

Contributions to the Substantiation of the National, Original and Coherent Strategy of Interruption of the Involution of Romania's Agriculture

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Abstract. *In the conception and realization of this study we started from the global agri-food crisis with its main features (demographic explosion, hunger and loss of important areas of agricultural lands).*

By comparing the current agri-food condition of Romania, I have come to the conclusion that the involution of the agriculture of our country has specific characteristics (decrease in the number of Romanian population, inexistence of the national scourge of hunger, leaving areas of agricultural land out of the economic circuit, the net import of agri-food products from the member states of European Union).

The natural conclusion which imposed on the basis of the comparison shown was the need for a national, coherent and urgent strategy of interruption of the involution of Romania's agriculture.

In the final part I limited myself to the analysis of two elements of this strategy: the changing of the state of mind of Romanian peasantry, a positive attitude to work and the repair of the rupture between the attribute of the right of disposal of lands and the attribute of the right of use of the lands with economic, social and ecologic efficiency.

Keywords: demographic explosion/implosion; fatalistic preeminence (state of mind); agri-food crisis; agricultural economy/ rural economy; economic decentralization/ decision-making subsidiarity.

JEL Codes: B52, Q16.

REL Code: 15B.

Introduction

We conceived and wrote this paper based on the subject recommended and approved by the management of the Postdoctoral School as a factual analysis of the agri-food fields in România, as they are in the current conditions in the last two decades, mainly after the accession of Romania to European Union. The theoretical doctrinary aspects we used subsidiarily, trying to valorize especially some doctrines with heterodox character which helped me formulate appreciations of the new realities and find the most appropriate solutions for the resolution of the latest complex and difficult agri-food problems in our country.

Having in view the start and recent manifestation of the global agri-food crisis, we wanted to present the agri-food problems the world today has to deal with against the general background of manifestations of the agri-food crisis with planetary extension. For this purpose, based on reliable bibliographic sources, we presented in the introduction of this paper, in a succinct form, the main manifestations of the global agri-food crisis.

Then we reported the forms of involution of Romania's agriculture to the manifestations of the global agri-food crisis. By comparing the two sets of manifestations of the global agricultural crisis and the Romanian agricultural crisis, we formulated the conclusion according to which the agri-food crisis in Romania has specific forms, which means that its resolution (treatment) implies special solutions.

1. Agri-food problem – the most urgent global challenge (synthetic approach)

The current food crisis has already been received by the experts and the public as a threat to the whole mankind. This is not and will be less and less a misfortune that struck the poor countries of the world, especially the "overpopulated" countries of Asia and Africa. Such a threat has indeed a global extension and integrates the totality of social, economic, demographic, cultural and ecologic phenomena and processes. In fact, the multitude of manifestations of the global agri-food crisis was and continues to be to the attention of specialized international organizations and bodies.

a) It seems that the most obvious cause of the current food crisis is demographic growth, the growth in the number of people in the world. If in 1950 there were about 2.6 billion people, in 1975 this number reached over 4 billions, while in October 2011, this number reached 7 billion people. According to the demographic surveys carried out at country level, on continents and all over the world, in 2050, the population of Terra will exceed 9.3 billion people (Figure 1).

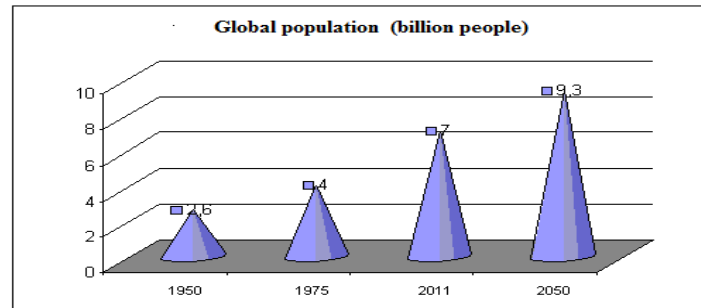


Figure 1. Global population

b) It is worth mentioning that the production of agri-food products is still insufficient at world level. We appreciate that now over 1.2 billion people face hunger. So, we will have to obtain surpluses of agri-food productions that assure the nutrition of 2.3 billion people in excess of the current population, but also supplementary quantities that have as destination the liquidation of the scourge of hunger on Earth. It is true that nowadays, in some economically developed countries there is an outrageous waste of agri-food products. Perhaps we can find solutions for bringing consumption in these countries to the healthy rational limits.

c) However great the technical scientific progress will be and however efficient their applications will be in the processes of production and processing of agri-food products, the land remains the basic production factor in agriculture. Yet, under these critical circumstances, there are massive removals of arable and agricultural lands from the economic circuit. It is about vast processes of desertification of lands under the influence of natural factors, but also harmful actions on the natural environment of people in their hunger for big and immediate profit. In parallel with such phenomena, the removal of large areas of lands from the agricultural circuit also takes place under the influence of creation and development of material infrastructure. Some experts say that if China developed its infrastructure to the current level of USA, it would have to remove from the agricultural circuit its entire agricultural land (Figure 2).

