DIVERSIFICATION OF ECONOMIC ACTIVITIES IN ROMANIAN RURAL AREA – CENTER REGION*

DIVERSIFICAREA ACTIVITĂȚILOR ECONOMICE DIN MEDIUL RURAL ROMÂNESC – REGIUNEA CENTRU*

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Abstract:*Human resources are the main factor of development, regardless of the environment to which we relate – urban or rural. But, problems appear especially in rural communities, where the population faces a series of demographic, social and cultural problems - demographic decline, a low level of occupational diversification, reduced opportunities for recreation and literacy.*

Key words*: human resources, social inequalities, territorial disparities.*

INTRODUCTION

The main restrictive factors for the development of Romanian rural communities are: poor diversification of economic activities, almost exclusive dependence on agriculture, poor social infrastructure, difficult access to transport network etc.

All this leads to a very low standard of living – difficulties in capitalization of agricultural products, almost nonexistent technical – utility endowment, and, in the end, to the increase of demographic and occupational decline phenomenon.

* Contract no. 92072/01.10.2008 Socio-economic models for inequalities attenuation from the rural areas in regional profile (MESAIR) – Program no. 4 ”Partnerships in priority domains”

MATERIALS AND METHODS

The present study focuses on identifying the demographic and employment disparities in the rural area from the Center Region. The data used for capturing these dimensions has been of statistical nature.

For the demographic characterization of the Romanian rural area the following indicators will be used:

- number of inhabitants in rural areas;
- birth rate, mortality, respectively the natural increase in rural areas;
- share of rural population by age group;
- share of rural population by the completed educational level.

For the human resources characterization of the Romanian rural area the following indicators will be used:

- active population (number of active population, active population structure, activity rate, dependency rate, maintenance rate);
- employment (employment number, employment structure, employment rate);
- unemployment (unemployment number, unemployment rate);
- inactive population (the rate of economic dependency, the rate of maintenance).

RESULTS AND DISCUSSION

With a rural population of 1.024 thousands persons, registered at 1st of July 2009, accounting for 10,62% of Romania's population, the Center Region falls on the 6 place among the 8 development regions of Romania.

The rural population represents 40,57% of the total population of the Center Region, the counties that have predominant rural population (of the total population) being Harghita (56,3%) and Covasna (50,0%); the counties that have the smallest share of rural population, within total population, are Braşov (26,3%) and Sibiu (33,0%).

The Center Region confronts with an accelerated process of population aging (low birth rate – 11,8%, high mortality 13,0‰) which generates a negative natural increase - 1,2‰. From this point of view, there are some important differences between the components counties of the Center Region – the lowest natural increase is found in Alba county (-6,5‰)

and among the counties with the highest natural increase there are Braşov (+2,6‰) şi Sibiu (1,8‰) counties.

In terms of the rural population's participation at the economic activity, in 2009, the following situation was present:

- the total rural population was 1.024 thousands persons, out of which:
  - rural active population - 397 thousands persons, which represents 8,92% of the total rural active population of the country;
    - employment - 354 thousands persons, which represents 8,41% of the total rural employment of the country;
    - unemployment - 43 thousands persons, which represents 18,07% of the rural unemployment of the country;
  - rural inactive population - 627 thousands persons, which represents 12,06% of the inactive population of the country.

Table 1: Rural population's participation at the economic activity, during 2000-2009, Center Region

- thousands persons

	2000	**2003**	**2006**	**2009**
Rural population	1044	1042	1016	1024
Active population	507	415	401	397
Employment	491	399	361	354
ILO unemployment	16	16	40	43
Inactive population	537	627	615	627

Source: Romania's Statistical Yearbook 2010, NIS

The rural population, during 2000-2009 period, had a slightly decreasing trend (-1,92%), but the main problem was the important decrease of the active population (-21,70%) while the inactive population gained ground (+16,76%).

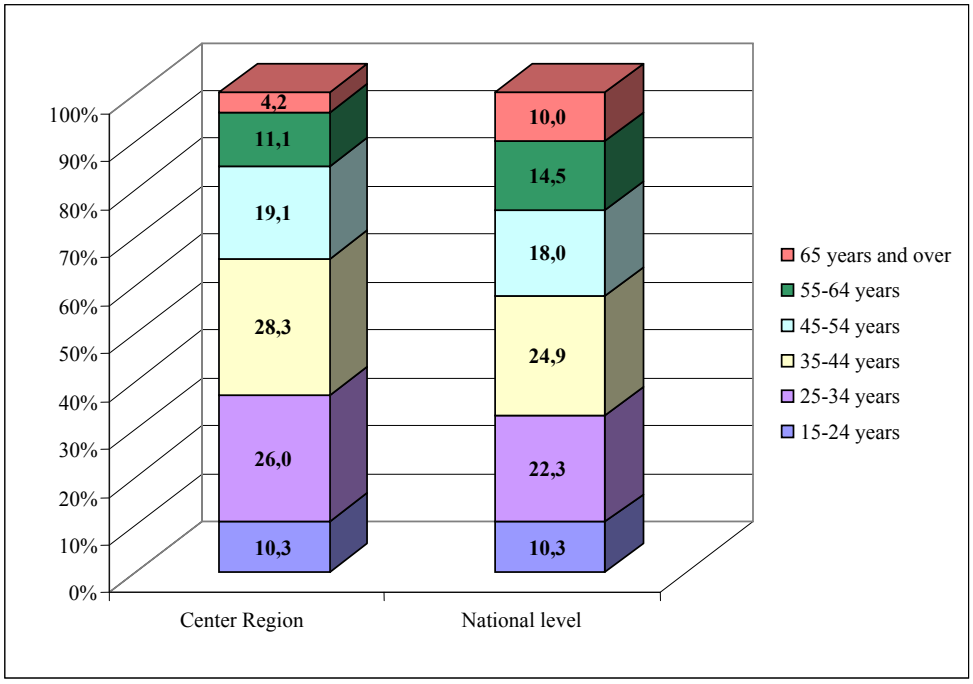
The structure of rural employment, by age groups, reveals the following situation for the Center Region:

