the period 1995-2016, the share of counties with an acceptable and good development level decreased from 17.07% in 1995 to 7.32% in 2006, while the share of counties with low and very low development level increased from 46.34% in 1995 to 70.73% in 2016. This situation reveals the accentuation of disparities across counties in terms of their development level.

From the analysis of the socio-economic modernization index (SEMI) of Romania's rural area, the strongest correlations are noticed with the natural-anthropoc criterion (0.877**) and with the demographic criterion (0.787**); these correlations have been intensified over time. The other criteria must not be neglected either, as they have quite a significant influence upon SEMI (social criterion 0.536** and economic criterion 0.405**).

Having in view that all the criteria considered have a significant influence upon SEMI, and no significant linkages are established between these criteria, this reveals a structural and functional dysfunctionality at the rural system level. Only the natural-anthropoc criterion correlates significantly with the demographic criterion (0.633**) and with the economic criterion (0.275**).

The following counties have the highest socio-economic modernization level of the rural area: Ilfov, Timiș and Cluj, followed by Brașov, Sibiu, Arad, Constanța and Alba. The counties with the lowest modernization level are Botoșani, Teleorman, Giurgiu, Neamț, Vaslui, Olt, Dolj and Călărași.

In the investigated period, the share of counties with an acceptable and good modernization level decreased from 26.83% in 1995 to 19.51% in 2006, while the share of counties with low and very low modernization level increased from 31.71% in 1995 to 56.10% in 2016.

From the results of the presented model, we can notice as a general trend the fact that the Romanian countryside has a different behaviour depending on the proximity of the large urban centers (see the counties Timiș, Ilfov, Cluj, Sibiu, Constanța, Brașov); the rural households in the proximity of towns have easier access to utilities and more attractive jobs, while their population is more educated. These peri-urban rural areas have a more diversified economic activity, with a

mixed economy (agriculture, industry, services), and the agricultural activity is tailored to market demand [2].

The rural household farm is adapted to its environment, it is not competitive, still representing a refuge and a buffer in the face of changes and economic crises. The basic activity continues to be agriculture, with low and unreliable incomes, yet ensuring the survival of rural household on the short term.

Table 2: Classification of counties by the socio-economic modernization and development level, in the year 2016

	Very low modernization level	Low modernization level	Medium modernization level	Acceptable modernization level	Good modernization level
Very low development level	Giurgiu, Olt, Teleorman	Gorj, Hunedoara, Mehedinți, Sălaj	Covasna, Vâlcea		
Low development level	Botoșani, Călărași, Neamț, Vaslui	Dâmbovița, Ialomița, Buzău, Mureș, Satu Mare, Vrancea, Argeș, Brăila	Tulcea, Maramureș, Harghita, Bacău, Galați, Bistrița-Năsăud, Caraș-Severin	Alba	
Medium development level	Dolj	Bihor, Suceava, Prahova	Iași	Sibiu, Arad	Cluj, Ilfov
Acceptable development level				Brașov, Constanța	
Good development level					Timiș

The evolution of the socio-economic modernization and development of the Romanian countryside over time has not led to the consolidation of rural household, but to the perpetuation of subsistence (see SEMI and SEDI map) in most rural areas from the country. The rural household risks to disappear due to the lack of attractiveness of rural areas, the population leaving to town or abroad for a better life, while the elderly people remain in the countryside and have to work after the retirement age, as there are no young people in the family to take over the farming activity [2]. Some other persons add to these, at the age of retirement, who prefer to come and live in their native places or in the peri-urban rural areas, seeking for a quiet and safe rural life. Until this phenomenon stops, the rural households risk to no longer support the existence of rural communities, mainly in the deep rural areas.

Modernization at rural household level in Romania takes place in relation to a multitude of factors present in the rural system, with effect in the entire system and in its component sub-systems (anthropic, demographic, social, economic), and the result of modernization can be seen in the new life patterns that have replaced the traditional ones.

At county level, through the correlation of the two indices (modernization and development), we have the following categories of counties according to the socio-economic development and modernization for the rural households:

1. counties with no socio-economic modernization and development perspectives (SEDI decreased from 3.37 in 1995 to 2.54 in 2016, SEMI down from 4.57 in 1995 to 4.22 in 2016): Giurgiu, Olt, Teleorman;
2. counties with low perspectives of modernization and socio-economic development (SEDI down from 3.87 in 1995 to 3.42 in 2016, SEMI down from 5.39 in 1995 to 4.98 in 2016): Gorj, Hunedoara, Mehedinți, Sălaj, Botoșani, Călărași, Neamț, Vaslui, Dâmbovița, Ialomița, Buzău, Mureș, Satu Mare, Vrancea, Argeș, Brăila;

