

**DIFFERENCES BETWEEN ROMANIAN AND EUROPEAN AGRICULTURE**

**POPESCU MARIUS\*<sup>1</sup>, POPESCU CRISTINA<sup>1</sup>, RUSKA-BANDA ANIȘOARA<sup>1</sup>,  
CSOSZ IOAN<sup>1</sup>**

<sup>1</sup>*Banat’s University of Agricultural Sciences and Veterinary Medicine “King Michael I of Romania” from Timisoara, Faculty of Agricultural Management*

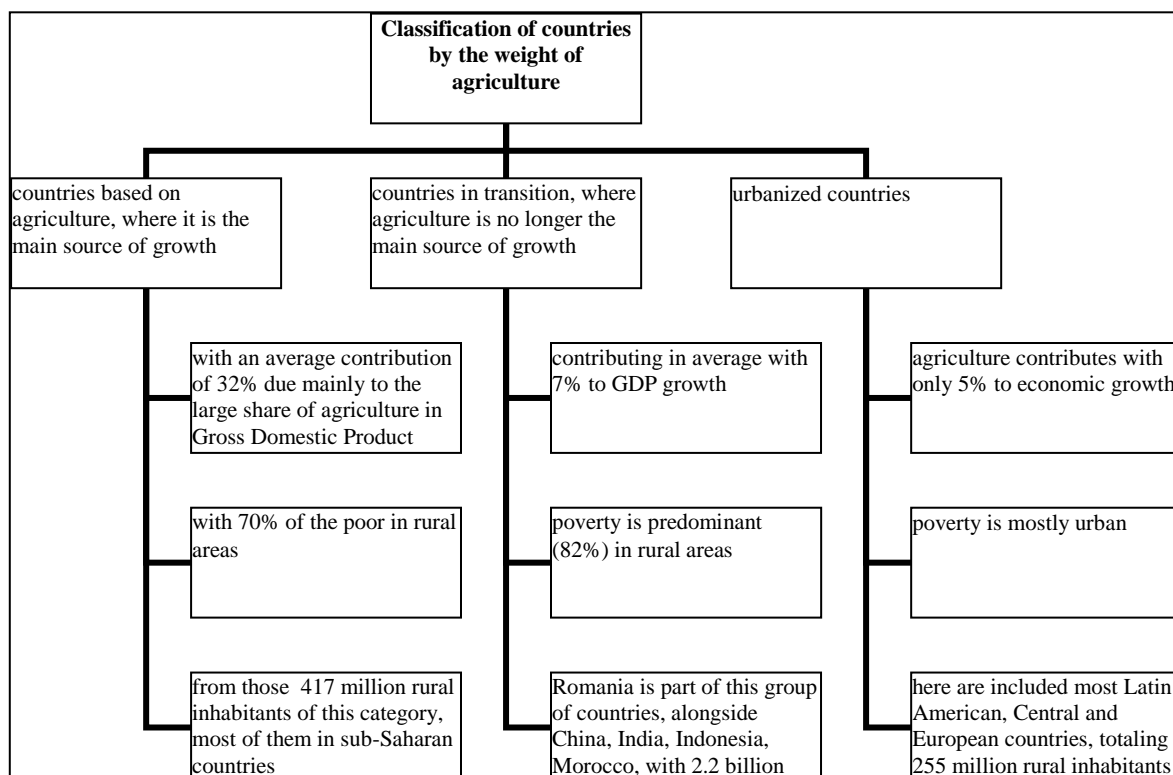
\*Corresponding author’s e-mail: mariuspopescu@yahoo.com

**Abstract:** Romania is one of the European countries with the highest potential in the agricultural sector, having the sixth largest agricultural area used among EU countries. Romania suffers from the most serious problem of fragmentation of agricultural property among all countries of the European Union and has an average holding size similar to Malta or Cyprus, island countries. Although most of the cultivated area is used for cereals, they generate less than 25% from the total agricultural production value. Although the contribution of agriculture to GDP is decreasing, Romania still has the largest share of the agricultural sector in the GDP structure of all EU countries, of three and a half times higher than the European average. If we take into account the Gross Added Value per hectare, Romania is also in one of the last positions. However, Romania's agricultural potential is large, and agriculture can play an important economic role in the future.

**Key words:** agriculture, rural area, differences

**INTRODUCTION**

Agriculture enjoys today of a particular attention in all countries of the world, regardless of the level of economic development. [2,3,8] In the contemporary world, the most economically developed countries are also the largest producers and exporters of agricultural products. Figure 1



**Figure 1. Classification of countries by the share of agriculture in aggregate growth and the share of poverty from rural areas**

The scope of agriculture as a branch can be addressed in a broad and narrow sense. Considering agriculture as an open system, it can include all activities carried out in rural

areas, including raw materials processing, agriculture and agro-industrial activities, and infrastructure related activities, social, cultural and environmental activities. [5,7] In a narrow sense, the branch of agriculture is made up of two sub-branches: plant production and animal production.

