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Rural development in Romania: Evolutions and disparities at regional level

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# RURAL DEVELOPMENT IN ROMANIA – EVOLUTIONS AND DISPARITIES AT REGIONAL LEVEL

#### SORINEL IONEL BUCUR 1

**Abstract:** Rural development was and continues to be considered an essential imperative, being one of the reasons for which the concept of sustainable development and diversification in the rural space has registered a high emergence frequency and debates in the specialty literature. The sustainable and complex development of the rural space means the implementation of some measures which should meet the need to eliminate the whole range of drawbacks of agriculture, respectively the gaps present between the different areals. In this context, on basis of public information using the well known statistical methods, the present approach wishes to realize a comparative interregional analysis from the demo - economic and social perspective of the Romanian rural space.

**Keywords:** rural development, disparities, regional dimension.

**JEL Classification**: R11, R12.

#### INTRODUCTION

The building of any local rural development strategy must start from the evaluation of the present situation, both by ratio to the own systems (demo-economic, social and ecological), and through the position held among the areals more or less similar. Placed in the South-South-East part of Romania, the South-Muntenia region is, as size, the third region of the country, re-grouping seven counties, the cumulated area of which reprsents around 15% of the total area.

With all the potential economic advantages generated by the border, in the South, with the Danube which ensures that ddirect connection to the Danube-Black Sea Channel, with exit to the Black Sea, but also the vecinity to Bucharest, at intra-regional level there are still significant gaps between the component counties, which is influencing the position held by the region through the ratio to the other development regions or at national level.

Starting from the considerents mentioned above, the realization of an inter-regional analysis of the indicators' system characterizing the rural space of the South-Muntenia region is giving to the decident factors a starting point in the identification of some sustainable local development niches.

#### MATERIALS AND WORKING METHODS

In quantification of the position held by the South-Muntenia Region comparatively to the other development regions, the present approach is based on the utilization of public information, ensured, mainly, by the database of the National Statistical Institute, and the Community statistical support. We must state the fact that the present approach utilizes well known methods, the type of comparisons, structures and dynamics, the results being presented both in graphic form, and also in tables form.

#### RESULTS AND DISCUSSIONS

In reliefing the position held by the South-Muntenia Region in the national economy, comparatively to the other development regions there was taken into consideration a series of demo-economic indicators –primary and derived, the analysis of which permited the stressing of the following aspects:

From the total area perspective, as we previously mentioned, South-Muntenia region was holding, in the year 2014, 14.5% of Romania's area, situating it on the third place among the 8

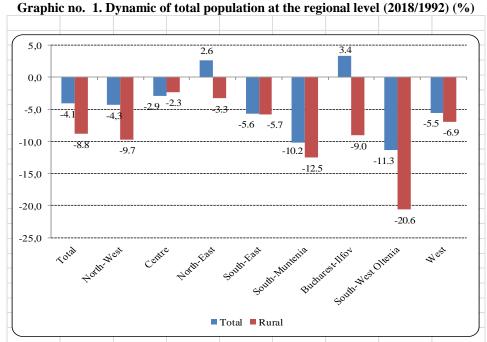
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development regions. Comparatively to the rest of the regions, the South-Muntenia region is holding the first place as regards the agricultural area (16.6% of the country's agricultural area), but also at the level of arable area, as share in the agricultural (21%).

The area of the rural space of the South-Muntenia region was representing in 2014, 91% of the total region's area, placing it, again on the first position and giving it a strong rurality character. As basis of the construction of any sustainable rural development, the total population registered in the period 1992-2018 a significant recoil, both at national level, and regional level. Comparatively to the other regions, South-Muntenia Region registered a diminution of the total population by 10.2 percentages, as in the rural environment the recoil should reach to 12.5 percentages.

Practically, the recoil of total population at the Region's level registers percentages exceeding the double of the national average, situating the Region, from this point of view, on the second place (after South-West Oltenia Region) (**Graphic no.1**).



Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

In absolute values, at the level of the year 2018, South-Muntenia Region was holding the second place, from the eight development regions, re-grouping not less than 14.5% from the total country's population, after the North-East Region (17.9%).