3. counties in deadlock in terms of modernization and socio-economic development (SEDI down from 3.60 in 1995 to 3.21 in 2016, SEMI up from 4.88 in 1995 to 5.65 in 2016): Dolj, Covasna, Vâlcea;
4. counties with medium perspectives of modernization and socio-economic development (SEDI down from 4.32 in 1995 to 3.72 in 2016, SEMI increased from 5.59 in 1995 to 6.00 in 2016): Tulcea, Maramureș, Harghita, Bacău, Galați, Bistrița-Năsăud, Casaș-Severin, Bihor, Suceava, Prahova;
5. counties with acceptable perspectives in terms of modernization and socio-economic development (SEDI down from 4.32 in 1995 to 4.23 in 2016, SEMI increased from 5.41 in 1995 to 6.33 in 2016): Alba, Iași;
6. counties with net perspectives in terms of modernization and socio-economic development (SEDI increased from 4.93 in 1995 to 5.09 in 2016, SEMI increased from 6.09 in 1995 to 7.81 in 2016): Sibiu, Arad, Cluj, Ilfov, Brașov, Constanța, Timiș.

CONCLUSIONS

At present, the structures operating in Romania's rural area define a complex and very diverse rurality. For this reason, any type of development/modernization must be based on the specificity of rural areas, on those defining phenomena and processes for each area.

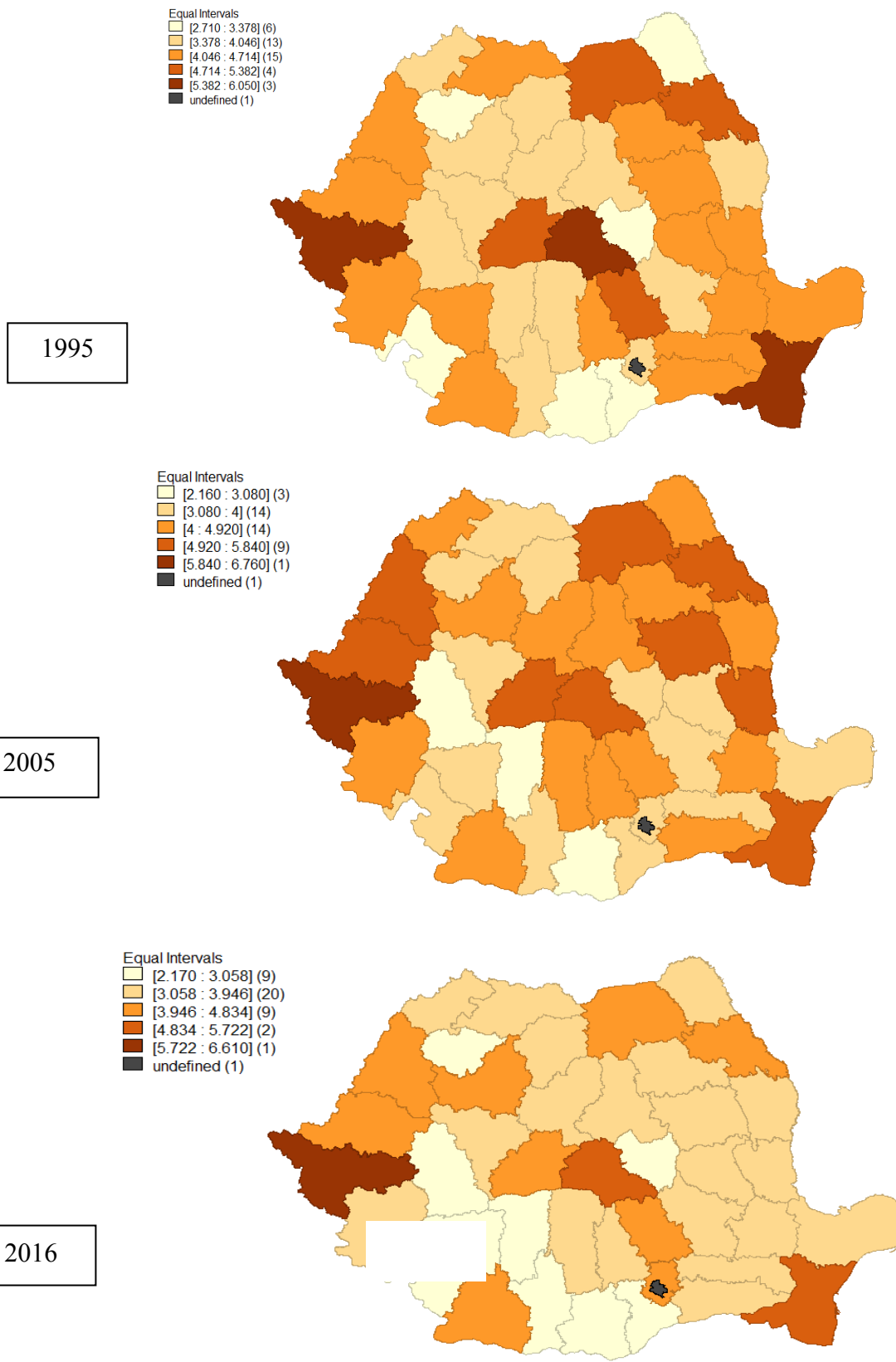
The evolution of Romanian rural area modernization and socio-economic development over time has not led to the consolidation of rural household, but rather to the subsistence phenomenon perpetuation (see SEMI and SEDI map) in most rural areas of the country.

