

ARAD COUNTY-OVERVIEW OF THE EXISTING SITUATION

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Abstract: Arad County is located in the western part of the country, being a border county and it is the subject of our research. The economic evolution of Arad County has been a positive one during the last decade, being the second largest county, in terms of GDP in the Western Region. Arad County has a diversified and complex industry, in which the majority share is held by the manufacturing and construction industry (72% of total production). The industry and construction sector has experienced a strong recovery in recent years, Arad County occupying the 2nd place, after Timis County, detaching itself as an evolution from the other counties in the region. The private sector has developed more and more, replacing the large industries that characterized the economy of Arad County in the 1980s. Arad County includes a variety of landforms, representing an optimal area for diversified agricultural crops.

Key words: Arad County, general overview, development degree

INTRODUCTION

More than half of the population of the 27 Member States of the European Union live in rural areas. Rural area represents 92% of the total EU area. Arad County is a rural area, placed in Romania, in European Union, having special peculiarities, many advantages, but also disadvantages. [2,4,6,7,8,10]

Located in the western part of the country, Arad County borders Timis County to the south, Bihor County to the north, Hunedoara County to the east, and Hungary to the west. [14]

Its favorable geographical position is also accentuated by the intersection of European roads.

With an area of 7754 km², Arad County holds a percentage of 3.65% of the entire area of Romania, being the sixth largest county in the country.



Figure 1. Geographic delimitation of Arad County

Source: <http://www.cjarad.ro/>

Founded as an administrative unit in 1968, Arad County includes a strip from the north of historic Banat as well as the southern part of Crisana, covering approximately 3.6% of Romania's territory.[13] The presence of habitation in this area is attested since the Paleolithic. Numerous archeological discoveries have highlighted and attest the continuity of living in this area.

During the 19th and 20th centuries, Arad established itself as one of the most important economic centers in the region. Factors such as geographical position at the intersection of major trade routes, and the ethnic and religious diversity of its inhabitants have worked together to achieve this status. The same factors mean that the county's economy is still experiencing significant increases and decreases reported in all sectors of

activity. In the rural area, the following industrial centers Fantanele, Livada, Iratosu, Sicula, Sofronea, Zabrani (wood, textile and food industry), Zimandu Nou (manufacture of rubber and plastics products) are highlighted.

MATERIALS AND METHODS

The purpose of scientific approach is the achieve a general overview over Arad County, covering some aspects suc as: identifying the localities network and peculiarities of the rural localities of Arad County, review of the favorable and unfavorable factors for rural development, identifying agricultural and tourist areas of the County, highlighting the existing technical and municipal infrastructure and also the situation of SMEs in the County. First we collect the main information, then we select and we made a synthesis of the main aspect which we wil illustrate in the paper.

RESEARCH RESULTS

A first aspect in highlighting the degree of social development is the emphasis on the network of localities that are part of the county under study. This highlights:

- 1 municipality: Arad;
- 10 cities (Chisineu-Cris, Curtici, Ineu, Lipova, Nadlac, Pancota, Pecica, Santana, Sebis), consisting of 21 localities, of which 9 are the actual urban localities and 12 are villages that are part of the administrative units -territorial;
- 68 communes comprising 261 villages; of these, three communes are established by Law 84/2004: Dorobanti, by separation from the town of Curtici, Frumuseni, detached from the commune of Fantanele and Zadareni, detached from the commune of Felnac.

If we refer to the national situation, then Arad County, in terms of the degree of social development is ranked sixth in area, four in number of cities, but lower in number of villages or communes.

