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Chițea, Lorena Florentina and Dona, Ion

Institutul de Economie Agrară, Academia Română, USAMV
București

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DEFINING ASPECTS CONCERNING THE RURAL HOUSEHOLD AND THE SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT IN ROMANIA

Lorena Florentina CHIȚEA ¹, Ion DONA ²

Abstract: *Rural development has as main subject the rural space as a system in which the main components (natural resources, people) interfere and have a specific (economic, social, cultural, political, institutional) behaviour. The rural household is the main actor in the rural space, owner of the main (natural, human, economic, cultural) resources, which it uses at its own discretion and whose behavior is very important for the society where it belongs. The need for this study stems from the necessity of the Romanian rural household to get adapted to the new Romanian and European socio-economic development realities. Even though the modernization paradigm has been replaced by the rural development paradigm, the Romanian rural communities and agriculture must continue their modernization process, which had a sinuous evolution rather than a continuous constant evolution as in the case of the developed countries from Europe, taking into consideration the new orientations of the current rural development.*

Keywords: *rural area, rural household, sustainable development*

JEL Classification: R20, Q 01, O2

INTRODUCTION

In order to investigate the rural household's role in the sustainable socio-economic development of the rural area, we must have in view the classification of some basic concepts ("rural space", "rural household", "sustainable socio-economic rural development"), as well as of the linkage between these in the context of the new rural development paradigm.

The need for this research study originates in the need for the Romanian rural household to get adapted to the new Romanian and European socio-economic development realities. For the Romanian rural area, the small rural household has provided the necessary stability and security in the face of the major economic and social changes brought about by economy restructuring.

The evolution of the Romanian rural household was closely linked to the evolution of rural space, which throughout time suffered a series of major transformations, i.e. change of the political regime with social, economic, institutional, cultural, etc. repercussions. This generated a lack of continuity, of stability in the normal evolution of the national agricultural system.

MATERIAL AND METHODS

In the present paper, the working methodology is represented by the review of recent literature with regard to the classification of three defining concepts (rural household, rural space, sustainable rural development) for the clarification of different aspects concerning the household role in the Romanian rural area from sustainable rural development perspective.

RESULTS AND DISCUSSIONS

Rural space

There is no unanimously accepted definition of the rural space, as it is an extremely complex concept, with a great diversity of opinions on its definition, scope and components (Dona 2015). There are a series of differences from country to country depending on the particularities of each state. However, there are a series of defining characteristics for the rural space: low population density, small and medium-sized human settlements, the main economic activities being agriculture, forestry, fisheries, and the primary processing of raw products from the agricultural, forestry and fisheries sector.

¹ Scientific researcher, IEA - INCE, E-mail: chitu_lorena@yahoo.com

² Univ.Prof. Dr., USAMV Bucharest, ion_dona@yahoo.com

The conceptual evolution of the rural space reveals its dynamic character. While at the beginning of the European Union, the focus was only on agriculture, in time, the focus began to be laid on the rural space complexity (Dona, 2015). The rural space proves to be a dynamic element, under permanent evolution and relating to the urban area, and in this way the modern rural space tends to replace the traditional one. (Brînzan Oana, 2006)

A definitive form of rural space definition is given by the Council of Europe in the European Charter for Rural Areas (Recommendation no. 1296/1996), where the rural space “denotes a stretch of inland or coastal countryside, including small towns and villages, where the main part of the area is used for: a. agriculture, forestry, aquaculture and fisheries; b. economic and cultural activities of country-dwellers (crafts, industry, services, etc.); c. non-urban recreation and leisure areas (or natural reserves); d. other purposes, such as for housing”.

In the European vision, according to Recommendation 1296/1996 concerning the European Charter for Rural Areas 1996, the rural space has three main functions:

- the economic function guaranteeing a system of agricultural, forestry, and fisheries production and its primary processing (under the form of small and medium-sized enterprises) and the development of non-agricultural activities and services; assurance of an appropriate level of incomes compared with that in the urban area; sustainable use of natural resources, etc.;

- the ecological function has in view to promote the protection and conservation of natural resources (land, water, air), to maintain and preserve landscapes; to maintain and protect biodiversity, etc.;

- the socio-cultural function has in view to preserve and develop the socio-economic roles of rural areas, by protecting the traditional culture, the local customs and heritage, while promoting the association relations between the urban inhabitants and the country-dwellers, as well as the local associative relations.

