

RURAL ENTREPRENEURSHIP AS A FACTOR OF DEVELOPMENT IN TIMIS COUNTY

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Abstract: Currently, through policies at European level and through programs and measures adopted at national level, the aim is to reduce urban-rural disparities. In Romania, entrepreneurship in rural areas was encouraged through numerous programs aimed at facilitating the diversification of the rural economy and implicitly, the development of the rural area. The purpose of the paper is to analyze the rural area of Timis County in terms of the number of existing companies and the main areas of activity, thus outlining a succinct picture of the diversity of business in the rural area.

Key words: entrepreneurship, development, rural.

INTRODUCTION

Rural entrepreneurship is the process of identifying business opportunities and developing them in rural areas to improve economic, social and environmental conditions among local communities [2]. In the specialized literature we find a multitude of definitions. Rural entrepreneurship is defined as a process by which rural individuals take the initiative to create enterprises based on local resources, helping to reduce the gaps between rural and urban areas [3,8,9].

Rural entrepreneurship is an essential tool for the sustainable development of rural areas, allowing the diversification of economic activities, increasing incomes and reducing dependence on agriculture [1,4]. Sustainable entrepreneurship contributes to the transition to a green economy, creating opportunities for local businesses that reduce environmental impact and improve quality of life [5,6,10,11]. Rural entrepreneurship focuses on the creation of sustainable enterprises in rural areas, using innovation and the involvement of local communities to support socio-economic development [1,12]. Rural entrepreneurship is defined as any form of entrepreneurial activity that occurs in rural areas, including both agricultural and non-agricultural initiatives such as rural tourism or manufacturing [7].

So, rural entrepreneurship involves the creation of new small businesses that harness local resources, skills and opportunities in the countryside. Through its contribution to reducing poverty, slowing or stopping migration to urban centers, and strengthening local economies in a sustainable way, rural entrepreneurship can be said to be a key factor in rural development.

The main fields in which rural entrepreneurs operate are agriculture, food processing, handicrafts, tourism, small-scale manufacturing. The trends in the modern economy have also been felt in the countryside and today we witness the development of rural entrepreneurship in areas such as renewable energy, technology, e-commerce or environmentally friendly businesses. Rural entrepreneurship contributes to the general improvement of living standards within rural communities through its effects such as job creation, income generation, stimulation of local markets, etc.



Figure 1. Rural entrepreneurship contribution to development

Source: own construction, 2024

MATERIALS AND METHODS

The study employs a qualitative research design, focusing on secondary data sources, including publications, reports, and databases. The methodology is divided into two major components: literature review and data processing. The literature review focus on gathering, analyzing, and synthesizing existing knowledge, while data processing focuses on organizing and interpreting data extracted from secondary sources. The established methodology ensures that the review of literature and data processing are carried out systematically, providing a reliable foundation for insights and conclusions.

RESEARCH RESULTS

In Timiș county, rural entrepreneurship represents an essential engine of economic and social development. As the largest county in Romania and an important economic pole of the Banat region, Timișoara combines a diverse and fertile rural area with natural resources, cultural traditions and significant development potential. The role of rural entrepreneurship in the county is particularly important, having an impact on the local economy, demographic balance and increasing the quality of life.

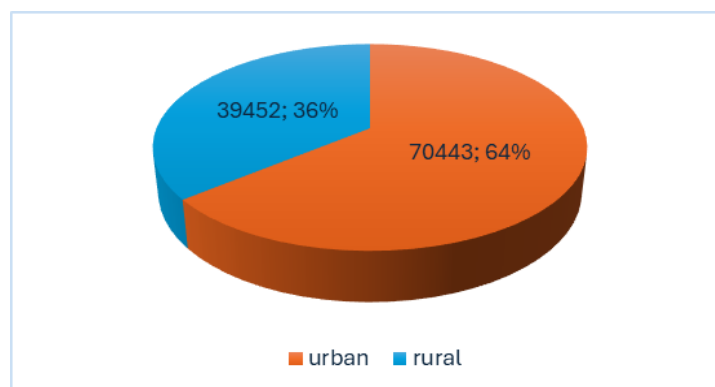


Figure 2. Firms registered in Timiș county

Source: www.listaфирme.ro, 2024

At the level of Timiș county, in September 2024, 109,900 companies were registered as having their headquarters in Timiș county [13]. Of these, most are in the urban environment, but the rural environment hosts an important percentage of the companies within the county (figure 2).

The effects of rural entrepreneurship in Timiș county radiate in several directions (figure 3). The development of the local economy is impacted by the exploitation of natural resources, Timiș County having the largest agricultural area, a fact that has attracted a considerable number of entrepreneurship in agricultural activity, both Romanians and foreigners.