In general, specialists say about agriculture that is characteristic to underdeveloped economies, and that we should move towards more productive branches, that it means only "3-5% of GDP" anyway.

Agriculture, being an element of the economic system, largely depends and creates dependence on the other elements of the system. Success, failure of agriculture is the result of several vectors: intermediary services, exogenous services, technological services. These, as a whole, have a certain impact on agriculture, the agro-food processing industry, trade. In the triad of agriculture-processing-trade, agriculture is often disadvantaged. [11]

### **MATERIALS AND METHODS**

The authors of the paper were used as methods of work: data collection, processing, analysis, observation and their interpretation.

### **RESEARCH RESULTS**

At European level, agricultural activity is characterized by a series of considerations: [13, 10]

1. Regarding EU agriculture, it is heavily regulated both in terms of production, technologies, product quality and production quotas, product market, financial support system, cultivated areas, livestock, processing conditions, storage conditions and sale of food, etc., as well as rural development etc.

2. European farmers have an exceptional network of technical, economic, financial and monetary information and market information, agricultural advisory systems and scientific extension that support them, advise them on everything new to technology and marketing. This explains the exceptional agricultural performance (over 6000 kg/ha European average for cereal grains, over 7000 kg/ha for maize, 2500-3000 kg/ha for sunflower, 30-35000 kg/ha for potatoes, 55-60000 kg/ha for sugar beet, over 6000 l/cow head etc.). From here, we can remember the huge gap between Romania's modest yields and the high performances of EU countries, caused by a number of technical, economic, financial, agricultural, agricultural, management and marketing factors.

3. The main link of agricultural structures consists of agricultural holdings (farms), they have a dual role in the rural landscape, agricultural production centers and housing (habitat) for the farmer's family.

There are seven differences between Romanian and European agriculture:

1. The value of the production per hectare obtained by the Romanian farmers, of 800-900 euro/ha, is 2- 2.5 times lower than that obtained on average by European farmers, of 1.800-2.000 euro/ha.

2. Intermediate consumption of technology in agriculture, with a direct impact on yields, shows large differences from one country to another. Thus, Romania has an intermediate consumption of 715 euro/ha compared to the Netherlands - 8.369 euro/ha, Belgium - 3.987 euro/ha or Denmark - 2.843 euro/ha.

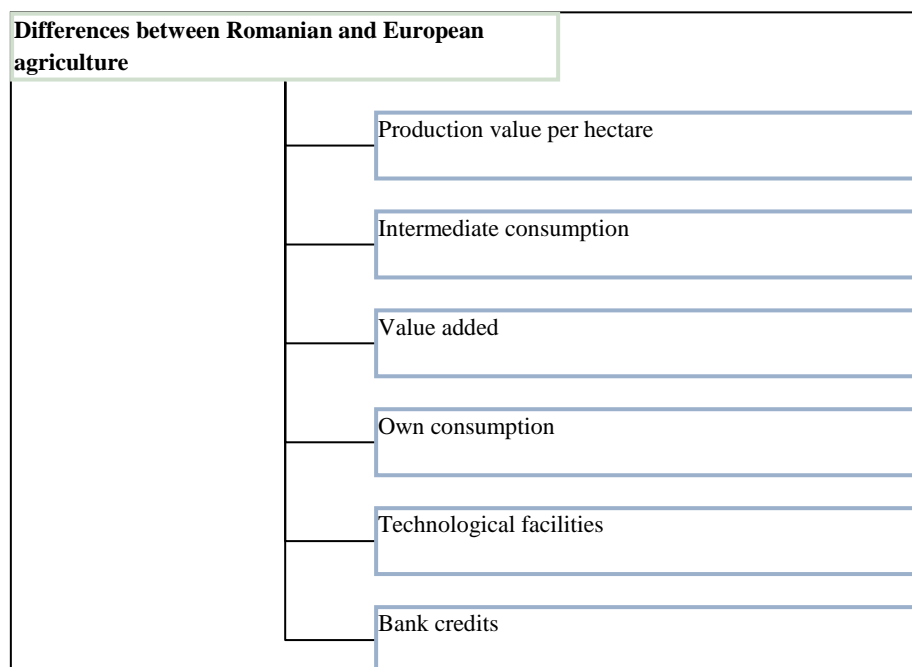
3. Value added in Romanian agriculture is half of the EU one, leading to a total agricultural output of about 1,400-1,500 euro/ha in Romania, compared to 2,400-2,600 euro/ha in the EU-15.