The Romanian rural space went through a sinuous redefining period throughout the existence period of the European Union (MARD, 2015). While the EU was consolidating the multifunctional rural area concept, Romania was going through a contradictory process, mainly generated by the land ownership change (the inter-war period when the private ownership was consolidated, the communist period when farmers’ expropriation took place, and the period after 1989 when land was restituted to former owners).

Thus, after 1989, a series of important socio-economic processes took place in Romania’s rural area, such as land restitution, economy restructuring, external migration, unequal development of rural communities depending on the proximity to urban centers; thus the rural communities in the vicinity of towns developed faster than the isolated communities, which seem to be forgotten in time (MARD, 2015).

The rural household

There is no uniformity in defining the household in the world (necessary for data comparability in different European and world surveys), even though all definitions imply a certain form of life and consumption in common. Certain definitions incorporate pooling and sharing incomes within the household.

In the European Union, the most frequently used criteria in defining a household are the following: co-residence (living together in the same house), pooling and sharing the incomes and resources, sharing the expenses and ultimately, existence of family or emotional ties (United Nations, 2007).

In Romania, the individual household represents a unit consisting of one or several physical persons, having in general kinship ties, who are living together and share the resources they have, who obtain agricultural products, mainly or exclusively for their own consumption.

“The rural households are complex (social, economic, spiritual) living systems, integrated into a specific environment, the rural environment”. “A household is a production workshop, based on the work of a family group, aiming at meeting its own consumption needs”. H.H. Stahl considered that the archaic peasant household is based on a family nucleus consisting of a married

couple and their children and that on the household there is a certain labour division, by age and gender. M. Vulcănescu said that *“meeting the family’s consumption needs (...) provides the peasant family with a greater resilience to crisis”* (Bădescu, 2006).

Eric Wolf considered that *“the peasant does not put an enterprise into operation in an economic sense, he manages a household, not a business”*. *“The peasant household is simultaneously a production and consumption unit”*. *“Between the peasant household and the capitalist enterprise there is a difference in structure. The capitalist enterprise revolves around money, as a fundamental element, while the peasant household base is the family group”* (Bădescu, 2011)

“The backbone of the Romanian people, of the Romanian nation and contemporary state, was based on the peasant household, which meant continuity and tradition, and mainly spatial infrastructure specific to the rural area, which has generated agri-food resources for the entire population” (Bohateruț in Popescu and Istudor, 2017).

“The agricultural holdings without legal status, of individual household farm type are specific to the traditional peasant household”, these being “the pivot of Romanian rural society by overlapping with the households of the population from the rural area” (Bohateruț in Popescu and Istudor, 2017).

The main characteristic of rural households is that it is not fully subject to the modern economic laws, being rather governed by a series of less quantifiable principles (traditions, customs, traditional cultural patterns, etc.), which protected it in times of crisis, of transition, yet hindered it from technological, informational, economic and social progress.

The typology of the rural household can be established by its demographic size (number of persons on the household), by social structure (mono, pluri-family or non-family), by economic size (household’s incomes), by educational level, by access to healthcare, technical and public utility infrastructure, etc.

Kideckel (1993) approaches the household as production and consumption unit, as well as support to the identity between individuals, proposing the following rural household typology (Kideckel quoted in Mihalache and Croitoru, 2011):

- the key households are those households directly involved in the social life of localities, with influence and involvement in the political decision process;
- the mobile households are those middle households aiming at changing their social structure through spatial mobility and education;
- the integrated households are those traditional households that gain their existence from the agricultural activities, socially integrated but without political implications;
- the transition households that often change their residence locality, and Kideckel includes in this category all those households from households of employees, physicians up to semi-nomadic gypsy households;
- the marginalized households are those households that cannot gain their existence in the absence of social aid.

The rural household must be treated as a main component of rural space, and the rural space operates as a system based on internal resources, also with outside influences. From the analysis of the Romanian rural system, we shall find out significant differences both across regions and within regions. These are generated by a series of factors that are more or less difficult to highlight, to measure.

At present, the rural household must face the same challenges that the rural area to which they belong also has to face. The agricultural sector economy prevails in the present Romanian rural economy, and its main characteristic is the high share of subsistence farms (they overlap with the rural household in a large part), which most often produce for self-consumption and only occasionally for the market, which utilize the most part of UAA and a great part of the labour input. The farming practice must ensure the food security, contribute to the fight against climate changes and provide jobs and incomes for the rural population.