- the age group that has the largest share within employment is 25-34 years (total rural: 26,5%, agriculture 18,3%, industry 32,6%, services 30,8%);
- the next age group that concentrate a large part of rural employment is 35-44 years (total rural: 26,0%, agriculture 22,5%, industry 28,6%, services 27,7%);

- next follows the age groups 45-54 years (20,5% - total rural); 15-24 years (11,1% - total rural), 55-64 years (10,9% - total rural) şi 65 years and over (5,0% - total rural).

Graphics 1: The structure of rural employment, by age groups, Center Region, year 2009

%



Source: Romania's Statistical Yearbook 2010, NIS

During the 2003-2009 period, the structure of rural employment, by professional status* has been subject to some changes, at the level of the Center Region:

- *Employee* is the main category present in the Romanian rural area, in terms of professional status. The number of employees has risen both at numeric level and as share within the total rural employment

* For the Employers category, the statistical data is not fully complete in regards to their number.

– from 192 thousands persons in 2003 to 208 thousands persons in 2009, respectively from 48,1% to 58,8%. The share of rural employees from the Center Region (58,8%) is higher than the national level one (38,1%). A rise of the number of rural employees is registered also at national level, from 1.489,7 thousands persons in 2003 to 1.604 thousands persons in 2009, respectively from 32,7% to 38,1%.

- *Self-employed* represents the second largest category, in terms of professional status, but in this case, there was been a decrease at the level of the Center Region – from 147 thousands persons in 2003 to 103 thousands persons in 2009, respectively from 36,8% to 29,1%. The share of the self-employed, at the level of the rural areas from the Center Region, is 29,1% while the national level one is 36,0%.
- *Unpaid family worker* represents another important category, in terms of professional status, but counts for only 11,0% of the total rural employment from the Center Region, while the national level share is of 25,1%.

Table 2: The structure of rural employment, by professional status, from the Center Region, during 2003-2009 period

	2003		**2006**		**2007**		**2009**	
	Thou. Pers.	%	Thou. Pers.	%	Thou. Pers.	%	Thou. Pers.	%
Total	399	100	361	100	371	100	354	100,0
Employee	192	48,1	203	56,2	209	56,4	208	58,8
Employers	3	0,8	*	*	*	*	*	*
Self-employed	147	36,8	101	28	112	30,1	103	29,1
Unpaid family worker	56	14	52	14,4	45	12	39	11,0
Other unspecified	1	0,3	5	1,4	5	1,5	4	1,1

Source: Romania's Statistical Yearbook 2010, NIS

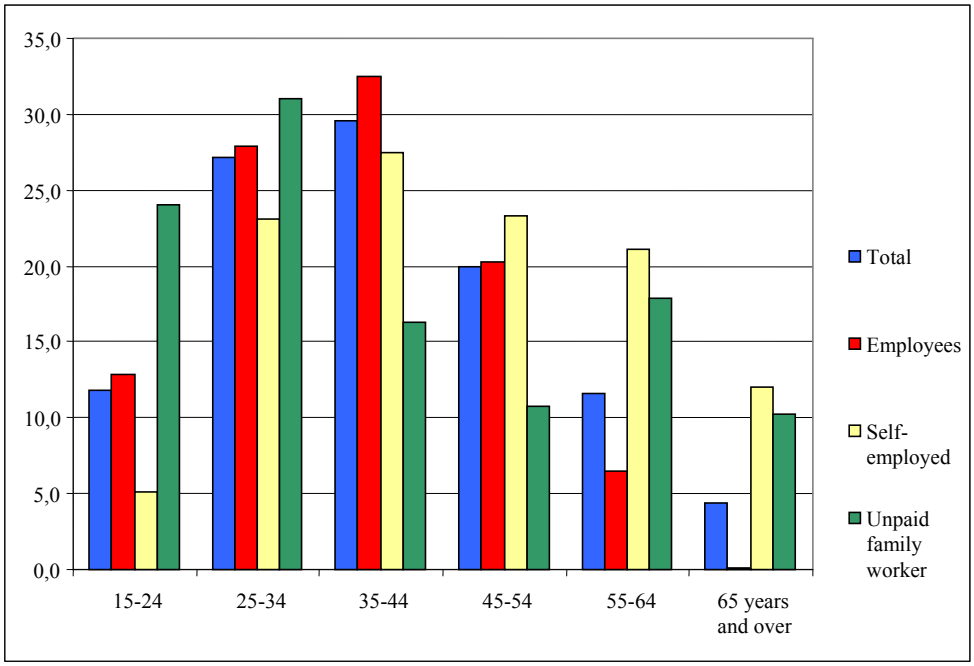
* The data calculated by extension are not reliable because of the low number of observed cases (NSI observation)