With 1.83 mill. persons in the rural space, South-Muntenia Region holds 18.9% of the total rural population at national level, being on the same second place after the regiunea North-East Region (22.3%).

Also, as share in total population of the region, in the year 2018, population in the rural of the South-Muntenia Region was re-grouping 57.2%, which is situating it comparatively to the other Regions on the first position (**Table no.1**), exceeding the national average by 24.3 percentages.

Table no. 1. Evolution of the share of rural population in total population at the regional level (%)

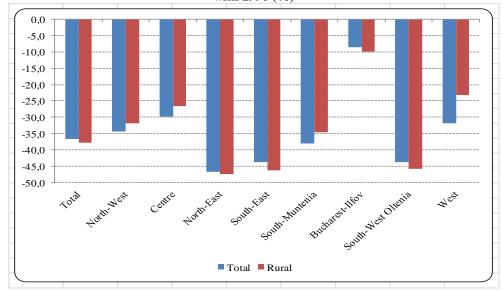
	Total	North- West	Centre	North- East	South- East	South- Muntenia	Bucharest -Ilfov	South- West Oltenia	West
1992	45.9	48.7	40.1	57.8	44.4	58.6	10.4	56.0	37.6
1993	45.5	48.3	39.8	57.4	44.1	58.2	10.4	55.5	37.4
1994	45.3	48.0	39.6	57.1	43.8	57.9	10.5	55.1	37.2
1995	45.0	47.7	39.2	56.9	43.6	57.7	10.5	54.8	36.7

1996	45.0	47.6	39.2	56.8	43.6	57.6	10.5	54.6	36.7
1997	44.9	47.4	39.2	56.7	43.5	57.5	10.5	54.4	36.6
1998	44.9	47.3	39.1	56.8	43.5	57.5	10.6	54.2	36.8
1999	44.9	47.3	39.2	56.9	43.6	57.5	10.6	54.1	36.8
2000	45.0	47.3	39.3	57.1	43.8	57.5	10.6	54.2	36.9
2001	43.0	45.3	38.1	54.2	43.3	56.8	6.7	51.5	34.1
2002	44.9	47.2	39.6	57.3	43.9	57.5	10.2	53.7	36.7
2003	44.9	47.2	39.3	57.4	43.9	57.4	10.2	53.1	36.8
2004	43.1	45.3	38.7	54.6	43.5	56.8	6.7	51.1	34.7
2005	43.4	45.6	38.8	55.0	43.6	56.8	8.6	50.9	34.8
2006	43.2	45.5	38.8	54.8	43.6	56.8	6.9	50.7	34.8
2007	43.2	45.3	39.0	54.9	43.7	56.8	6.9	50.6	35.0
2008	43.3	45.3	39.1	55.1	43.9	56.9	7.1	50.6	35.3
2009	43.3	45.3	39.2	55.2	43.9	56.9	7.2	50.5	35.4
2010	43.3	45.3	39.3	55.2	43.9	56.9	7.4	50.3	35.5
2011	43.4	45.4	39.5	55.3	44.0	57.0	7.6	50.2	35.7
2012	43.5	45.5	39.6	55.4	44.1	57.1	7.8	50.3	35.9
2013	43.5	45.6	39.7	55.2	44.1	57.1	8.0	50.3	36.0
2014	43.6	45.6	39.8	55.2	44.2	57.1	8.3	50.2	36.2
2015	43.6	45.7	39.9	55.0	44.2	57.1	8.5	50.1	36.3
2016	43.7	45.8	40.1	55.0	44.4	57.2	8.8	50.3	36.6
2017	43.6	45.9	40.2	54.8	44.4	57.2	9.0	50.2	36.8
2018	43.6	45.9	40.3	54.5	44.4	57.2	9.2	50.1	37.0

Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

Evolutions registered at the population level were repercuted also upon the main demographical indicators, but at national level, and regional level. In the rural, the birth rate decreased, situating the South-Muntenia Region on the sixth place among the fourth regions (**Graphic no.2**).

