



Stage of Research on Rural Development in Region 2SE in Correlation with Labour Force Development

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ARTICLE INFO

Article history:

Accepted August 2020

Available online August 2020

JEL Classification

J21, R23, O18

Keywords:

Rural development, Strategy,
Priorities, Competitiveness,
Workforce, Performance

ABSTRACT

Agriculture is often seen as the founder of the sustainable development of a territory. In the reality of our day, the impact of agriculture is increasingly visible. Agriculture persists in a crisis zone, but the existence of a realistic vision could lead to multi-fun development. In this paper I set out to study objectively the agricultural sector and rural development in the South-East region of Romania, looking at the elements on which the potential for agricultural development depends, but also on the ways of evolution and improvement by labor force. The main purpose of this work is to identify some measures to develop the attractiveness of rural areas, implicitly by reclaiming the circumstances of young employment in rural areas of the 2South-East Region. Less satisfactory living conditions predominate in rural areas and the low level of education is a significant problem in employment. Although a fairly rapid process is not present process compared to other developed countries, rural society is experiencing a dynamic reality that is constantly changing and competing with the urban environment. In our country, rural areas face many problems such as the average income much lower than in urban areas. The development of infrastructure, the improvement of the economy, as well as the innovation of processing and advertising structures, would lead to the creation of jobs and thus to the development of rural areas.

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1. Introduction

This work consists of two parts. In the first part I will highlight the main elements in the rural area, focusing on the economic and social profile of the South-East region, and in the second part I will study the impact of the labor needs to achieve the necessary measures for rural development.

Bordered by the North-East, Central, South-Muntenia and Bucharest-Ilfov Regions, Region 2 South-East is located in the South-East region of Romania and is the second region in terms of area. It consists of almost all forms of relief, and in the East lies the Black Sea, giving it the opportunity to develop and exploit maritime and river-sea transport, meaning also an important element of attracting foreign investors.

2SE Region consists of 6 counties with a population concentrated more in urban areas and less in rural areas. In the following figure we see the distribution of counties in Region 2 South-East by area and population distribution.



Figure No. 1. South - East Region

Source: image taken from the <https://www.cjgalati.ro/images/stories/formulare/studiu-demografie-2014.pdf> website on 04.06.2020

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Agriculture is an important role in the rural economy, especially since our country is a predominantly rural state. Agriculture and forestry are essential sources of Romania compared to other Member States of the European Union. We recall that almost 32.6% of the population makes up the agricultural and forestry sectors compared to 5.3% of the European Union.

Our country may enjoy significant development potential, but it is not used enough. It ranks 7th in the EU by area and number of inhabitants and enjoys balanced relative geographical areas.

To improve rural living standards, bills such as job development and retention, the development of businesses that produce additional income are needed.

Attracting young people to rural areas, who are qualified, is an effective way of reconsolidating the countryside.

2. Literature Review

In recent decades, demographic change has been reflected in numerous changes in the number of inhabitants of our country. From year to year there is a decrease in the population in both urban and rural areas. In the table below we see the evolution of the population of our country in both living environments.

Table No. 1. Population evolution by residence averages 2015-2018
(Thousand persons)

Year	Urban	Rural
2015	10671,9	9150,4
2016	10586,2	9120,2
2017	10519,5	9072,2
2018	10478,8	8993,3

Source: Processed data from the
https://insse.ro/cms/sites/default/files/field/publicatii/proiectarea_populatiei_pe_medii_de_rezidenta_la_orizontul_anului_2060.pdf
website accessed on 29.03.2020

In rural areas, we face significant challenges in achieving economic and social potential. In these areas and gross domestic product is much lower than in urban areas.

If we refer to the natural resources it has, we can say that Region 2 South-East is lucky.

The region analyzed comprises two of the most populous cities in the country, namely Constanța and Galați.

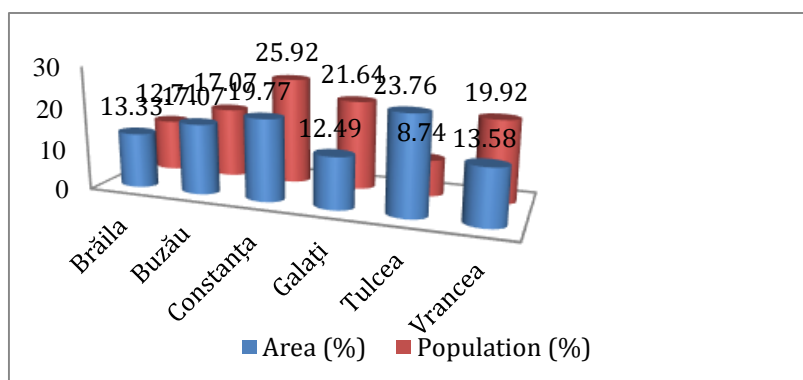


Figure No. 2. Counties of Region 2 South-East by size and population

Source: Own processed data from the Statistical Yearbook of Romania, INS, Bucharest, 2012