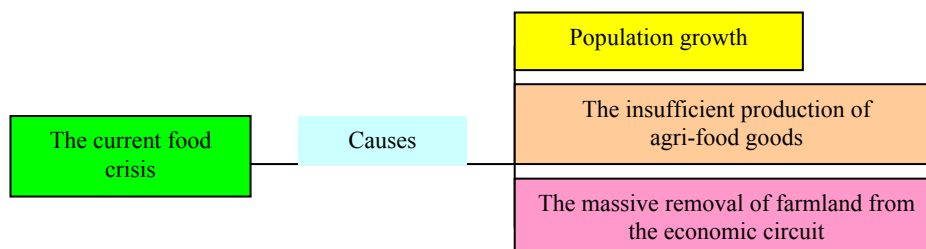


Figure 2. The current food crisis

2. The general agri-food condition of Romania at the crossroads between centuries and millennia. Specific forms of agri-food involution

If we try a succinct comparative analysis of the agri-food condition in Romania in the last decades by the general lines of the great challenges manifested at world level (demographic growth, extension of hunger scourge, the removal of large agricultural areas from the agricultural circuit, etc), we can draw the conclusion that in Romania there is no agri-food crisis. At a deeper examination of the social, economic and ecologic problems, the conclusion is different: the global agri-food crisis manifests in Romania in specific forms, not less painful for the Romanian people than those already aggregated in the global agri-food crisis. We will highlight below a few of the great processes that affect the normal course of things in Romania's agriculture.

The processes that we present below certify individually and collectively that the agri-food sector recorded in Romania a deep involution. Such a negative evolution was and is obvious both compared to the positive evolution of these sectors in the past decades and compared to the ascending trend of these fields in many countries of the world, especially in the West-European countries. Moreover, the involution of Romania's agriculture occurred just when the Romanian people and the so-called political class expected this vital sector to begin a new multiple development in the wider context of the so-called second modernity.

We present here only a few concrete elements of the unwanted situation of the involution of the agri-food production processes in Romania.

a) The population of Romania did not increase lately and by this indicator our country is not the first in the manifestations and causes of the global agri-food crisis. At the same time, the agri-food crisis is not expressed by the fact that the population of the country by 2-3 million people less numerous cannot be assured by agri-food products from its own production. We appreciate that almost two thirds of the food consumption of Romanians are covered by imports, mainly from the member states of European Union. The situation is hard to understand for many analysts and all the ordinary people.

The realistic optimistic appreciations made in the past regarding the agri-food potential of Romania are notorious. By the average agricultural area per capita (4,215 m²) and by the natural conditions of practicing an intensive agriculture, Romania could have provided the necessary food for a population twice or three times larger than the population of Romania. Without going into the details of this issue, we must mention that ever since the first decades of the twentieth century Romania became a great exporter of cereals, living animals and other agricultural products. Romania continued to have this status of net major exporter of agri-food products during the socialist agriculture. We should

also keep in mind that during that time the population of Romania recorded continuous growth.

Paradoxically, in the last two decades, the population of Romania significantly decreased (by over two millions) and its food is assured to a large extent by imports of agri-food products.

b) In the last decades in Romania there were no major removals of agricultural and arable lands from the economic circuit because of natural factors (desertifications, erosions, floods, etc.). On the other hand, large areas of lands belonging to the new landowners (local and foreigners, villagers and townsmen) were left unworked. In some agricultural years the areas left fallow represented about 35% of the fund of arable lands. The causes of such situation are several: the lack of specific machines with which the new landowners can work their lands; the sale by landowners of their owned areas to foreign citizens. We appreciate that almost one million hectares became the property of foreigners, many of them buying land in Romania not to work it, but to sell it afterwards at higher prices. There are also exceptions, there are some model agricultural farms of foreign citizens who professionally use the agricultural lands they bought.

c) As for the scourge of hunger, it has not yet reached the population of Romania. We like to believe the minister of agriculture who recently said that in our country people would not starve to death, as it happened in the fifth decade of the last century. Based on the facts shown above, can we say that food security is assured in our country? If we take into consideration only two possible changes of situations – the lack of financial resources to assure the massive imports of agri-food products and the return home of a number of persons from more than two million Romanians who work outside of the country – the problem of food security of Romania is not and will not be so secured.