Sustainable rural development

There is no clear, comprehensive definition of rural development in the literature (Clark et al, 1997; Nooy 1997); at this moment, it would not be possible either to construct a comprehensive and generally accepted definition because this would trigger many controversies both theoretically (existence of a multitude of terms defining the same thing) and politically (the rural development policies that benefit certain actors or countries).

In Robert Chamber's opinion, "*Rural development is a strategy to allow a certain group of people, poor men and women from the countryside, to earn for themselves and their children what they need and what they want. This implies helping the poorest people looking for a living in the rural areas to have access to most of the rural development benefits. The group includes small famers, tenants and people without land*".

Rural development can be defined as a process of development and utilization of natural and human resources, through governmental policies and programs, of technologies, infrastructure, institutions and organizations, as well as through governmental policies and programs, in order to foster and speed up economic growth in the rural areas, to provide jobs and to improve rural life quality for self-sustaining purposes. Furthermore, besides economic growth, rural development also implies changes in the population's attitude and in many cases even a change of habits and beliefs. Briefly, the rural development process must represent a series of modifications through which a social system changes from a lifestyle perceived as "non-satisfactory" to better living conditions, both materially and spiritually (Singh, 1990).

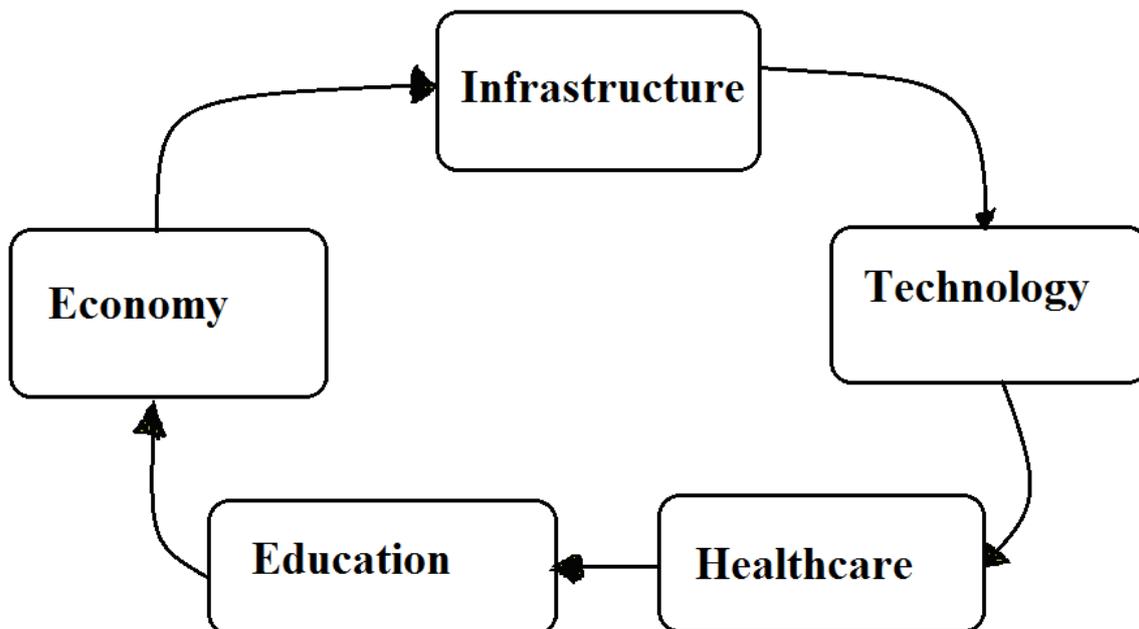


Figure 1. Rural development

Sison and Valera (1991) define rural development as follows: *A process by which rural poverty is alleviated through the sustained growth of productivity and incomes of low-income workers and households from the countryside.*

"A better quality of life in poorer countries of the world that implies higher incomes, but it means much more. It also includes better education, higher healthcare and nutrition standards, less poverty, a cleaner environment, a better quality of opportunities, more individual freedom and a richer cultural life" (World Bank, 1991). The rural development concept was also used in the official documents after the Cork Declaration (1996). The definition formulated for the rural development is *"the discipline, essentially socio-economic, whose objective is to maintain rural*

societies through occupational diversification that will improve the quality of life and avoid rural exodus. At the same time, it takes into consideration the utilization of natural resources, with possibilities to be used in other economic sectors as well”.

