

## **Strategic Alternatives to Agricultural and Rural Development in the Romanian Mountain Area**

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### **Abstract**

I try to summarize herein my studies and concerns for the past five years as vice president of Romania's Commission for Mountain Areas in the field of agricultural and rural development of Romanian mountain areas.

First, I outline the importance of mountain areas to the Romanian economy and their main issues. This leads us to the need of an area development strategy, the objectives of which are also presented. The paper concentrates on defining an "alternative strategic agricultural model" of mountain development. The characteristics of this model are defined as well as the requirements for their implementation. Finally, a few ideas are provided on the methodology used and the challenges to agricultural research and extension for mountain area development. The interdisciplinary approach has been used throughout the analysis.

### **The Importance of Mountain Areas to the Romanian Economy**

The mountain area occupies 79,919.27 sqkm (that is 33.60% of the Romanian territory). The mountain farmland represents 23.8% of all farmland. The farmland and the forests taken together represent more than 92% of the total mountain area. Pastures and hayfields account for 71.62% of all mountain farmland, of which three fourths supports for the mountain livestock production.

The mountain population stands at 3,540,510, that is 15.4% of the country's population with a density of 44.3 persons per sqkm. We can consider the Romanian mountains to be fairly densely populated (there are regions with 80 persons per sqkm). However, there is a strong tendency for out-migration and depopulation. The mountain population in 1996 had declined by 0.40% from 1995 and by 2.04% from 1994. The further back we take our comparison, the higher the percentage. The mountain population is mainly rural. There are about 1,100,000 farm households each of which holds an average of 3.5 ha of land; therefore, mountain farms are very small.

Most of the active population in mountain areas is non-agricultural: forestry provides the main source of employment (60% of the forest land is in this area), followed by mining (almost fully located in the mountain area), and tourism (the vast majority of spas and resorts are in this area, too), etc.

### The Main Economic and Social Issues of Mountain Areas

1. This essentially rural area is also a *disadvantaged area*. There are *natural, economic and social disadvantages*. *Natural disadvantages* including altitude, sloping terrain, cold and moisture, and poor soils are behind low agricultural yields and high costs of agricultural products. This puts mountain areas at a disadvantage in agriculture. *The economic and social disadvantages* are historical. Infrastructure is either underdeveloped or lacking altogether. As a result, mountain rural areas are isolated and have to cope with a lack of communications, low access to information, shortage of transportation of people and goods, all of which takes its toll on economic and social development.
2. The economic crisis (after 1989) slashed jobs in the nonagricultural sector, which resulted in growing unemployment, lower incomes, and the pauperization of the rural population.
3. Mountain agriculture is no substitute for the loss of nonagricultural income, which explains the ever higher pace of out-migration under way; however, with urban jobs in short supply, migration may only lead to higher unemployment as mountain areas become deserted.
4. The above circumstances affect the mountain environment to an ever greater extent. Poverty increases aggression on natural resources, particularly forests and pastures which are overused, as other resources (such as landscape) are underused, unused or misused. With financial resources severely constrained, the scope of afforestation and land improvement has also been curtailed to prevent and control damage by different factors. Occasionally, farmers may heavily use pesticides and other chemicals, leading to soil and water pollution.

Unfortunately, such is the present status of the Romanian economy so that mountain area development is not a priority yet. Reforming other sectors seems to be more important to the Government. On the other hand, a shortage of capital, adequate inputs, education, organization, etc., has actually inhibited development. Yet, we must be optimistic because in these last seven years, the idea of mountain area development has taken root at various levels of society and support for it is growing. Without claiming to be exhaustive, I will only state some relevant facts:

In April 1990, Romania's Commission for Mountain Areas was set up as a central authority, with local subsidiaries in 28 departments (*judets*) with mountain areas in their territory. This public authority has initiated many relevant actions, studies, programs and laws. The draft „Mountain Law“ has been sent to the Government and Parliament for consideration.

Many professional organizations were created including the Romanian Federation for Mountain Development, Dorna Mountain Farmers' Association, the National Association for Rural Environment-Friendly and Cultural Tourism, the Milk Processing and Marketing Cooperative Association of Morareni, Department of Mures and other local organizations.