Figure 3. Effects of rural entrepreneurship in Timiș county

Source: own construction, 2024

According to Timiș County Agriculture Directorate data, 95% of investors are interested in big culture [14]. An important place in local entrepreneurship is also held by the production of traditional products (cheeses, oils, honey, processed meat) that add value and stimulate the local economy.

Within the county, there is a diversification of the rural economy due in particular to supporting the diversification of activities in the rural environment through various national programs implemented recently. Thus, Entrepreneurs from Timiș are involved in non-agricultural activities, such as the production of renewable energy (photovoltaic parks and biomass), small processing units and services, contributing to the growth of the local economy and reducing dependence on agriculture.

In support of Timiș entrepreneurs comes the immediate vicinity of the county with Hungary and Serbia, a fact that facilitates unique opportunities for rural entrepreneurs to enter the international markets with agri-food products, renewable energy or handicraft products.

Creating economic and business opportunities in rural areas encourages young people to stay in their home communities and invest in local development. The development of rural entrepreneurship in Timiș attracts investors, professionals and families who want to live in quieter areas but connected to economic opportunities. Rural entrepreneurs play a crucial role in the preservation and promotion of Banat traditions through the production of authentic local goods: artisan textiles, food products, ceramics, etc.

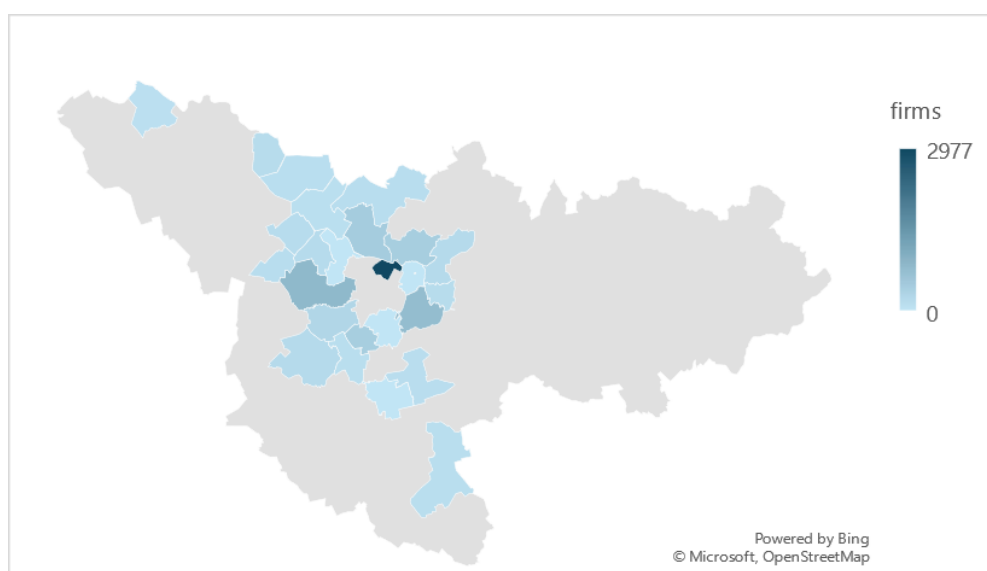


Figure 4. Villages with over 100 firms in Timiș county

Source: www.listafirme.ro

The village of Charlottenburg or other picturesque towns are examples of areas that attract tourists for authentic experiences, contributing to the growth of agritourism. Rural entrepreneurship also supports the growth of tourism in the region, promoting guesthouses, tourist farms and cultural activities that highlight the specifics of Banat.

Entrepreneurs from Timiș county benefit from support through European funds, such as those from the National Rural Development Program (PNDR) or PNRR, which support the modernization of farms, the development of small businesses and the diversification of the rural economy.

CONCLUSIONS

Rural entrepreneurship is a critical tool for driving economic growth, reducing poverty, and fostering social transformation in rural areas. By tapping into the untapped potential of rural regions and overcoming existing challenges, rural entrepreneurs can create sustainable businesses that benefit their communities and contribute to national development. With the right support from governments, institutions, and private sectors, rural entrepreneurship can lead the way toward a more inclusive and balanced economic future.

Rural entrepreneurship in Timiș County plays a vital role in economic growth, reducing urban-rural disparities and improving the quality of life in local communities. By exploiting local resources, preserving traditions and promoting sustainability, rural entrepreneurs contribute to the creation of a dynamic and attractive rural environment. With adequate support, this sector can become a significant force in the development of the county and the Banat region.

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