4. Food self-consumption in Romania's subsistence farms represents 90-92% of the production, and in the case of semi-subsistence farms it is 50-52%, compared to only 10-

12% in the EU-15. This results in a value of commercial agricultural production of 400-420 €/ha in Romania, four times smaller compared to the EU.

5. Technological endowments of a Romanian farmer compared to that of an EU farmer are 25-26 times smaller. The value of the equipment of a European farmer amounts to 9,000-9,200 euro, while in Romania it is 350 euros.

6. Bank credits granted to European agricultural holdings are 15-16 times higher than those granted to Romanian agricultural holdings, respectively 1,700-2,000 euros/ha in the EU, compared to 110 euro/ha in Romania.

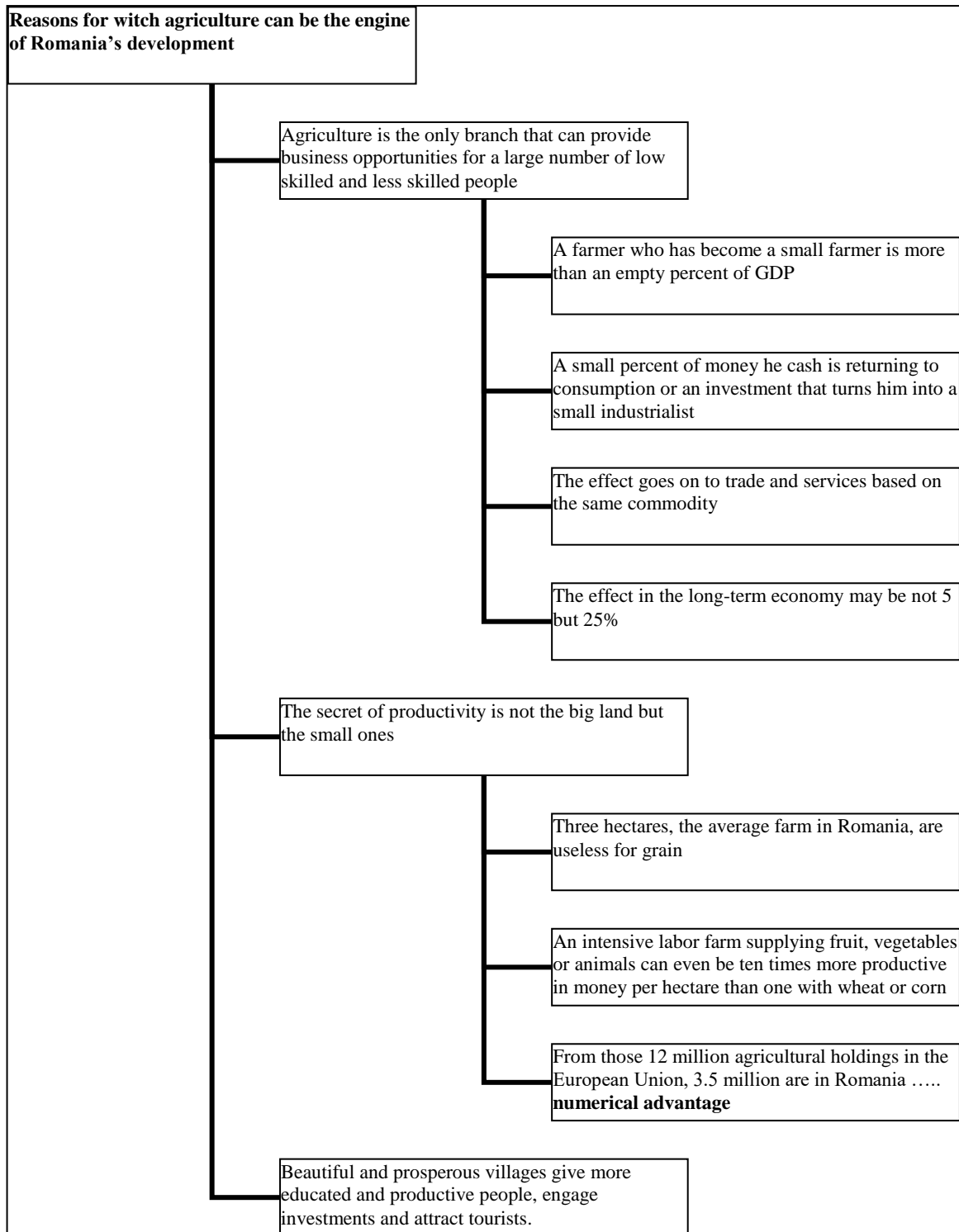


**Figure 2. Differences between Romanian and European agriculture**

Also the specialists come and say that even in these conditions, agriculture is likely to become the engine of Romania's development more than anything else, for various reasons: [1,4,6,9,12,14,15]Figure 3