Almost half of the inhabitants of the South-East Region live in rural areas. Even if counties such as Constanța and Galați have a population that predominates in urban areas, at opposite pole, Vrancea, Tulcea and Buzău are characterized by inhabitants that predominate in rural areas. The population with the highest share in the urban area is in Constanța.

11.3% of all communes and 9.7% of all villages are located in Brăila County. The rural population of Braila has decreased year-on-year. In the figure below we see the rural population and the degree of ruralization within Brăila County in recent years.

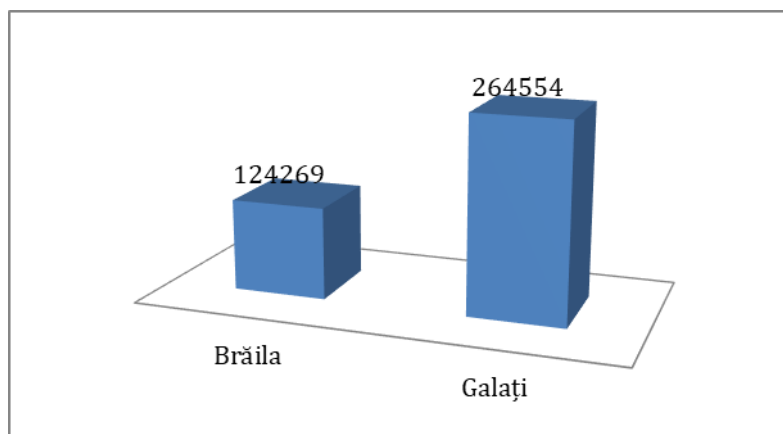


Figure No.3. Rural population of Brăila and Galați counties

Source: Own processed data from INS

[http://cjbraila.ro/dm/portal.nsf/389375BD0464E285C22580DF004C01F3/\\$FILE/1.8.%20Development%20rurala.pdf](http://cjbraila.ro/dm/portal.nsf/389375BD0464E285C22580DF004C01F3/$FILE/1.8.%20Development%20rurala.pdf)

Increase the economic competitiveness specific to the socio-economic profile of the region

In order to accurately analyze the innovation potential of Region 2 South-East, we have taken into account the following aspects:

- Economy and labor force in Region 2 South-East;
- Entrepreneurship and investment in this region;
- The advantages of the region, innovation and technological transfer of this area;
- Degree of specialization and improvement.

At the level of Region 2 South-East, the value of Gross Domestic Product increased very little in 2019 compared to 2018. We see in the chart below the increase by counties in 2018 and 2019.

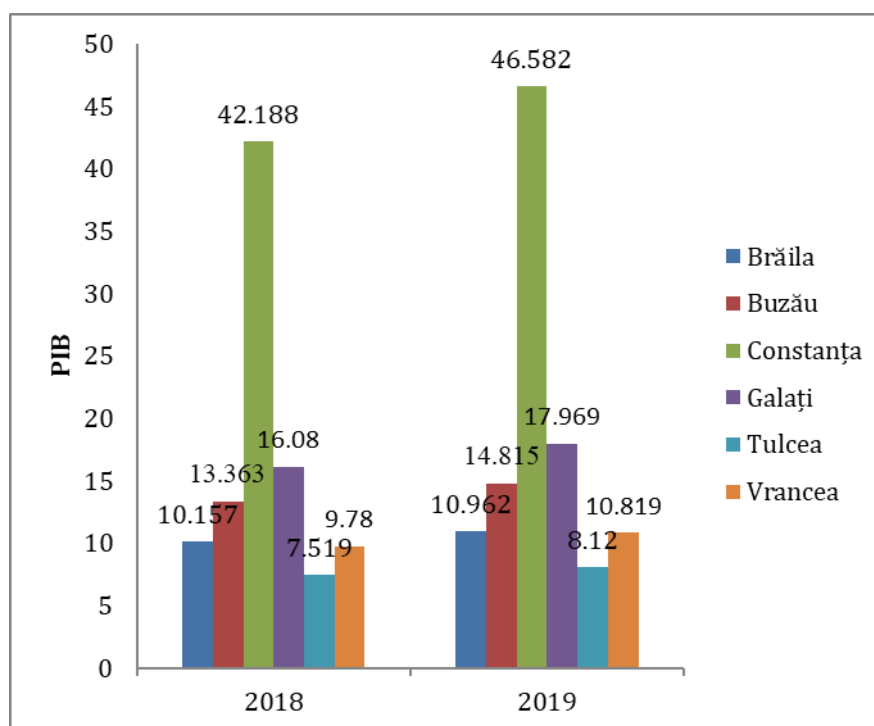


Figure No. 4. Evolution of Gross Domestic Product by Counties 2018-2019 (Million)