What should we do then?

We propose to analyze the state of Romania's agriculture and of the rural economy in its deepness by taking into consideration the natural and human resources we have by relating this sector to the exigencies of a unitary economy in full process of modernization in the context of what the new modernity means (Figure 3).

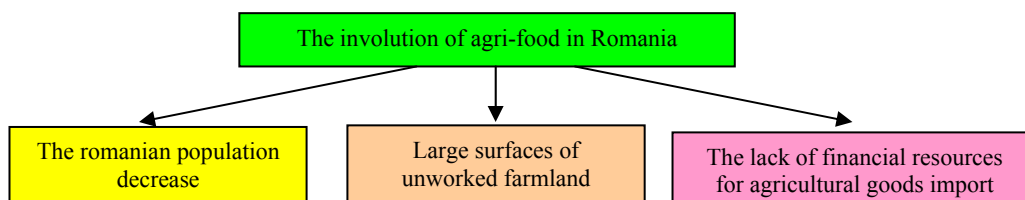


Figure 3. *The involution of agri-food production in Romania*

In conclusion, at this level of presentation of the agri-food state in Romania by reporting it to the global agri-food crisis, we make the following appreciation: in Romania it is necessary and urgent to adopt and substantiate a new national strategy of agri-food development which should have as starting point the deep (final) causes of the involution of these sectors, beginning with the forced process of socialist collectivization and continuing with the drawbacks of the Land Fund Law passed in 1992 etc.

This problem exceeds the possibilities of approach of one or the other Romanian political parties and cannot be left to the hands of the civil society alone.

The last statement has a sort of polemic character. A well-known economic analyst recently said that it takes time, a lot of well done work, wisdom, and investments in technologies and infrastructure. In other words, it is a very difficult problem. Without engaging the initiative and competence of the whole Romanian society in this project, we are discussing it in vain.

Who would be able to solve this difficult problem? The same author continued: “this hard work could be done by the civil society understood in the widest meaning of this syntagm: the priests from churches, the teachers from schools, the opinion leaders”.

For the successful resolution of the problems mentioned above, Romania can valorize the competitive comparative advantage that appeared by the accession of Romania to European Union. Therefore, in a special chapter (the first one) we did a succinct analysis of the current state of the agri-food sector and of the rural economy, analysis based on two comparisons: one at historical level, which targeted a few comparisons of the basic indicators of the state of current agriculture with realities which prevailed in the near and relatively far past of Romania; the other one at contemporary level, which will imply comparing the same indicators to the indicators that characterize the agriculture of EU, mainly the agriculture of certain European countries such as France, the Netherlands, Denmark, Italy, Spain etc.

On the basis of these comparisons, we will make proposals of substantiation of the national strategy of modernization and effectiveness of the agri-food sectors and of the rural economy of Romania in line with the nominal, real and institutional convergences with the same fields from some West-European member states of EU.

3. Coordinates of the new strategy of stopping the involution of Romania's agriculture and of its bringing on the path of multiple aggregate efficiency

Programmes and strategies of stopping the involution of Romanian agriculture had been adopted even before the accession of Romania to EU and after its accession. However, the results were insufficient, not to mention null and void. This was not because of programmatic provisions, but especially because of the lack of measures of transposition into reality and even because of the determined engagement of people in the agricultural sector, by the creative application of these measures at their workplaces.

a) It seems that a certain state of mind occurred, which could be called the preeminence of fatality. Our great philosophers, sociologists, psychologists speak of fatality as a state of mind of the peasant in these last years of the passage from socialist agriculture, from the cooperative peasant to market agriculture, to the modern agricultural phenomenon. This state of mind is linked to other negative influences assimilated in time by the Romanian people, such as division, grandomania, prostitution, bribery (tip).

For many foreign experts, for those that try to discover us objectively, Romania is eternally fascinating and paradoxical because they say that here is the place where you are always told that nothing can be done, but they often see that everything or almost everything can be done with the right people (for what they have to do, they learn to do well). A Dutch expert – Arjan Janknegt – rightfully noted that “the only limitation of Romania is the people”. As for agriculture, his appreciation Arjan has a real charge much larger than in other fields.

We do not want to fall on the slope of denigration of the Romanian peasant who was and continues to be to a certain extent the “sole of the country” and to say that he is lazy, uneducated and a thief as some foreigners and even some Romanian citizens say. The problem of the behavior of some of our peasants is much more complex.