Graphic no. 2. Dinamic of birth rate, at the regional level, by urban/rural area in 2018 comparative with 1990 (%)



Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

Calculated as ratio between the live births number and the female population of 15 - 49 years old<sup>2</sup>, the fertility rate in the rural oscillates between 3.2 live born /1,000 women of fertile age (South-West Oltenia) and 43. 9 live born /1,000 women of fertile age (Centre), the South -Muntenia region situating itself on sixth place among the eight development regions. In ratio to the year 1996, for which complete statistical information is available, fertility rate registered, per ensemble of the region, a recoil of 10.9%, while in the rural, the decline is almost of 33 percentages.

A favourable evolution is to be found as regards death rate and infantile death rate. From this perspective, comparatively to the year 1990, death rate reduced itself in the South -Muntenia region by 29.6%, reaching in the year 2018 to 3.8 dead born /1,000 live born, which places it on fourth place.

On the same decreasing trend is also situated the rate of infantile death, at the rural level of the South-Muntenia region, it diminuted in the year 2018 comparatively to the year 1990 no more than less than 76.2 percentages, reaching to 7.5 deceased under one year old in ratio to 1,000 live born. From this perspective, the Region is situating itself on the third place among the 8 regions (**Table no.2**).

Table nro 2. Demographic indicators at the regional level in 2018

	Fertility rate in rural area	Mortality rate in rural area	Infantility mortality rate in rural area
Total	37.6	4.1	7.8
North-West	41.4	4.4	8.2
Centre	43.9	5.7	6.9
North-East	37.7	2.8	9.3
South-East	33.9	5.3	8.7
South-Muntenia	35.8	3.8	7.5
Bucharest-Ilfov	41.4	2.4	2.8
South-West Oltenia	32.2	2.7	6.9
West	38	5.8	6.1

Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

The structural modifications intervened after 1990 at level of all the demo-economic and social pannels generated signficant involutions also as regards the labour force and occupational degree. From this perspective, we must state that after 1990, the civil active population reduced itself with no less than 28 percentages at the level of South-Muntenia region, by 9 percentages over the national average, which is situating it on the third place in ratio to the eight development regions after North-East region (-30.7%) and South-West Oltenia (-30.4%).

Calculated as percentage ratio between the civil active population and work resources, the activity rate at the level of the South-Muntenia region is situated at 62.7%, with 7.4 percentage points under the national average. From this perspective the South-Muntenia region is situated on the fourth place among the 8 development regions.

We must not omit from view either the recoil registered at the occupied population level which is placing, nevertheless, the South-Muntenia region on the second place after the South-West Oltenia region (-31,9%)<sup>3</sup>, exceeding, practically, also the recoil of 20 percentages at national level with no less than 11.2 percentage points. These involutions have attracted after them also the reduction of the occupation rate, the South-Muntenia region being on the second place from the smallest occupational rate of the population.

At level of the year 2018 comparatively to the year 1996, the unemployment rate in the rural inscribed itself on a increasing slope, except the Regions: North-East, Bucharest and West where we see a reduction of it with percentages oscillating between -0.2% (West) and -2.6%

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<sup>&</sup>lt;sup>2</sup> Being expressed in number of live births to 1,000 women of fertile age (15 - 49 years old).

<sup>&</sup>lt;sup>3</sup> Respectively with the second highest percentage of diminution .

(North -East). Practically, the South -Muntenia region was registering the fourth highest value of unemployment rate, respectively 5.9%, after the regions: South -East (74%), Centre and South -West Oltenia (6.2%).

Nevertheless, either as regards the number of employees the South-Muntenia region does not register a favourable evolution. Comparatively to the year 1990, in the year 2017, the average number of employees was reduced at the level of the South-Muntenia region by 5. 2%, placing it on second place after South-West Oltenia (-52%) from the perspective of this indicator deterioration (**Table no. 3**).