Source: Own processed data from the National Strategy and Forecast Commission published in December 2019

We notice that Constanța maintains its leading position, both in 2018 and in 2019, followed by Galați and Buzău. There is a very small difference between the cities of Brăila and Vrancea, the latter registering a value very close to the value of Brăila. According to the average number of employees, 2 SE Region is on the 6th place in the previous year, among the development regions in Romania.

In the past years, in 2SE Region most counties have a high potential for specialization in wholesale and retail trade, automotive and motorcycle services, construction, transportation, agriculture, forestry and fishing.

The number of unemployed decreased in 2019, compared to 2018. In the figure below we observe the differences between the counties of the region studied according to the average number of employees in the last two years.

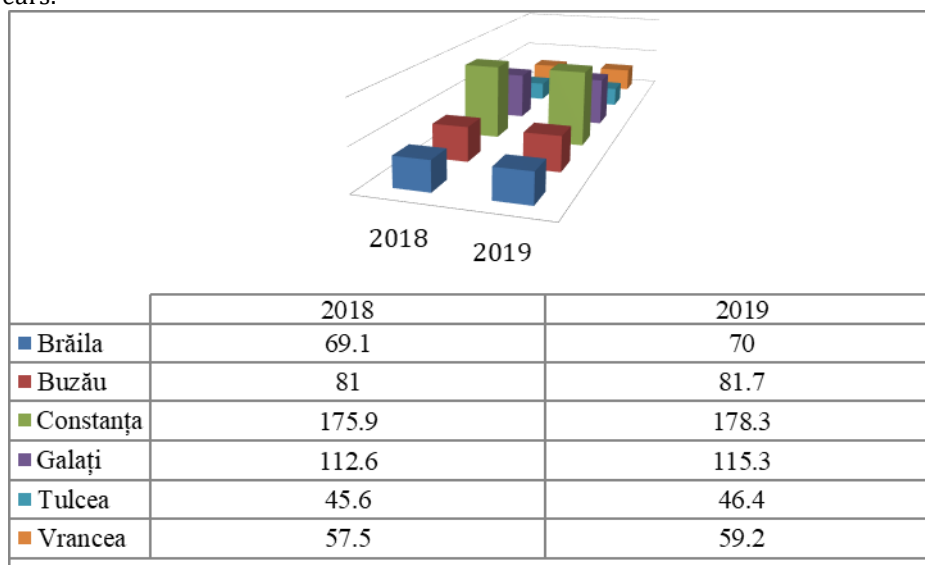


Figure No. 5. Average number of employees (thousands)

Source: Data processed by the National Strategy and Forecast Commission published in December 2019

Constanța is leader, Galați is on the second place, and at the opposite pole are Vrancea and Tulcea, which register very low values.

Tulcea is notable for its specialization in sanitation, decontamination measures, production of electricity and heat, hot water and gas.

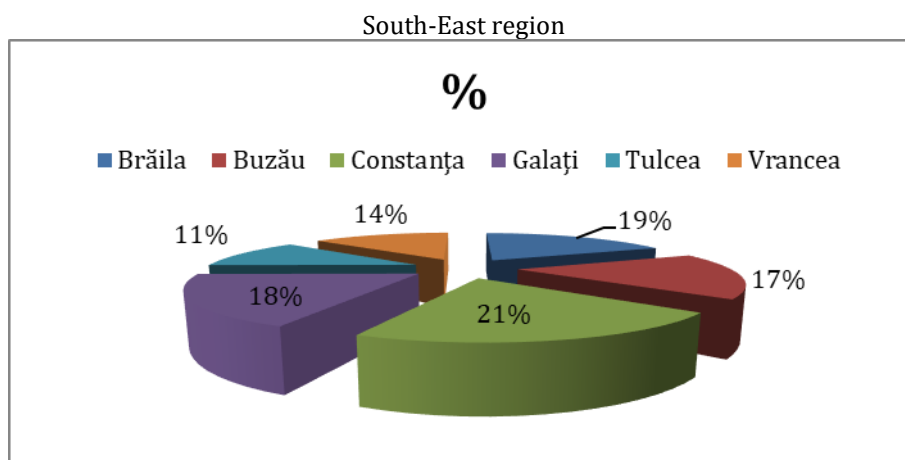


Figure No. 6. Agricultural production by the counties of the

Source: Own processed data from the Statistical Yearbook of Romania, INS, Bucharest, accessed on 06.06. 2020