- Some foreign friends tell us frankly: the Romanian peasants sit with their hands crossed and wail when they come to deal with the difficulties that appear and will continually appear. Our historical past, our almost unsurmountable hardships made us stop looking for solutions and fight the difficulties of the moment, considering them a fatality.
- Other authors say that from our “Communism”, the peasants (cooperators) learned how to “steal” from the collective fortune of all and nobody's, how to “complete” what they received “by the quantity and quality of work” in the former Agricultural Cooperatives of

Production. They did it symbolically, so that their neighbours should not say that they come empty-handed from work, “like some fools”.

- We also see that our new peasants enjoy too quickly the positive results they obtain and instead of investing them for the consolidation and permanency of these results they used them for luxury cars and houses. Of course, this can be placed into the state of mind of grandomania, which is like a temptation of the poor peasant who never dared to dream of something like this in the past.

That is why, I think that changing this state of mind should find its suitable place in the new programmes and strategies of interruption of the involution of Romanian agriculture. The problem is extremely difficult and requires a lot of time for resolution. But the action must be started urgently and with well chosen means, valorizing the great possibilities of informational society of knowledge. As a well-known expert said, to the historic process of wide scope the civil society must bring its contribution, including the school of all ranks, the church and all the religious cults of the country, the opinion leaders, etc.

b) For the integration of immediate, urgent measures of support of the agri-food sectors in the strategy of modernity of Romania

For the public at large, for the agricultural producers and the daily consumers of agri-food products, the problems that permanently concern them are: the perspective of the announced food crisis; the use of the whole land fund of the country and the funding of agricultural works in the new agricultural year; the financial crisis and the conditions of obtaining the production credits; the difficulties in accessing the funds for agricultural producers from the European Union. Indeed, these problems grew in the last years and seem to predict a dramatic food crisis. Therefore, each of these problems must be analyzed professionally and approached punctually by the authorities and experts, with the wider and more active participation of the economic agents involved.

Yet, as we well know, the agriculture and rural economy represented and continue to represent a national strategic sector in Romania. That is why, in the current situation of Romanian agriculture and Romanian village, they urgently need a proper treatment for the resolution of the current problems in a short (yearly) span of time, but in a wide perspective.

We do not aim to substantiate here and now our own strategy of modernization and modernity of the Romanian agriculture and village. The problem is much more complex. In fact, by studying it within the framework of obligations of Post-doctoral School, we learned that our experts had elaborated several variants of strategies for this purpose, strategies which I consider worthy of the attention of the political decision-making factors. But today, just like in the past, there are many internal and international circumstances which

fracture the link between theory and practice, between strategy and the policy of implementation of this strategy.

We shall refer below to the study carried out by a group of experts led by the Academician Păun Ion Otiman, in which are formulated the coordinates of a strategy of modernity of agriculture and rural economy, starting from what represents the second modernity of Romania and the precarious condition of its current agriculture.

The non-performance of the agricultural sector by a low annual agricultural production – as the authors of the study say – is caused first of all by the so-called weather-dependency of agricultural production. This dependency considerably increased following the degradation of the non-functionality of systems of irrigation built during the period 1969-1989.

That is why, the first investment priority in Romanian agriculture must be the investment in the rehabilitation and equipping of the systems of irrigation which should extend to an area of about 1.7 million hectares, in the shortest time as possible.

For the newly arranged areas we need feasibility studies by which we establish the technical solutions of water pumping and headrace, the costs of works, the profitability of the investment for the agricultural producers and the sources of necessary funds. In this context, the number one objective is Siret-Bărăgan Channel – as recently stated the Romanian minister of agriculture, Mr. Valeriu Tabără. One million hectares will have assured the stability of production – a production by at least 25-30% higher than the current multi-annual average. It will also reduce by 60% the costs of supply with water of agriculture.

Another strategic objective of great economic significance refers to the improvement of the structure of the costs of agricultural production. The current structure of costs and their great multi-annual fluctuations generate to a large extent the weak performance of Romanian agriculture. We are talking here about the extremely high weight of fixed costs in the culture of cereals. Thus, about 48% of wheat and 53% of corn are fixed costs by hectare regarding: basic mechanical works, the preparation of land for sowing, the maintenance of cultures, the harvesting. These works are carried out by independent economic agents (usually former mechanizers) who are directly responsible for the agricultural production. They are providers of services and hold the monopoly of works in the village or community in which they act.

Nowadays, in Romania, the agricultural economy represents over 60% of the rural economy which is made of the totality of social economic activities provided by the active population of villagers. On the other hand, only half of the agricultural activities are carried out by the landowners, the remainder being the prerogative of providers of services (mechanical and other). Such a situation

generates a great waste of potential of work from the population. The number of working days, respectively working hours provided every year is lower than in France, for instance.