In the OECD experts' opinion (OECD, 1995), rural development is seen as:

- a territorial concept (dealing with the spatial differences in terms of problems and perspectives, development opportunities and options);
- a multi-sectoral concept (concerning a wide range of demographic, economic, social and environmental aspects; the Council of Europe highlights the importance of sectoral cooperation, horizontal integration of activities and policies);
- a dynamic concept (concerned with the long term environmental changes and the adjustments from technology, economy and society).

The rural development is concerned with the population distribution process not to be biased in favour of urban areas. In order to prevent this, the analyses concerning the demographic pressures, job creation and economic welfare are the main rural development problems.

There is a recent change in thinking on rural development, which highlights the importance of rural areas for the quality of life of the entire society, as the important public goods are found here, such as a clean environment, attractive landscape and cultural heritage (OECD, 2001).

In recent years, there has been a wide recognition of the fact that rural economy is not limited to the farming sector, but has also in view the population, the economic activities, the infrastructure and natural resources from the rural areas (Csaki and Lerman, 2000). At the same time, livelihoods in rural areas are not limited to the incomes exclusively obtained from the farming activity, but can also depend on different other sources (Ellis, 1998). It has been recognized that, on long term, the non-agricultural sector development in the rural area is a critical factor in supplying jobs and incomes in the rural area (Bright et al., 2000).

Rural development is the process providing opportunities, services and facilities for the rural people, so that these can improve their social, economic, political, cultural and physical welfare while taking into account the natural environment (Battad, 2003).

Rural development appeared as a reaction to the previous modernization paradigm that has prevailed in politics, practice and theory until recent times (Ploeg, 2000). It is a thing of the past when the urban centers expected from the rural areas only to be supplied with cheap food. The urban centers were considered growth poles, while the rural areas were considered territories lagging behind. Therefore, the focus of rural development had an exogenous orientation; modernity had to be brought from the city to the countryside, more specifically to the agricultural sector (Ward et al., 2005). The effort to promote the agricultural specialization of the rural areas, characterized by the mechanization and industrialization of agricultural products, had a great negative impact on the natural, economic and cultural environment, which caused the decline of this development type (Woods, 2011).

The first criticisms to the modernization paradigm were not late to appear, immediately after the 1960s. The economic crisis of the 1970s showed that this model did not contribute to sustainable development in the peripheral areas, and from that moment the development perspective acquired a territorial character. Gradually, the concept, which had been associated with economic growth so far, began to shift its focus on environment and quality of agricultural products. Thus, the sectoral approach was abandoned in favour of a new approach that has the territorial cohesion as target objective. The main characteristics of the territorial development model are: utilization of available resources (economic, social, technological, institutional, infrastructure, environment, cultural resources) in the territory, the local control of the development process and keeping profit in the respective area (Bowler, 1999).

Thus, in the last decades, the traditional modernization paradigm (exogenous development), focusing on the sectoral approach, was replaced by a new development paradigm (endogenous development), focusing on the integrated development at local level.

While modernization promoted a specialization in farm production and provided for a separation of agriculture from the other rural activities, the new model of rural development has

focused on the cohesion between activities both at farm level and between different farms and the other rural activities (Ploeg, 2000).

The numerous changes concerning rural development were transposed at the European Union level – from an approach focusing on the agricultural sector towards a territorial approach and towards a greater diversification of economic activities (Van der Ploeg et.al., 2000; Leon, 2005; OECD, 2006); these changes had a direct or indirect effect on all the constituent elements of the rural space and of course also on the rural households.

Thus, one can speak about 4 main rural development models, having the following characteristics:

- The model focused on the agricultural sector that took shape after the Second World War. The agricultural production growth was set as the first priority, followed by other priorities such as the increase of labour force and services in the rural area, which were approached as a direct result of the support provided to production in the farming sector.
- The multi-sectoral approach model that recognizes the limits of the agricultural production support policy and considers agriculture as one of the many economic sectors that become rural development objectives. The focus may continue to be on agriculture, but there is also an encouragement for agricultural diversification.
- The territorial approach model recognizes the existence of wider interactions within the rural economy and the importance of social and environmental aspects, besides the economic aspects.
- The local approach model recognizes the differences between the rural areas and the variation of circumstances, actions that take into consideration the specificity of solutions at local level.