We notice the fact that Constanța is on the first place and on the last place is Tulcea. The region depends on the realization of agricultural crops, namely crops of corn, wheat, sunflower.

Sustainable exploitation of rural potential

As agricultural activity is the most important pawn in the rural economy, it is necessary to strengthen a system in order to make use of it in the long term. This can be achieved by expanding a knowledge foundation.

There is a need to modernize agricultural affairs, adapt to climate change, and adapt to cutting-edge technologies.

If we refer to agricultural production, Constanta is the first place in the region, and Tulcea occupies the last place. In the region we also see animal production, namely goats, sheep, pigs, horses, pastures and cattle..

Although there is a high agricultural potential, the region's productivity remain quite modest. Below we observe the trend of animals in the region by counties, Buzău county occupies the first place in the number of pastures, sheep, goats and horses. Sheep have seen a decreasing trend in all cities of the region.

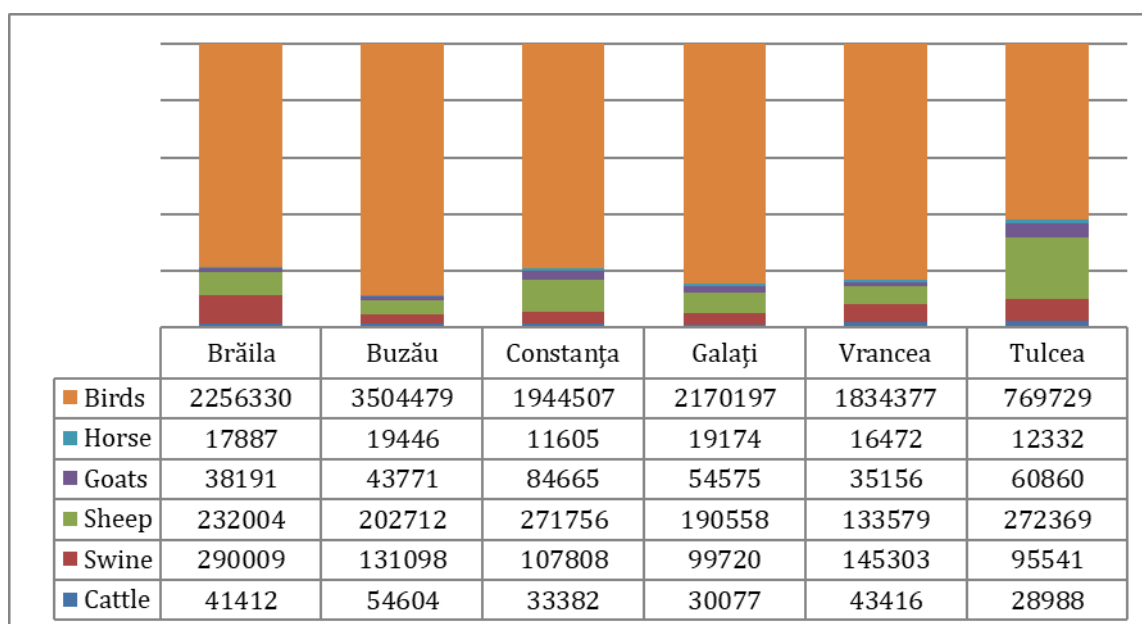


Figure No. 7. Animal production in the South-East region by counties

Source: Own processed data from the http://www.adrse.ro/Documente/Planificare/PDR/2014/PDR.Sud_Est_2014.pdf website accessed on 02.06.2020

The funds attracted are quite limited due to cause lack of materials or human resources.

The figure below lists the rural development priorities that could have a positive impact in the 2South-East Region.