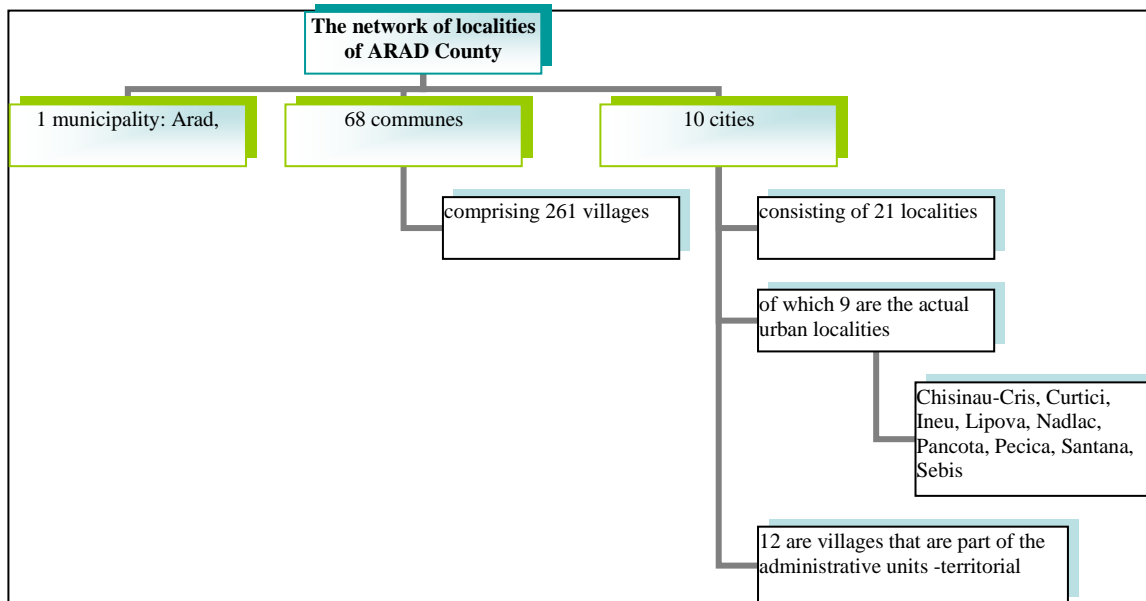


Figure 2. Localities network of Arad County

According to the analyzes performed by the county authorities, the communes with numerous component localities indicate that they are found in a higher concentration in the eastern half of the county and especially in the mountainous area. The communes with the largest number of villages are: Halmagiu (11), Craiva (10), Gurahont (10), Savarsin (9), Barzava (8), Varfurile (8), Plescuta (7). In the western part of the county, the communes

with 2-3 villages predominate, with some exceptions: the communes Vladimirescu, Secusigiu, Sagu, Misca with four villages. Communes with only one village are: Dorobanti, Emlac, Seitin, Simand, Socodor, Sepreus, Covasint. Depending on the number of inhabitants, there is a concentration of communes with a relatively large population in the plain area and the western half of the county, respectively. Exceptions are some communes that have a peripheral location in the county (Peregu Mare, Seitin, Zerind, Pilu, Graniceri) or are the result of recent administrative reorganizations (Felnac-Zadareni, Fantanele-Frumuseni, Dorobanti).

Table 1

The administrative organization of the territory of the county

Years	Number of cities and municipalities	of which: municipalities	Number of communes	Number of villages
1990	8	1	67	273
2000	8	1	67	273
2005	10	1	68	270
2010	10	1	68	270
2011	10	1	68	270
2019	10	1	68	270

Source: County Directorate of Statistics, Arad, 2019

Table 2
Grouping of municipalities by number of villages components

TOTAL of which:	Number of communes	%
	68	100,0
with a village	7	10,3
with two villages	14	20,6
with three villages	14	20,6
with four villages	13	19,1
with five villages	8	11,7
with six villages	5	7,4
with seven villages	1	1,5
with eight villages and over	6	8,8

Source: processing according to the official data of the County

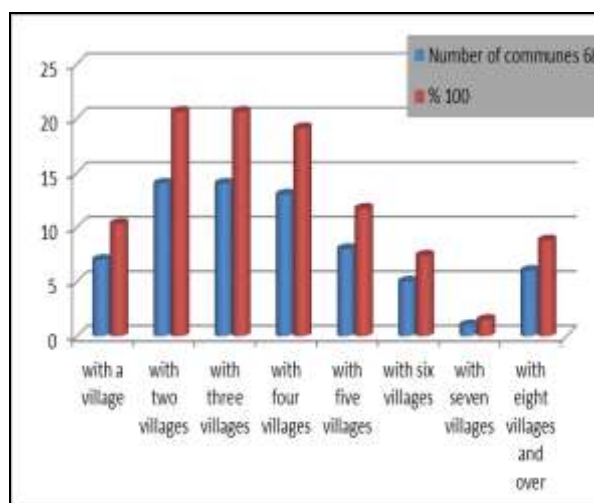


Figure 3. Grouping of municipalities by number of villages components

Therefore, the structure of the network of rural localities has some peculiarities, such as:

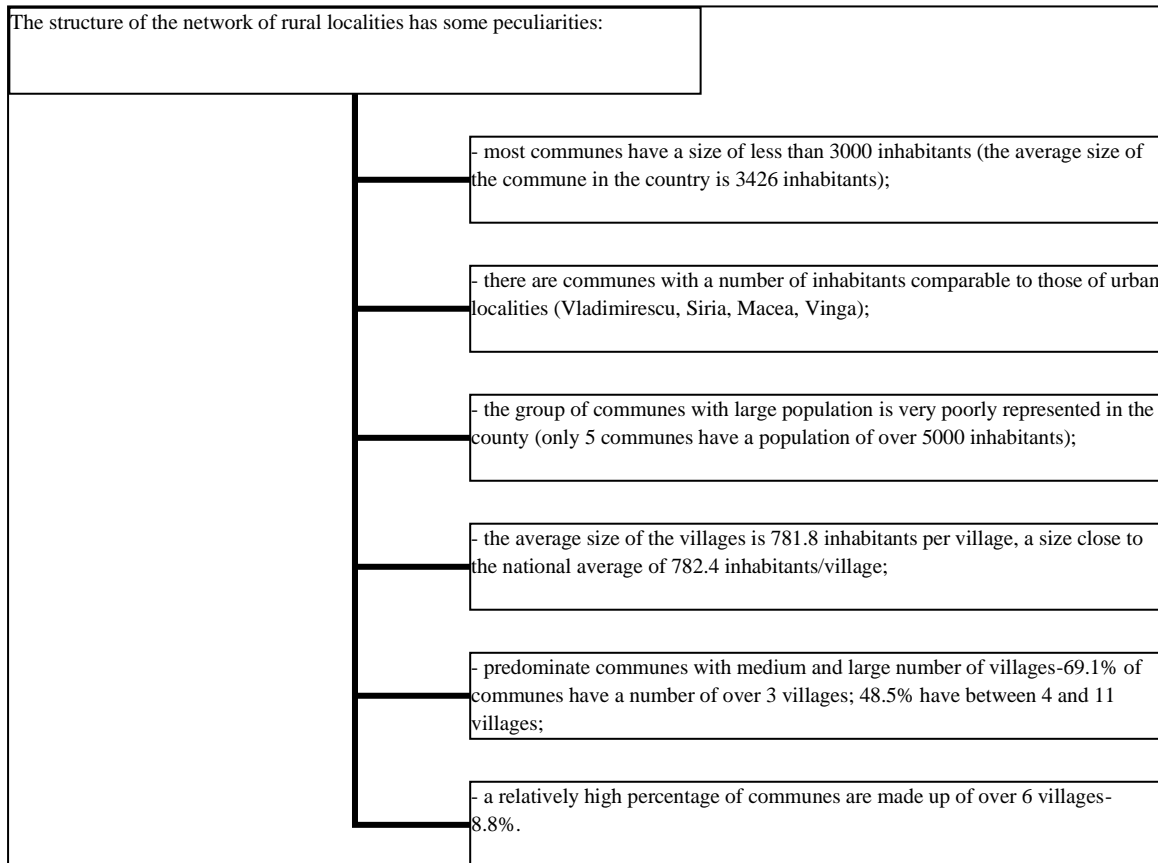


Figure 4. Peculiarities of the rural localities network of the County

The analysis of the existing situation of living in the county can reflect aspects such as:

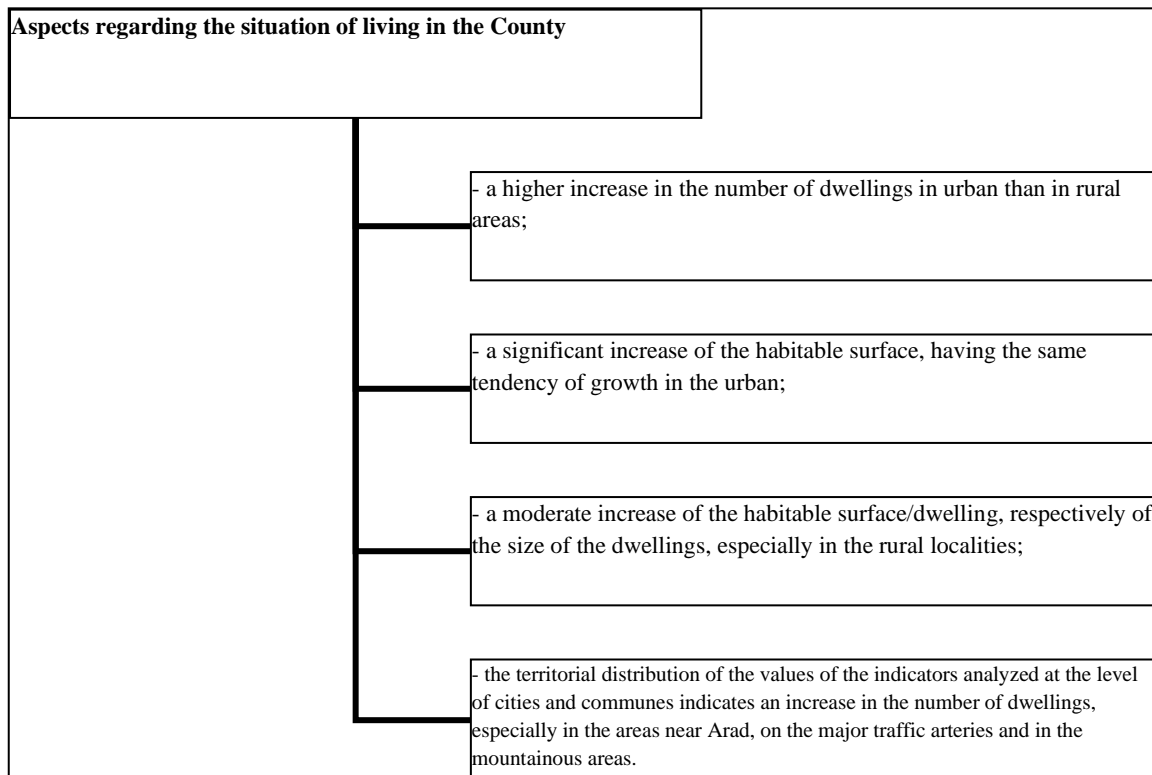


Figure 5. Aspects regarding the housing situation in the County

Table 3

Favorable and unfavorable factors for rural development of the Arad County

Criterion	Favorable elements	Unfavorable elements
Demographic	Communes medium and large Positive balance of net migration Early aging	Stable population in declining population Territorial imbalances
Economic	Possibilities for cooperation with urban centers High percentage of arable land in total agricultural land Income from agriculture per capita higher than the national average A part of the population domiciled in the rural area carries out activities in the urban area or in economic units located near the locality	Economy based mainly on agricultural activities Low capacity to renew the workforce
Infrastructure	Larger living area Connection of housing to utilities Good access to the main communication routes	Old buildings predominate Insufficient number of modernized roads

Source: author's processing by various administrative sources

The County has a diversified and complex industry, consisting of: processing industry, food, chemical, light rail and wood processing industry. Regarding the industrial activities, the highest share of occupants is registered by the communes Fantanele (51.5%) and Livada (49.4%), Iratosu (47.2%), Sicula (46.4%), Zimandu Nou (45.1%), Zabrani (42.6%).

At a current analysis of the county's industry, the following can be deduced as negative aspects:

- insufficient market orientation;
- a reduced competitiveness of the realized products, due to the physical and moral wear of the machines and equipments, aging technologies;
- lack of initiative;
- poor motivation of managers.

The County specific agricultural activities are supported by a high agricultural potential, which makes this area one of the largest cereal and vegetable basins in the country. Most enterprises specialized in forestry are located in the eastern half of Arad County where the areas covered with forests cover very large areas. Economic activities specialized in agriculture and hunting are concentrated in the plain regions of the western half where arable land is the main category of agricultural land use. The companies with the largest number of employees are located in Pecica, Vladimirescu, Olari, Cermei, Vinga, etc. As in the whole country, in the county under study, is practiced a subsistence agriculture, non-performing, for self-consumption. Therefore, two categories of property are individualized, namely small lands (less than 20 ha), uncompetitive and capitalized for own production as well as large lands of over 50 ha, well technological (generally owned by large companies) that practice high productivity agriculture.

Regarding the agricultural potential - plant production, the following aspects are stand forward: [11,12]

- over 50% of the ATUs in Arad County have a high potential for the following vegetable crops: straw cereals (irrigated), rapeseed (irrigated), flowers (irrigated);
- 100% of the ATUs in Arad County have an average potential for most vegetable crops, except for potato crops (non-irrigated), buckwheat and rice.