Table no. 3. Indicators of labour force at the regional level

	Variation of civil economically population at regional level (2018/1990)	Activity rate (%) 2017	Variation of employment population at regional level (2017/1990) (%)	Employment rate (%) (2017)	Unemployment rate in rural areas (%) (2018)	Variation of the employees' number (2017/1990) (%)
Total	-19.6	70.1	-20.0	67.3	4.7	-39.4
North-West	-14.0	73.7	-14.3	71.6	3.2	-30.5
Centre	-17.4	73.4	-15.7	70.8	6.2	-40.0
North-East	-30.7	59.7	-30.0	56.4	1.9	-50.3
South-East	-26.9	66.2	-28.6	62.4	7.4	-48.9
South-Muntenia	-28.7	62.7	-31.2	59.5	5.9	-51.2
Bucharest-Ilfov	19.7	89.8	14.0	88.6	5.8	-7.3
South-West Oltenia	-30.4	67.2	-31.9	62.3	6.2	-52.0
West	-18.8	72.7	-14.9	71.1	4.7	-37.4

Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

The modifications intervened in population structure, but also of the labour force, to which are added the measures of economic policy implemented at national level, led to the maintaining of a high level of indicators, characterising the poverty level and the degree of social exclusion.

Even if these indicators are, after 2007, on a decreasing trend we must not omit from view the fact that these are situated still at high. Thus, at national level, 23.6% of the population is considered as poor<sup>4</sup>, this threshold being exceeded by four of the eight development regions respectively: South-West Oltenia and North-West (33.4%), South-East (29.6%) and South - Muntenia (24,9%).

Calculated as share in total population of peersons of over 18 who, because of the lack of financial resources, can not afford the payment of some services /purchase of some products<sup>5</sup>, the rate of severe material deprivation is exceeding 20 percentages, both at national level (23.6%), and in four of the development regions. At level of the South –Muntenia region approximatively 26% of the population is in this situation, placing the region, together South -East on the first position, with the highest values of the rate of severe material deprivation.

At level of the year 2017, aproximatively 41% of the population of the South -Muntenia region are exposed to poverty risk or to social exclusion<sup>6</sup>, being outpaced by the regions: South - West Oltenia, North-East and South -East. The high values in these four regions generated at

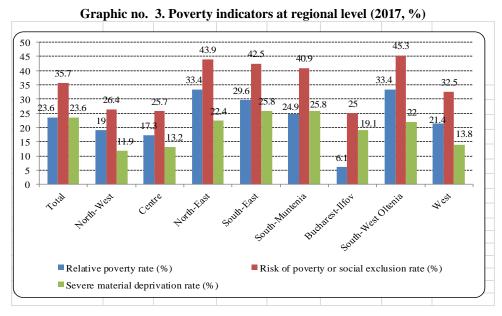
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<sup>&</sup>lt;sup>4</sup> Calculated as percentage of poor persons in total population .

<sup>&</sup>lt;sup>5</sup>Payment in time of some utilities and other current obligations; - payment of a one week vacation per year, far from home; - consumption of meat, chicken, fish (or other protein equivalent) at least once at two; - the possibility to face, with own resources to some contingent charges; - the possession of a fixed or mobile phone; - owning a color tv set; - owning a washing machine; - owning a personal car; - ensuring the proper heating of the house payment.

<sup>&</sup>lt;sup>6</sup> Persons making object of this indicator are in one of these situations at least: - have available incomes inferior to the poverty threshold; - are in a state of severe material deprivation; - are living in a household with a very reduced work intensity.

national level a rate of poverty risk of 35.7%. In other words, around a third of the population is exposed to this risk (**Graphic no.3**).



Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

The analysis of the place occupied by the South-Muntenia region in the national economy ensemble can not make abstraction from the level of economic performance. From this perspective, we must say that, in the year 2016, the South-Muntenia region realized 27.1% of the Gross Value Added-total, increasing by 96.6% opposed to the year 1993.

Comparatively to the other regions, in the same reference year, the South-Muntenia region was on the first place from this point of view, on the second place being Bucharest-Ilfov region (12.2%) (**Table no. 4**).