Many training programs for agricultural workers, engineers and farmers were implemented with French Government assistance. Two years ago, CEFIDEC - The Center for Training and Innovation in the Carpathians - was established to provide training to mountain residents. Three major agricultural cooperative development programmes were undertaken jointly with the German Government and professional organizations from Holland and Switzerland. AFRODA (Romania-France Association for the Development of Agriculture) has been active

in three departments: Alba, Cluj and Sibiu. Graduate schools and university programmes on mountain farming were created to train specialists in this field.

*In the scientific field:* The Mountain Area Research Institute was created in 1991 with mountain areas in the focus of its research programs and mountain-oriented system research as its technique, which is not the case yet. A recent symposium organized by the Romanian Academy has shown the extent to which the systemic method should be developed in mountain area research. This is a major point at issue now and the Romanian Academy has initiated the creation of a Department for interdisciplinary research in agriculture that will include mountain areas too.

### **In Search of “Models” or Strategic Alternatives to Mountain Agriculture and Rural Development**

The Romanian Commission for Mountain Areas - a public structure that was created in April 1990 - initiated study and research programs in the early months of its activity, which provided the basis for the formulation of a mountain development strategy and comprehensive programs for action in this field (1). *The objectives of this strategy* are summed up below :

1. To decrease and even stop outmigration from mountain areas to keep them inhabited. It seems to us that it is far less expensive to help the population stay put rather than reverse the trend.
2. To promote sustainable agriculture and rural development in the mountain area that would ensure: (i) appropriate use of mountain resources; (ii) more jobs to the population of working age as mountain farms increase production and extend the range of their activities to rural tourism and agritourism, the processing of agricultural raw materials on the farms or in cooperative associations in an effort to add more value to their output; (iii) the development of rural infrastructure; (iv) the diversification of activities at household and village level.
3. To ensure environmentally/friendly behavior of all mountain people, all entrepreneurs and all visitors of mountain areas, by: (i) promoting sustainable farming; (ii) promoting rural tourism and agritourism rather than conventional tourism which requires restaurants, hotels, etc.; (iii) pursuing comprehensive afforestation and land improvement programmes to control soil degradation; (iv) developing agri-forestry systems in order to ensure good use of natural resources; (v) educating the people in an effort to make them protect the environment; (vi) launching pollution-control programs in the mountain area, etc.

We have seen early on that we need **alternative agricultural and rural development „models“** to implement the objectives of the above-mentioned strategy in mountain areas. So, what kind of „models“ or “alternative models” should we consider?

Undoubtedly, we have the agricultural and rural development of mountain area model of West European Countries in the post-war period. But, a closer look at this model shows it to be hardly adequate to the present conditions in Romania’s mountain areas. This model is characterized by: larger holdings per farm, the specialization of household farms in livestock production, shrinking numbers of farms, fast declining mountain population, environment control, polarization of tourist activities in terms of facilities (hotels, restaurants, ski runs, etc.) which do not stimulate the growth of the local economy, great problems concerning the economic and social infrastructure.

Because of its characteristics, we thought the model was not appropriate for implementation in the Romanian mountain area, at least in the short and medium term. Even Western Countries have recorded well known failures as their mountain population's outmigration reached the point of no return. The financial and material efforts now being made by some of these countries with the very significant support of the European Union are hardly matched by results.

If Romania follows the same course in mountain development, four fifths of the mountain population will migrate to cities and add in all likelihood three million more to the current numbers of jobless and lay-offs over the next few years when economic reform is expected to gather momentum.

***At present a combination of factors, namely (i) the agricultural population's strong demand for employment outside the sector, (ii) lack of capital and (iii) unemployment prevent a rapid change of agricultural patterns in mountain areas.***

In Romania, most of the mountain holdings were not collectivized, which explains the prevalence of *household farms* and *farmers* in the mountain area. What is needed now is to help these household farms improve their efficiency, modernize and develop, a process which can begin in the mountain area more quickly than elsewhere in the country. ***Therefore, the Romanian model of agricultural and mountain area development must be based on the quantitative and qualitative improvement of production and services to keep the population in the area.*** This model should be an „***alternative agricultural model***“ outlined below:

1. This alternative agricultural model calls for adequate mountain area technologies. This in turn requires great efforts in several fields:
  - (i) research:* agronomic research has so far paid particularly attention to technologies appropriate for lowland areas. Now, the “Mountain Area Research Institute”, which was created in 1991, must design and implement an integrated research programme to recommend to mountain farmers all technical and managerial solutions. This can only be an oriented research system;
  - (ii) industry and marketing:* the upstream industries and marketing sectors must provide all necessary inputs for small farm production intensification, modernization and development;
  - (iii) policy-making:* economic and social policies must be formulated which can support the development of mountain farms; such policies have already been designed and await enactment by Parliament to regulate subsidies, credit, special conditions granted to mountain farms, etc.;
  - (iv) extension and training, etc*
2. This model cannot exist unless upstream and downstream sectors are integrated into an ***agricultural cooperative system***. In this respect, western experience is particularly valuable.
3. This model involves the creation of new jobs in the agri-food business, forestry, rural tourism and agritourism, etc., accompanying the development of mountain areas.
4. This model provides for nonagricultural incomes to mountain farmers in addition to agricultural incomes.

5. This model helps maintain a satisfactory level of population in mountain areas which will justify the development of infrastructure and ensure the preservation and protection of the environment.

As it can be seen from these characteristics THIS IS NOT ONLY AN AGRICULTURAL DEVELOPMENT MODEL BUT ALSO A RURAL DEVELOPMENT MODEL

This alternative agricultural and rural development model cannot be implemented unless the following conditions are met:

1. Government policies are pursued to support agriculture and rural development in mountain areas.
2. Professional and business structures are created to organize both upstream and downstream sectors in order to:
  - supply farm inputs;
  - process and market agricultural products with profits accruing to the farmers as well;
  - protect farmers against upstream and downstream monopolies;
  - forge new relationships between farmers and agricultural specialists by administrative and advisory measures as part of an extension system yet to be organized;
  - make rural finance services available and implement special mountain farm support policies including the “compensations for disadvantages”.
3. A “MULTIFUNCTIONAL” role is designed for the mountain village to help it fulfill the following objectives:
  - to diversify mountain area activities;
  - to create more jobs;
  - to ensure a range of activities at the mountain farm and village level;
  - to foster technological progress in small farms and their organizations;
  - to promote local development projects, etc.
4. to increase commercial production in an effort to raise incomes.
5. to create small processing units in mountain communities or mountain regions. Such units should operate as cooperative systems. Integrated agrifood chains may also:
  - give additional incomes that will increase the purchasing power and the self-financing capacity of the mountain population;
  - stimulate farm productivity;
  - create new jobs and promote new activities;
  - supply environment-friendly agricultural products.

### **The Methodology for the Definition of an Alternative Strategic Model**

The methodology used to define the alternative strategic model was very complex and developed in stages.

In the first years of work of the Romanian Commission for Mountain Areas (1990-1993), many studies and projects were undertaken in mountain regions by local research and design institutes. The themes of these studies and projects were very diverse. They included: agricultural production (land, inputs, agricultural inventory, technologies, crops, livestock, conventional products, etc), agricultural markets, supply of inputs and consumer goods to farmers, extension, social problems (population, the structure of activities by sector, income, health status, educational achievement, employment, migration to and from the area), infrastructure, local resources (natural, materials, capital, labour), traditional non-agricultural activities.

In 1992, we began to make regional development programmes for various mountain regions. These programmes were so designed as to allow complex and integrated rural development.

At the same time, we began farmers' and agricultural engineers' "training for development" at the village and community level in some mountain areas. As part of this action, monographs of a number of villages and communities were written and surveys of several hundred farms were conducted. The monographs but particularly the surveys were concerned with three main fields: technological, economic and sociological.

### **Some Ideas on Challenges to Agricultural Research and Extension in Relation to Mountain Area Development**

As I have mentioned above, a special Mountain Area Research Institute was established in Romania. The objectives of its research in mountain area development are yet to be clearly defined.

On the other hand, several pilot programmes financed by the World Bank and the EU-PHARE Programme are under way in this country in an effort to put in place an extension service in agriculture and rural areas. In other words, everything has only just begun, and it is very important to put things on the right track.

Along the same line, it seems to me that no less important is to begin making an inventory of the sciences which must jointly be involved in the formulation of the scientific basis of mountain area agriculture and rural development. This list cannot be compiled before a critical analysis is made of the issues of mountain areas.

Eventually, each scientific discipline called upon to help solving the issues should see if solutions have been supplied by earlier research or if further research - whether basic or applied - is needed. At this stage, it seems important to determine the extent to which further research or action is required for both agriculture and rural development or development only. It is very likely that both are necessary, in which case a "Research and Development Programme for Mountain Agriculture and Rural Areas" is required.

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