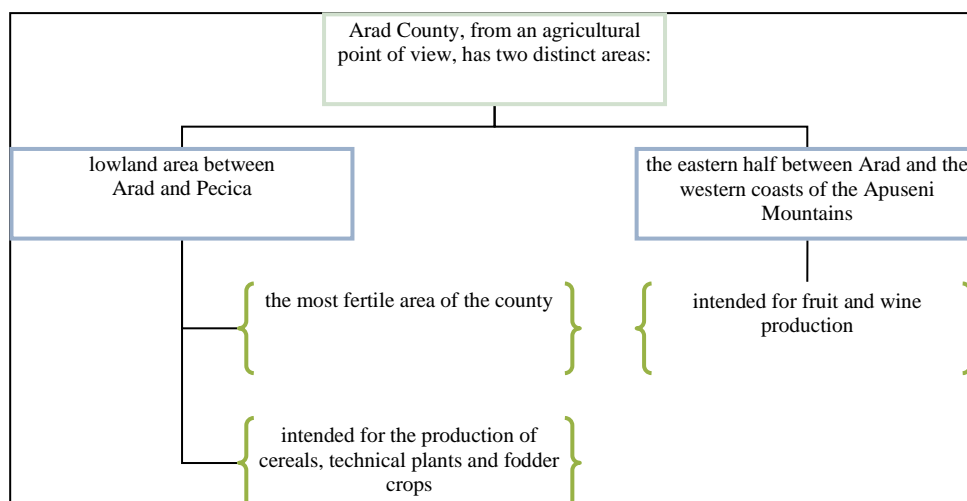


Figure 6. Agricultural areas of the County

- As regards agricultural potential - animal production, the most important aspects are:

- over 40% of the ATUs in Arad County have a high potential for the following livestock sectors for raising animals for meat: cattle, pigs, sheep, goats - in closed system, on-farm processing and poultry - off-farm processing;
- over 90% of the ATUs in Arad County have an average potential for raising cattle, pigs, sheep and goats for meat in a closed system, with off-farm processing;
- over 40% of the ATUs in Arad county have a high potential for the livestock sector for raising dairy animals, in a closed system, on-farm processing;
- over 90% of ATUs have a medium and high potential for the livestock sector for dairy farming, in closed system, off-farm processing.

- Regarding the processing potential in the county's agriculture, based on the production of raw materials:

- 100% of the ATUs in Arad County have a high potential for:
 - the milk collected compared to the milk produced;
 - slaughter of bovine, ovine and caprine animals in relation to the existing number of animals;
 - processing of beef, sheep and goat meat in relation to the total weight of the animals;
- for all other processing sectors, the potential of ATUs in Arad County is medium and high (over 90% of ATUs): capacity to process cereals and oilseeds, pasteurized milk, pig slaughter and pork processing.

The present and much circulated crisis of the last period changes somewhat the characteristics of the presented economic activities, giving a greater importance to the agricultural activities, but nevertheless Arad County is one of the developed counties of the country.

Arad County has a high tourist potential - varied and attractive natural landscape, mineral and geothermal springs, numerous churches, castles, historical relics and monuments. Despite the existence of this potential, its capitalization as a whole is far below the threshold desired by the authorities, economic agents or NGOs involved in promoting tourism, the contribution of the tourism sector to the county's economy being extremely low as absolute values. The patrimony objectives, as well as the activities with tourist impact and the endowments that serve the tourist field characterize the urban centers of the county, being a quite uniform distribution on all its territory. [15]

Through its aesthetic value, but also through its scientific value, the natural areas constitute a valuable potential for the development of tourism in Arad County. As a potential for attractiveness, the most significant and easily accessible among the natural objectives is the:

- Lunca Mureșului Natural Park. Here there are accommodation, cycling routes, boats, kayaks and canoes, fishing and hiking. The reservation finances approximately 30% of its revenues from the provision of tourist services.

- Other important tourist landmarks are Balta Soimoș from Lipova (turtle reserve, secular tree, dendrological park from Baile Lipova),

- Balta Ghioroc,

- artificial lake Taut,

- Botanical Garden from Macea or

- Pădurea Vladimirescu..