From the results of our model, we can notice as a general trend that the Romanian rural areas have different behaviour depending on the proximity of great urban centers (see counties Timiș, Ilfov, Cluj, Sibiu, Constanța and Brașov), while the rural households in the proximity of cities have an easier access to utilities and more attractive jobs and the population has a higher educational level.

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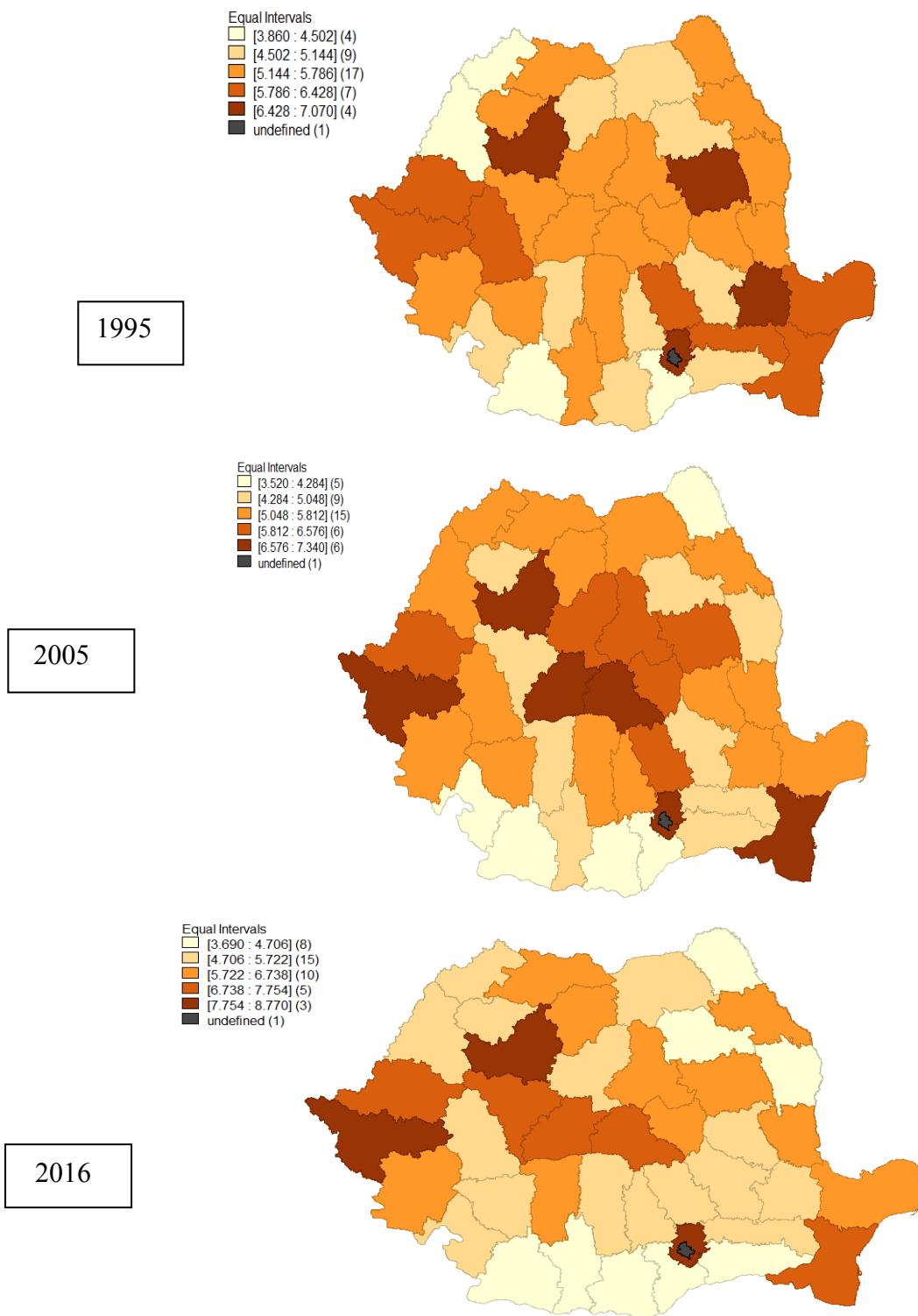
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Map 1: Socio-Economic Development Index of the Romanian rural area, in the years 1995, 2005 and 2016



Source: authors' own calculations based on NIS statistical data – tempo online

Map 2: Socio-Economic Modernization Index of the Romanian rural area, in the years 1995, 2005 and 2016



Source: authors' own calculations based on NIS statistical data – tempo online