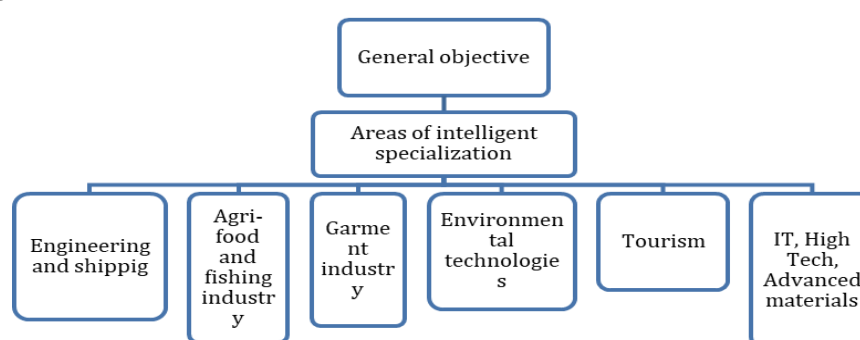


Figure No. 8. Areas of intelligent specialization specific to 2South-East Region

Source: Smart specialization strategy of the South-East development region, developed by SC ACZ Consulting SRL

An ongoing process of modernizing equipment and machinery and bringing it to market requirements could ensure the development of rural performance. Investments can address the development of farm performance, such as upgrading buildings, equipment and machinery, but also the quality of productive assets, increased labor productivity.

New graduates can be considered the basic category that has the capacity to develop the agricultural exhibition process and increase its market access. They may have the chance to renew generations in the agricultural environment.

A developed process involving structural changes, established over a medium or long period of time, can be concluded with the fundamental transformation of rural space through the total development of agricultural crops, the modernization of technologies, increased competitiveness, the existence of jobs and the increase in incomes. This process would simplify the agricultural work in Romania nowadays.

3. Impact of labor needs to underpin measures for rural development of the region

Demographic analysis in Region 2South-East shows a general decline in the population, especially among young people. Thus, we also know a low level of education, ethnic diversity, the significant share of rural residents and a low standard of living. The 65-year-old population will increase social and health care needs.

The 2South-East region is among the last regions by number of employees, about 9.95% of our country's workforce.

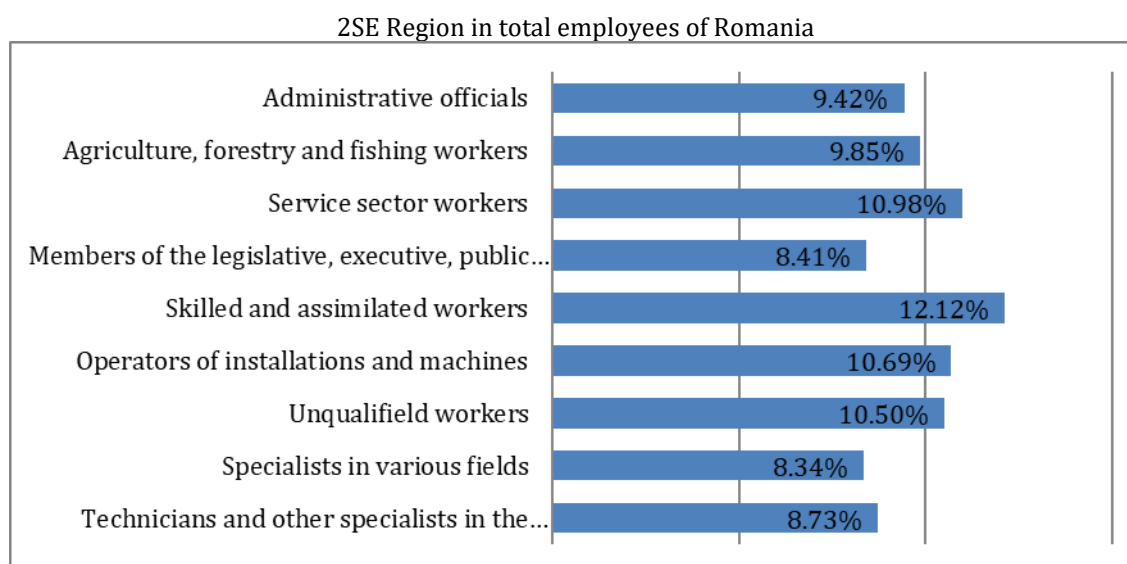


Figure No. 9. Share of employees in
Source: Own processed data from the Labor Analysis Study at the level of Romania's development regions

The major problems encountered in the 2SE Region are represented by the decrease of the population which has significant influences on the labor force market.

In the last years, the rural area has evolved differently. In rural areas, labor force reserves decrease or change from year to year. We observe the participation of the rural population in economic activity according to age groups.