- In a country where only one from four people has a full-time employment contract, agriculture is the only branch that can provide business opportunities for a large number of low skilled and less skilled people. A farmer who has become a small farmer is more than an empty percent of GDP: a small percent of money he cash is returning to consumption or an investment that turns him into a small industrialist. The effect goes on to trade and services based on the same commodity. So the effect in the long-term economy may be not 5 but 25%.

- Even the socialist and conservative propaganda support otherwise, the secret of productivity is not the big land but the small ones. Certainly three hectares, the average farm in Romania, are useless for grain - the favorites of the landowners who want money quickly and without complications - but the comparison is misleading. An intensive labor farm supplying fruit, vegetables or animals can even be ten times more productive in money per hectare than one with wheat or corn. Here we have a huge, numerical advantage. From those 12 million agricultural holdings in the European Union, 3.5 million are in Romania.



**Figure 3. Reasons for witch agriculture can be the engine of Romania's development**

- Beautiful and prosperous villages give more educated and productive people, engage investments and attract tourists. As half of the Romanians live in the country, mean, implicitly, the country's approach to western standards.

### CONCLUSIONS

Agriculture was the most important branch of material production until the Second World War and continues to occupy an important place in the economy and politics of our country. Romania is an agrarian industrial country and wants to modernize its economy, mainly through the expansion of industry and services, but agriculture is at the moment a

priority sector, which must gradually integrate into the national economy and increase its role in training and structuring it. The high pedo-climatic potential, the existence of an agricultural production industry, which with little effort could become competitive, the export capacity, make agriculture a sector of great importance to the Romanian economy. In the transition stage to the market economy and in the future, agriculture has a special contribution to the food industry and tourism industry for the economic recovery and the balancing of foreign exchanges.

The political economy repeats without ceasing that the acceleration of economic development is strictly related to the production and use of the economic surplus. This statement, although unanimously accepted, hides profound disagreements with regard to the meaning of the words and realities it designates, disagreements that we see crystallizing in the theoretical discussions and political struggles over the origins and sectorial destinations of the economic surplus. Agriculture, however, remains the most important branch in which are obtained products for direct consumption, which places it at the foreground of the scale of activities taking place on a social scale. Through primary agricultural products and processed agricultural products, agriculture ensures the food security of the population and thereby contributes to secure the country's political independence, a particularly important thing not only in the age of military and political blocs but also in the present era, given the multiplication of international relations and the increasing role that each country plays in international life, regardless of its geographical size or its economic dimension.

At the macroeconomic level, the analysis of the conditions for increasing the economic potential involves understanding how to create the economic surplus in the production processes and especially how it is used, invested or scattered. This is precisely why we go over defining the concept of economic surplus, still addressing the pragmatic aspects of creating the surplus, then the absorption, saving and investing profitability. In pragmatic terms, the complex issue of the economic surplus actually revolves around three fundamental questions:

- which sector of activity contributes most to the creation of the economic surplus;
- which sector of activity absorbs most of the surplus;
- how can it be explained that the creation and surplus sectors may not be the same.

The development and modernization of agriculture determines the deepening of the division of labor, of specialization and, implicitly, the emergence and manifestation of new agricultural systems, alternatives to those existing at present. Agricultural systems represent functional units of the biosphere, of the natural and socio-economic framework, created for the production of vegetal and animal production, conducted, controlled and managed by the cultivator. Agricultural systems must be economically balanced, but based on solid ecological foundations, the close link between man and nature, the judicious adoption of industrial processes for cultivation of land and plants under different climatic and soil conditions, with the maintenance of some rich crops and of increased labor productivity. All agricultural systems, older or newer, put into the equation of their future evolution the same supreme criterion: human health. This criterion involves the achievement of two objectives: food security and environmental protection.

The main agricultural systems practiced today in the world are:

1. Traditional or family farming;
2. Intensive or industrial agriculture;
3. Organic agriculture;
4. Permaculture;
5. Sustainable agriculture;
6. Organic farming.

Each agricultural system addresses these major challenges differentially depending on a variety of factors such as: - degree of general economic development; - abundance, quality, and accessibility of agricultural resources; - relations and production structures; - consumer absorption power; - level of civilization, etc.

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