The current concept of rural development is based on sustainable development. The rural development concept has been progressively taken over by the sustainable development concept in the European Union Treaties (Stafie, 2013), and the stages of this process were the following:

1. 1987, the Single European Act recognizes the sustainable development concept, providing for “*environment conservation, protection and quality improvement, contributing to the protection of human health and to the prudent and rational use of natural resources*”;

2. 1992, Maastricht Treatise, in which sustainable development is seen as compatibility between the economic and social development and natural environment protection;

3. 1997, Amsterdam Treaty, which provides for sustainable development as a fundamental objective of the European Union;

4. 2000, the Lisbon Strategy, whose objective for the European Union was to become “*the most competitive and dynamic knowledge-based economy in the world by the year 2010, capable of sustainable economic growth associated with more and better jobs and with greater social cohesion*”, mentioning the rural development principle only at theoretical level.

5. 2001, the European Council in Göteborg complements the Lisbon Strategy with the principle of rural development;

6. 2005, the European Commission reviews the European Union’s strategy and the sustainable development principles, namely: promotion and protection of fundamental rights; solidarity between generations and within the same generation; guarantee of an open and democratic society; participation of citizens, societies and social partners; coherence and integration of policies; making use of the best available knowledge; precautionary principles and the “polluter pays” principle.

7. 2013, the environmental objectives target the sustainable use of natural resources and the fight against climate changes.

According to the Europe 2020 Strategy – launched under the background of the deep economic crisis and of the intensification of globalization challenges (pressure on resources and population ageing) – EU wants to become a smart, sustainable and inclusive economy.

The rural development policy of the European Union has continuously evolved in order to face the new rural space challenges, which mainly target food security, supplying high quality food,

environment protection, rural area diversity through the development of non-agricultural activities, and maintaining the urban-rural balance by the improvement of the living conditions in the rural area.

We must take into account the fact that rural development represents a new development model of the agricultural sector. Until the early 1990s, the scale expansion, intensification, specialization and industrialization tended to be the parameters that defined the development trajectory of the agricultural sector. The inevitable effect of this development model was the rural exodus manifested by the decrease of the number of farms and the sharp decrease of employment opportunities. Furthermore, the regional disparities grew larger, while the tensions increased between agriculture, on one hand, and landscape, nature, environment and quality of products, on the other hand. (Ploeg, 2000)

At present, the rural development challenges are represented by the new needs and expectations in relation to the production of the so-called “public goods” (beautiful landscapes and natural values), to obtaining sufficient and high quality foodstuffs under environment (natural resources) protection conditions and animal welfare and rural population’s life quality increase.

CONCLUSIONS

The rural household, as main actor in the rural area, is subject to the same social, economic and cultural challenges from the rural area, generated by the reconfiguration processes of the rural area (communist stage 1949-1989, transition stage 1990-2006 and post-accession to the EU). None of these stages has generated a unitary process in terms of the intensification of social and economic phenomena or from the geographic point of view (Mihalache, Croitoru, 2011).

The Romanian rural area is currently facing a discrepancy, in the sense that deep changes have been produced in the basic infrastructure modernization and explosive growth of new housing estates and the modernization of the old ones, while Romania’s agriculture has still remained a non-modernized sector, of extensive type, with low average yields per hectare and per animal head, with low efficiency and high share of subsistence farms, with an accelerated demographic ageing of the rural population and lack of diversification of non-agricultural activities (Bohateret, 2015).

Even though the modernization paradigm was replaced by the rural development paradigm, Romania’s agriculture and rural communities need to continue their modernization process (which had a sinuous evolution rather than a continuous constant evolution like in the European developed countries, taking into consideration the new orientations of the current rural development process.

The modernization of the primary sectors in the rural area (agriculture, forestry, fisheries) contributes to competitiveness growth for the improvement of rural area performance and revitalization and job creation in the countryside.

The applied development type has a direct effect on the rural household viability and on the rural area implicitly. At present, it is necessary to have in view that under the efficiency requirements, there is a risk of irreversible transformation of the traditional rural space, of disappearance of a significant part of rural households and along with them, of the traditional production and living practices.

At present, in Romania’s rural area, the operating structures define a complex and diverse rurality. Out of this reason, any development/modernization type should be based on the specificity of the rural areas, on those defining phenomena and processes for each area in part (Giurcă, 2012).

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