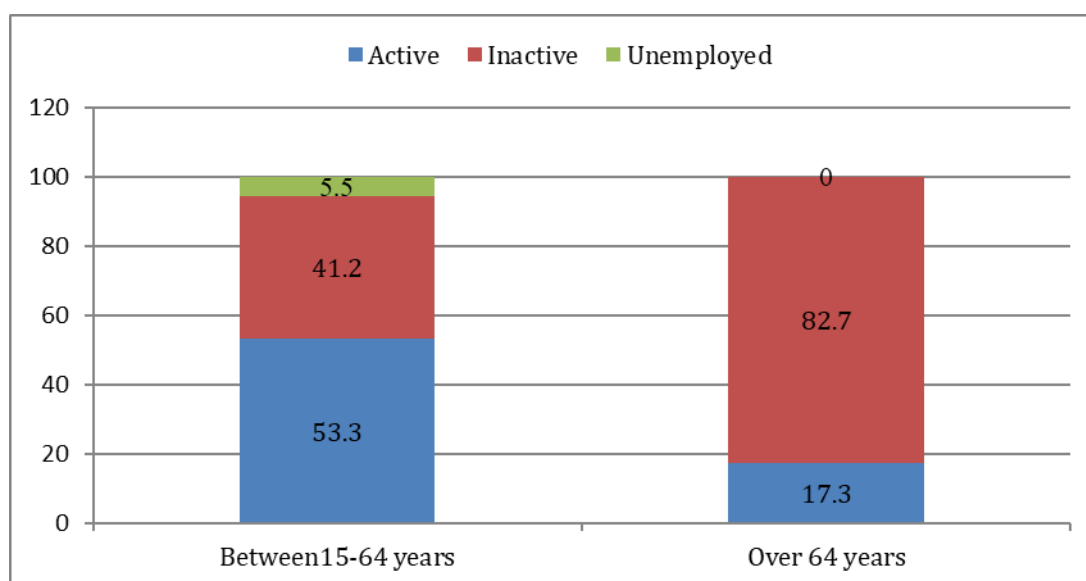


Figure No. 10. Participation of the population by the age groups in economic activity
Source: Own processed data from http://www.adrse.ro/Documente/Planificare/PDR/2014/PDR.Sud_Est_2014.pdf accessed on 05.06.2020

Improving access to vocational training

For a balanced economic growth and a knowledge-based society, education and training are very important.

The analyzed region is represented by an ethnic, religious and linguistic variety. The majority is represented by the gypsies, more precisely 2,7% of the population. Here we meet Turks, Tatars, Russians, Greeks and Ukrainians. In the table below we see the ethnic structures in the South East Region depending on the level of education.