Table no. 4. Evolution of GVA share in total national GDP (%)

	North- West	Centre	North- East	South- East	South- Muntenia	Bucharest- Ilfov	South- West Oltenia	West
1993	12.37	12.33	13.34	12.93	14.03	16.19	8.82	9.80
1994	11.67	12.21	12.61	12.37	15.34	15.16	10.58	9.84
1995	11.91	12.30	13.58	13.24	15.11	15.20	9.15	9.29
1996	11.90	12.45	13.62	13.11	15.10	14.88	9.32	9.42
1997	11.66	12.38	12.62	13.41	15.36	14.16	9.89	10.31
1998	11.87	12.10	12.55	12.95	17.61	13.44	9.47	9.86
1999	12.05	12.10	12.29	12.08	18.65	12.88	9.33	10.47
2000	11.31	12.10	11.83	11.76	22.50	12.27	8.68	9.41
2001	11.56	12.04	12.04	11.72	21.16	12.87	9.00	9.53
2002	11.88	12.21	12.10	11.75	21.42	12.66	8.29	9.61
2003	11.86	12.04	11.98	11.52	21.33	12.51	8.84	9.84
2004	11.92	11.65	11.56	11.87	21.42	12.94	8.68	9.89
2005	11.73	11.28	11.20	11.35	23.90	12.62	8.09	9.76
2006	11.87	11.51	10.98	11.26	23.38	12.69	8.15	10.09
2007	12.08	11.64	10.87	10.63	24.35	12.28	8.05	10.02
2008	11.30	11.08	10.56	10.31	26.62	12.35	7.77	9.93

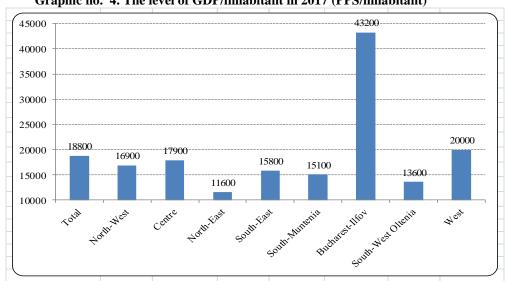
2009	11.54	11.39	10.81	10.45	24.99	12.91	7.91	9.91
2010	11.28	11.23	10.50	10.63	25.73	12.51	7.94	10.06
2011	10.91	10.97	10.14	10.53	27.19	12.39	7.89	9.90
2012	11.35	11.38	10.31	10.89	26.49	11.95	7.77	9.77
2013	11.25	11.06	10.26	11.32	26.80	12.21	7.53	9.50
2014	11.47	10.96	10.05	11.26	26.78	12.99	7.23	9.18
2015	11.5	11.0	10.0	10.7	27.8	12.2	7.3	9.5
2016	11.8	11.3	10.1	10.4	27.1	12.2	7.2	9.7

Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

As regards the GDP per inhabitant, expressed in parity of the standard purchase power, this was on an increasing slope, in six of the eight development, exception being represented by the South-West Oltenia region where the GDP per inhabitant diminuted in the year 2017 comparatively to the year 2007 by around 47 percentages.

The South-Muntenia region is situated on the second place, registering an increase of this indicator by only 67.8% in the period 2007-2017, while in the other 5 regions, the percentages of increase vary between 72.1% (Centre) and an over seven times increase in North -West region.

Synthesizing, in the year 2017, comparatively to the average community level (30000 PPS/inhabitant), Bucharest-Ilfov region exceeds by far this average, registering double values including national average. Except Bucharest - Ilfov, in the year 2017, over national average is situated only the West region, while South-Muntenia region is on fifth place (**Graphic no. 4**).



Graphic no. 4. The level of GDP/inhabitant in 2017 (PPS/inhabitant)

Source: Calculations on basis of data from Tempo-Online, NSI, 2019.

#### CONCLUSIONS

Characterised by a high rurality degree, but also by the deterioration of the main demographical indicators, the South-Muntenia region manages to situate itself, in majority of cases, on the second or third place among the other development regions, either we speak of an evolution or involution of the indicators' value.

At regional level, the way of combining and utilizing the stock of existing resources led to the occupation of first position from the perspective of the economic performance registered, measured through the level of the gross value added obtained.

It is obvious that there are still signficant gaps between the component counties, of which reduction process means a conjugated effort of the decident factors for the identification and

implementation of best measures, with direct effect upon the local level of development, but also the improvement of the living standard of the inhabitants of each community.

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