The age groups that concentrate a large share of the rural employment, in terms of professional status, in the Center Region, are:

- Age group 25-34 years which concentrates a large number of unpaid workers – 31,0%, employees – 29,9% and self-employed workers – 23,1%;
- Age group 35-44 years which concentrates a large number of employees – 32,5% and self-employed workers – 27,4%;
- Age group 15-24 years which concentrates a large number of unpaid family workers – 24,0%.

Graphics 2: The share of rural employment, by professional status and age groups, Center Region, year 2009

%

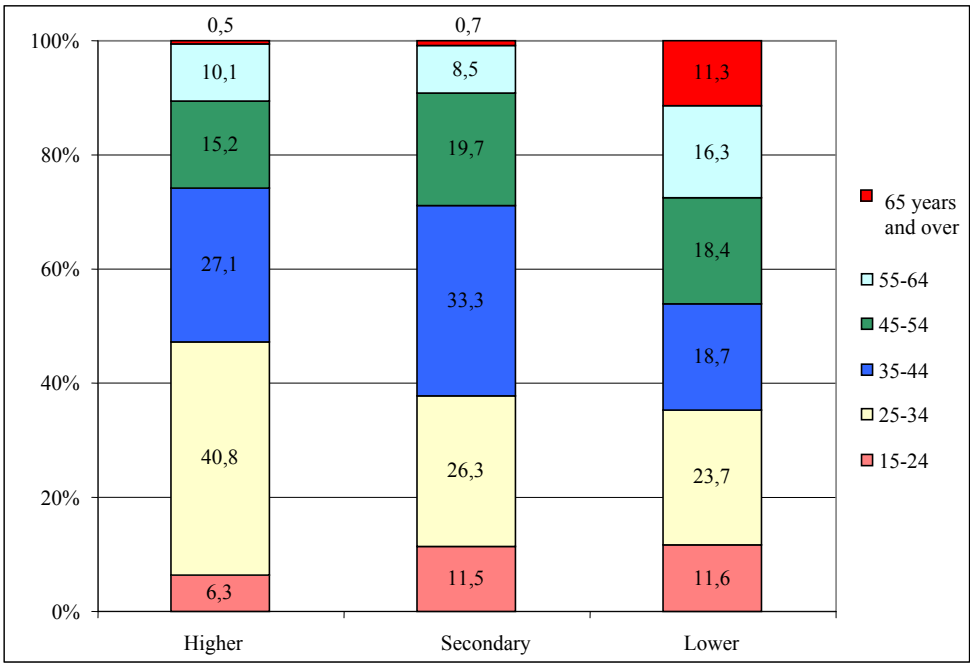


Source: Romania's Statistical Yearbook 2010, NIS

In terms of the training level, rural employment from the Center region, in comparison with the national rural employment, has a higher educational level:

- Higher education - 4,2% of the rural employment in the Center Region, versus 3,2% at national rural level;
- Secondary school - 63,0% of the rural employment in the Center Region, versus 51,3% at national rural level;
- Lower education - 32,8% of the rural employment in the Center Region, versus 45,5% at national rural level.

Graphics 3: The share of rural employment, by educational level and age groups, Center Region, year 2009



Source: Romania's Statistical Yearbook 2010, NIS

If we take into consideration those that have lower educational level, the share of the rural employment – that graduated the primary educational cycle or has no education at all – represents 7.9% in the Center Region, versus 11.21% at national rural level, which constitutes an advantage over the other development regions from Romania.

If we consider also the age of the rural employment by the training level we can observe that most of those who have higher educational level

fall under the 25-34 years (36,0%) category and those who graduated secondary school under the 35-44 years (31,9%) category, which roughly is also true at national rural level.

CONCLUSIONS

The level of regional competitiveness has fallen below the national average, which generates consequences over the standard of living of the region's population that has fewer resources in comparison with the national average and it's subjected to the risk of a reducing standard of living by reference to the population of other development regions.

This situation is determined, mainly, by the demo–occupational imbalances with which the region is confronted and that lead to the contraction of the active population's volume and to the accelerated rising of the depending population's volume. Phenomena like the accelerated aging, the fast diminishing of the active's population contingents and the exponential growth of the depending population's share – composed mainly of people over 65 years – make that the value of economic production made by the region's population is distributed for supporting its hole demographic body.

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