Analyzing the current situation of the existing technical and municipal infrastructure, the following can be observed: [15]

- inside Arad County, out of a total of 1.208 km of county roads, a number of 555 km of roads are in good and very good condition, 308 km in mediocre condition, a number of 211 km are in poor condition and 134 km in very poor condition. Therefore, although more than a third of the county roads are very good, the infrastructure in certain areas of the county is not sufficiently developed and requires significant investments to be at the level of European standards. In the mountainous areas of Arad County, the road network is reduced, and the roads passing through these areas are insufficiently modernized;

- the water supply systems at the level of Arad county serve a number of 69 administrative-territorial units (Arad municipality, the 9 cities and 59 communes), out of the 78 existing ATUs, about 53.75% of the population benefiting from water in a centralized system, the degree of coverage being higher in urban areas and lower in rural areas;

- sewerage systems exist in 30 of the 78 ATUs (38%), respectively in the municipality of Arad and at the level of cities, as well as in 20 of the 68 communes;

- regarding the houses equipped with electricity installations, in Arad County, 97.2% of them are endowed with electrical installation, which represents a very high degree of connectivity to the electricity distribution network;

- the 20 localities with natural gas distributions are located along the three transport pipelines that transit the western part of Arad County, the length of the networks and the number of consumers being constantly increasing;

- in the period 2006 - 2012 the percentage of the population served by the sanitation services increased significantly, from 47% to 94.8%, a spectacular increase being registered in the rural area, where there is an increase in the percentage of population served from 0.84% (2006) to 80.96% (2012). Currently, all 10 urban localities in Arad County are served by sanitation services, while in rural areas are served 58 of the 69 communes.

The development of SMEs in the County is limited by a set of factors, namely: [15]

- ◆ Access to business infrastructure to stimulate the development of the sector in the whole county (currently, it is limited to the level of Arad Municipality which still owns over 80% of the number of companies in the county);

- ◆ Half of the rural population lives on subsistence, which leads to a reduced demand for goods and services for personal consumption;

- ◆ The local entrepreneurial culture is still below that of the European Union[3,5,9], few potential entrepreneurs have guarantees to obtain financing and, as a result, many of the companies are undercapitalized and have discontinuities in cash flow.

CONCLUSIONS

Regional development policy is one of the EU's most important and complex policies, a status which stems from the fact that, through its objective of reducing economic and social disparities between the various regions of Europe, it acts on significant areas for development, such as economic growth and the SME sector, transport, agriculture, urban development, environmental protection, employment and training, education, gender equality, etc. Regenerating communities is both a process and an effect. Regeneration of communities requires solving important problems for the community: ensuring decent living conditions, both in urban and rural areas; the existence of a transport infrastructure for the easy access of the inhabitants both in the areas of interest inside the localities and between the localities; development of service networks to ensure the population's access to water, sewerage, electricity, gas networks; elaboration of territory cleaning programs; creating suitable spaces for recreational, sports and leisure activities.

The Arad business environment is composed mostly of enterprises active in the field of services, representing 72% of the enterprises based in Arad County. From the point of view of the turnover generated by them, the situation changes, because the enterprises active in industry and constructions generate 60% of the turnover at county level, although they accumulate only 22% of their number. Arad County is an important point of industrial concentration in Romania, with a complex economic development and a good infrastructure to attract investment in industry, agriculture, services and trade.

The arrangement of the business environment in territorial profile shows us that most of the economic agents in the county (approx. 74%) are located in the urban area, most of them being positioned in Arad. However, there are other populated areas in terms of business environment in Arad County: Livada, Vladimirescu, Sofronea, Sistarovat, Moneasa, Sebis, but also in Nadlac, Ineu, Lipova, Sagu, Zadareni, Socodor, Zimandu Nou, where private investment has also attracted much of the workforce in the area.

The economic growth in the specific context of the county is more than the result of the progress of some fields, it is seen mainly as a result of the development of a relationship between education - innovation - local business environment and the effects of these chains in different fields. This requires a correct assessment of the current level and development trends of the local economy and the creation of mechanisms to link them with specialized education and innovation infrastructure to address the need for specialized human resources, in accordance with resources of all kinds, so as to produce economic development.

The process of deindustrialization and economic destructuring, to which is added the restriction of activity due to the economic crisis, has structurally affected the economy of the county and especially the smaller urban centers. The main fields of activity in Arad County have a low added value and a lower competitiveness on the international market.

SMEs in the county face a number of difficulties that affect their competitiveness in the internal and external markets: low labor productivity, relatively low levels of investment, low interest in innovation, poor cooperation with research providers and business services, etc. The analysis of the current situation has identified many opportunities for the development of the SME sector, for example grants for investments in new technologies, innovation, human resources, etc. Some of these obstacles can be overcome with the help of business consultants, who provide professional services, at appropriate quality standards.

Strengthening the county's economy through economic diversification, developing the entrepreneurial base and supporting economic actors, especially small and medium enterprises, as well as attracting new investments in Arad County is and remains a priority.

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