**Table No. 2. Ethnic distribution in the South-East Region
by educational level**

Ethnicity	ABSOLUTINSTITUTION								
	Superior		Post-secondary or masters	Superior Support			Secondary	Prevail	No school
	Total	Of which University		Total	Liceal, 2010	Professional			
Brăila									
Romanian	11%	9,6%	3,7%	66,7%	21,0%	15%	30,7%	15,7%	4,1%
Gipsy	0,8%	0,7%	0,3%	42,5%	5,4%	4,9%	32,2%	26,3%	53,8%
Turkish	17,9 %	15,4%	1,9%	58,6%	27,2%	7,4%	24,1%	10,5%	20,4%
Lipovan Russians	9%	8,2%	2,4%	66,2%	20,1%	17,3%	28,8%	18,9%	5,4%
Buzău									
Romanian	9,2%	8,4%	3,6%	66,3%	21,4%	15,1%	29,7%	18%	4%
Gipsy	0,4%	0,3%	0,2%	44,6%	4,3%	3,5%	36,8%	33,3%	34,13%
Turkish	22,4 %	22,4%	0%	71,4%	46,9%	6,1%	18,4%	0%	6,1%
Constanta									
Romanian	16,6 %	14,8%	3,3%	66,4%	28,3%	12%	26%	11,7%	2,8%
Hungarian	19,5 %	18,1%	5,4%	63,8%	26,5%	13,1%	24,2%	9,3%	3,1%
Gipsy	1,1%	1%	0,3%	43%	8%	4,1%	30,8%	26,6%	52,9%
Ukrainians	26,9 %	25,8%	9,7%	52,7%	25,8%	7,5%	19,4%	7,5%	6,4%
Turkish	5,1%	4,7%	0,8%	53,4%	15,3%	5,9%	32,3%	23,4%	30,10%
Lipovan Russians	9,9%	8,6%	2,3%	70,4%	18,4%	15,8%	36,2%	13,6%	5,11%
Tatars	15,5 %	14%	3%	66,1%	29,2%	11,5%	25,4%	12,7%	3,8%
Greeks	42,1 %	35,8%	4,7%	47,2%	35,8%	5,1%	6,3%	4,7%	1,2%
Armenians	37%	32,1%	6,5%	47,6%	33,3%	4,5%	9,8%	7,3%	2,8%
Macedonians	16,6 %	13,3%	4,2%	62,5%	31,2%	8,6%	22,7%	13,3%	4,7%
Galati									
Romanian	11,8 %	10,4%	3,1%	66,3%	21,1%	16%	29,1%	15,9%	3,10%
Hungarian	22,7 %	19,5%	7%	63,3%	28,1%	11,7%	23,4%	3,9%	5,4%
Gipsy	0,3%	0,3%	0,1%	28,2%	2,2%	2%	24%	37%	59,5%
TULCEA									
Romanian	9,2%	8,4%	2,6%	69,5%	21,5%	16,9%	31,1%	15,3%	4,9%
Hungarian	16,7 %	15,2%	4,5%	59,1%	21,2%	19,7%	18,2%	13,6%	12,2%
Gipsy	0,3%	0,3%	0%	27,7%	2,6%	3,3%	21,9%	27,5%	80,15%
Ukrainians	6,5%	6,1%	2,4%	65,8%	19%	13,7%	33%	21,3%	6,4%
Turkish	7,9%	7,2%	2,3%	51,6%	21,3%	8,6%	21,7%	17,4%	37,8%
Lipovan Russians	4,5%	4,2%	1,3%	71,8%	15,4%	14,6%	41,8%	17,8%	7,6%
Greeks	6,4%	6,1%	2,5%	68,4%	21,4%	19,1%	27,8%	19,3%	5,4%
VRANCEA									
Romanian	9,1%	8,3%	2,5%	66,2%	20,6%	12,9%	32,6%	18,8%	4,11%
Gipsv	0,3%	0,3%	0,1%	32,5%	1,6%	1,5%	29,4%	37,1%	52,7%

Source: Own Processed Data from INS, Temp-Online

Following this table, we find necessary both the educational institution and the necessary aspects in order to achieve the conditions for studies, reducing the percentage of the population without primary or secondary education.

The access to education is based on the following aspects:

- Multiplication of pathways to education;
- Creation of new training programs (new areas);
- Promoting entrepreneurship;
- Supporting research careers;
- Continuous staff training;

Workplace training programs are very important because they help staff in training and folding easily in the active field.

The continuing vocational training involves:

- Performing qualifications or requalification for employees;
- Supporting employees in the form of incentives;

- Promoting a positive attitude;
- Promoting programs for the exchange of experience in the country or abroad;
- Making equal opportunities in the labor sector;

Increasing employment and quality of labor in rural areas

The development of activities in rural areas can be completed by creating a knowledge base and information that involves the capitalization of each inhabitant of this environment. In our country, we still associate agriculture with the image of primitive peasants who work the land according to ancient techniques. In some areas, we find an emancipated agriculture, developed in an amazing way for this who do not know.

An adapted technique helps to develop productivity by reducing the negative impact on the environment, but it would also have major effects on the social plan.

We could talk about agriculture as the most competitive branch of our day, especially for young graduates, who want to put into practice what they have learned either in front of an employer, or by doing their own business.

We are not yet close to western countries with higher agricultural education, while in our areas, most choose to rely on practical experience. But education is not the only key; it is a step through which we can develop a healthy rural environment.

Innovation in rural areas can be based on the following aspects:

- Adapting rural areas to the European model by supporting development and promoting it;
- Increase agricultural performance through the development of the economy, but also the environment in which we operate;
- Rural implementation of activities not related to agriculture. Creating a diver.

Supporting the modernization and restructuring of agricultural holdings, quality production, innovation in the processing sector, the development and marketing, lead to the creation of new jobs and their maintenance.

The development of the rural environment in order to increase the quality of the labor force presupposes the following aspects:

- Investments in modern equipment that make work much simpler;
- Development of rural infrastructure, including improved access to agricultural areas;
- Easily provide and save water and energy sources;
- Careful processing of agricultural products;

Following a questionnaire conducted on a sample of 100 people from the counties of the SE Region, 62,5% are young students and graduates with an average age between 18 and 24 years. Almost 80% of them answered that it is necessary to implement study programs for pupils or students from rural areas.