The solution of substance and duration to this problem is the stimulation of investments in the rural environment to achieve the development of non-agricultural activities in the assembly of rural economy. It is noteworthy that in EU (15), in the rural area, the agricultural economy holds only 60- 65%, the remainder of 35% is represented by the non-agricultural rural economy. The reduction of the weight of agricultural economy in the whole rural economy from 60% at present to 35- 49% in an average span of time is indeed an extremely important strategic objective.

A solution of stimulation of investments in the rural area for the extension of SMEs that process primary agricultural products could be the creation of village-like industrial microzones, with county or regional financial aid, action which would fall in the process of economic decentralization and decisional subsidiarity.

Apart from the main economic effect – the increase of the gross added value by processing the agricultural raw materials, the investments in the non-agricultural rural economy also have the advantage that they lead to the creation of jobs, to the use of the work potential throughout the year and therefore, they assure the revitalization of rural localities, some of which are on the path of extinction.

Of course, there are also other problems of Romanian agriculture awaiting to be resolved by what we have already mentioned: the approach by immediate measures from the strategic perspective in the medium and long run.

4. Rupture between the attribute of the right of disposal and the right of use over the land

Since 1989, in Romania there was a historic rupture between the attributes of the ownership right over the agricultural lands, mainly between the right of disposal and the right of possession, on one hand, and the right of use of the object of the property, on the other hand. Such a rupture marked both the incomplete use of the agricultural land and the use of this land with low efficiency.

The direct cause of this rupture resides in the “weaknesses” of the Land Fund Law by which was decided the repossession on the old sites of the rightful owners on an area of up to 10 ha for each holder.

The experts in the field remarked the dysfunctions and ruptures generated by the application of that law at the same time with the almost total destruction of the patrimony of the former agricultural cooperatives of production.

The results of the application of Law no. 18/1991, without a well articulated strategy, led to the division of the retroceded areas of land, and

Romania became the country with the largest segmentation of agricultural exploitations in Europe. There were recorded 6.2 million producers of agricultural land, by 0.9 million producers more than in 1948. Out of the 6.2 million new owners, 43.1% were townsmen, 39.1% were employees and retired. So, only 17.8% of the new owners were active agricultural producers. We can say that only for the latter there is the premise necessary for realizing a union between the right of disposal over the land and the attribute of the right of use of the land.

Romanian and foreign experts said and proved that the main cause of collapse of vegetal and animal production in our country was and continues to be the great segmentation of agricultural and arable lands.

The food security of Romanian population continues to be affected as long as Romania became a net importer of primary agri-food products. Therefore, it is of major importance the elaboration of a coherent strategy of correction of the deep segmentation of property and exploitations by their concentration. Sustained efforts are necessary to find ways of optimization of the average sizes of agricultural exploitations. The problem is not at all simple because the negative effects of the Land Fund Law have consolidated and aggravated.

In order to achieve a beneficial social, economic and ecologic concentration of the use of agricultural areas that are individual property (over 70% per total) we need concrete measures of creation of profitable agricultural exploitations: cooperatives, family associations, agricultural societies with legal personality.

We completely agree to the proposals of experts that target the conception and promotion of a programme of foundation and support of new types of agricultural exploitations. It is about: cooperatives which exploit areas between 500-1.000 hectares; family associations made up over an area of 50-200 hectares; family farms of 30-60 hectares. These exploitations would express a higher degree of concentration with the right corollary – a higher and safer multiple efficiency.

A special concern should be the promotion of associations of cooperative type by the Western European model such as: centers of zonal management and professional information regarding the production and sale of products; popular banks and rural building societies; rural centers of export etc.

It is worth mentioning the foundation and support of county agricultural chambers designed to contribute to the implementation of a modern management in the activities carried out by the agricultural farms and peasant households.

All in all, with the same state of mind we started regarding the attributes of the ownership right over the land, we mention that it is of utmost importance the stimulation of those forms of organization of (public and private)

agricultural exploitations providing the chance of effectively using the natural and human resources that exist in the rural environment in Romania.

In the end, we could add that the expert economist must and can be involved in the effective use of the agricultural land concentrated in exploitations of optimal sizes depending on the geographic area. This is the only way we can say that the ownership over the land with all its attributes really exists and is not just a simple legal right.

Acknowledgements

“This work was supported by the project “Post-Doctoral Studies in Economics: training program for elite researchers – SPODE” co-funded from the European Social Fund through the Development of Human Resources Operational Programme 2007-2013, contract no. POSDRU/89/1.5/S/61755”.

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