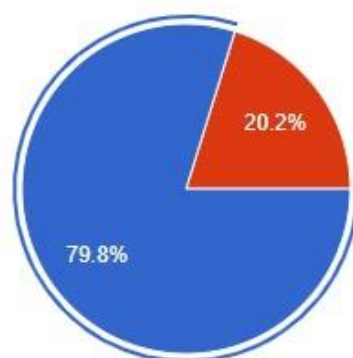


Figure No. 11. Elaboration of study programs
Source: Own Processed Data

The participants in the questionnaire stated that it is very important to attract european funds for the development of the SE Region. Thus, most found that it is important to attract them in areas such as infrastructure or education.

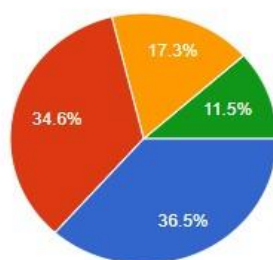


Figure No. 12. Areas that could be developed with European funds

Source: Own Processed Data

After analyzing the questionnaire, we came to the conclusion that our country has real potential to attract investors, but most give up because business projects are not sustainable in the future and because they use old methods of increasing profits. Desserts are no longer seen as European funds as aid, but as an easy source of profit. A healthy business project can lead to economic and social benefits.

4. SWOT Analysis

In the following table we have summarized the most important aspects that support rural development, but also those that stand in the way of achieving a sustainable development.

Table No. 3. SWOT analysis of rural development in 2SE Region

Strengths	Weaknesses
The South-East region has an economy that focuses mostly on agriculture and natural resources.	The South-East region is last when we talk about human resources; here the unemployment rate is quite high.
The region enjoys extensive agricultural land and elaborate agricultural production.	Although the region has high agricultural potential, this is not very well exploited.
Traditional activities here are fishing, aquaculture, processing and trade in fish.	The region does not have many investors who can help a sustainable development of activities.
Most of the products obtained are intended for export. There are many river links with EU countries here.	There are areas with untapped land. We cannot talk about a developed infrastructure for export across borders. (lack of silos, deposits).
The region under review is the main region that produces sunflowers.	The region faces labor shortages and low attractiveness to investors.
Climate conditions are favorable for agricultural development.	There is no developed irrigation system.
Romania counts many workers employed in agriculture.	There is no sustainable and qualitative training for young graduates.
Opportunity	
Making programs that lead to supporting the economy.	
Development of infrastructure in rural areas.	
Development of renewable energy production.	
Development of tourism in rural regions, but also in the Area of the Land.	
Access to subsidies for the development of agricultural production.	
Cross-border development.	
Threats	
Sectors in the traditional economy no longer ensure the development of the economy.	
Reduced competitiveness.	
The migratory movement of the young population.	
School dropout on the rise.	
The ageing of rural residents and the decline of demographics.	
Risk of natural hazards.	

The SE Region can enjoy a real competitive potential in the field of agriculture. Sustainable development is achievable through the contribution of the following actors: entrepreneurs and investors, public authorities, universities and institutions based on research and innovation, support organizations.

5. Conclusions

Following the accomplishment of this paper, I conclude that the decrease of the population, but also the weak economy, led to the accentuated change of the occupational structure in the SE Region. A significant

problem is the alarming process of population aging. The labor shortage is strong due to migratory factors to European countries.

The SE Region is close to the end of the ranking in terms of the number of employees and the total number of employment contracts concluded. The main industries in which this region is based are services such as tourism or trade, agriculture through the cultivation of cereals or legumes, garments and the shipbuilding industry. There is a large discrepancy between counties such as Galați, Constanța or Tulcea, where we see a higher living than in counties such as Brăila, Vrancea or Buzău, where the standard of living is lower. Constanța is the only county in this region where the number of employment contracts exceeds the national average.

Demographic analysis in the SE Region shows a decline of the population, especially among the young population. Since the standard of living is much lower in this region than in the rest of the country, school drop-out and the rather low level of education of the inhabitants is visible.

In order to improve rural living standards, bills such as the achievement and retention of jobs leading to the development of additional income businesses are required. Attracting young people to rural areas, who are qualified, is an effective way of reconsolidating the countryside. Because agricultural activity is the most important pawn in the rural economy, there is a need to strengthen a system that focuses on its long-term recovery. This can be done by extending a knowledge foundation. It is necessary to modernize and develop agricultural affairs, adapt to climate change, but also adapt to cutting-edge technologies and European market models.

The support for the modernization and reorganization of agricultural holdings, the production of quality, the innovation of the processing sector, the potential for the development of processing and marketing, lead to the creation of new jobs and their maintenance. Attracting young people to this area could involve the renewal of generations among workers and lead to the development and regeneration of the rural environment.

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