

## THE IMPACT OF THE CURRENT SITUATION ON THE DEVELOPMENT OF NON-AGRICULTURAL ACTIVITIES IN RURAL AREAS SITUATED AT THE BORDER OF SIBIU

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**Abstract:** *In present times, the problem of rural development has dimensions and national and international importance, which emphasizes the complexity of the issue of the rural economy. The topic chosen is based on a comprehensive theoretical and practical investigation addressed to the phenomena and processes of economic, social and environmentally sustainable development in order to achieve the appropriate development policies needed to protect the environment which is essential. The study is a contribution to the current concerns for ensuring a sustainable development of rural development, addressing the issue of integration of main activities (agriculture, aquaculture, fisheries and forestry) with activities in other areas and diversification of them. The results are likely to lead to the establishment of strategic options for the development and diversification of activities in rural areas based on their own characteristics and features.*

**Key words:** *business, development, economic, rural, strategic and sustainable.*

### INTRODUCTION

The rural area is a particular aerial, with much specificity to each area for which its sustainable development is considered an extremely complex and highly current topic. Its purpose is to provide a "state of balance between the requirement of preserving the material and spiritual needs of the countryside and its modernization trend" (Nistoreanu at al., 2009). For this it is important to provide a research on the areas. This is a current problem from 1938, and the words of the famous sociologist Dimitrie Gusti said then are as current even nowadays: "In the current era of intense organization of our nation, the research of the Romanian reality is particularly needed. Actions effectively require thorough documentation ... I'm sure that only diagnoses based on research of the kind undertaken by research teams can provide the necessary documentation for drawing a total plan of organization of national life" (Gusti, 1938).

Research of the rural areas needs to emphasize the specificity and lead to the development of a large number of activities, of multiple activities respectively which means achieving economic diversification of activities in rural areas and creating a diversified structure of the rural zone (Bold at al., 2003).

In this context, integrated rural development emerged as one of the most promising alternatives to adoption and formulation of policies and development strategies as a policy aimed at: reducing the gap between urban and rural life and reduce disparities between different income groups (Zaman, 1978). Integration is a complex process that fundamental qualitative changes in the society through the creation and development of ties of interdependence between sectors, industries and activities within a country and between economies of different countries or groups of countries. Integration is the formation of modern economic structures, and is characteristic to the contemporary era.

The context in which the rural development is achieved is the one of manifestation of an interest by the European Union, embodied in its policy and strategy accordingly (Săvoiu at al., 2007). Rural development is a strategy that aims to set targets aimed at economic vitalization of rural areas and thus to achieve reaping the benefits of the rural economy and to expand as benefactions of those whose future is linked to the search of

livelihood in rural area (Iagaru, 2011). The "Key element" of the integrated approach is to develop large and complex programs for rural development (Vincze, 2000).

## MATERIALS AND METHODS

Data collections during the field research have used a variety of tools. It began with a questionnaire - quantitative research tool, whose completion is based on existing quantitative data at LAU2 level (common) taken from various sources (official statistics at a LAU2 level, statistics on local businesses territorial development plans, monographs, research, studies, projects, data on population, land use mode). This information was supplemented with primary data following the deployment of a process of collecting their information for items not covered by official documents. There were obtained some information showing a realistic picture, but not on issues encompassing economic diversification in rural areas investigated and their integration (Iagăru, 2012).

## RESEARCH RESULTS

Rural non-agricultural activities conducted in Sibiu Depression have recorded a considerable number belonging to different domains. These include both production and services belonging to both handicraft cooperatives and companies, etc. and to private producers. The food industry is a traditional industry whose evolution reveals both a high share among the processing units (30% of total manufacturing units) and also a slight increase in 2010 (32 units) compared to 2007 (27 units).

It follows that the processing of primary and secondary agricultural products (milling, baking, dairy, etc..), is present in almost every rural community to meet the needs of the population (Moga et Rădulescu, 2003). "Other enterprise of manufacturing represented in rural areas of Sibiu Depression belong to the category of: Wood, products of wood and cork, except furniture (23 specialized units), concentrated in Sadu (7) and River Mouth (6); manufacture of articles of straw and plaiting materials (14 specialized units), six in common Selimbar; clothing and specialized in the manufacture of other non-metallic mineral products (12 specialized units), six units in common Selimbar.

Metallic construction and metal products industries, except machinery and equipment in rural areas of Sibiu Depression is quite well represented in that in 2010 it was operated with a total of 45 companies specialized in this kind of activity which means a substantial increase of 17 companies compared to the year 2007 (28 companies). Construction is one of the most developed activities in rural areas of Sibiu Depression, mainly due to the microregion typology - basic factor in rural development - and because of the start of the modernization process and its conservation. The number of companies specialized in this kind of activity is quite high reaching 127 units which means 11.6% of total enterprises in the rural areas investigated.

Trade is the largest economic activity in rural areas of Sibiu Depression, and the share of this kind of enterprises, companies reaches 26.75% from a total of all enterprises in rural areas. Evolution of enterprises specialized in commerce and trade was positive in rural areas of Sibiu Depression, their number grew from 234 in 2007 to about 280 businesses in 2010. Transports in Sibiu Depression in rural areas are well represented as an economic activity both numerically and valorically, recording a positive development from 49 companies in 2007 to 76 companies in 2010.

The tourism sector in rural areas of Sibiu Depression recorded in 2010 compared to 2007 an increased both of the number of units specialized in such activities (from 64

companies in 2007 to 77 companies in 2010) as well as in the annual business. It can be said that in many rural areas, tourism has become an essential part of the economy even though many times this is not clearly observed (Pender et Sharpley, 2005).

Companies specialized in communications and information have failed in development and proper diversification, but the prerequisites to achieve this in the near future exist, in the year 2010 these enterprises reached 12 units, the most developed being the editing and service information technology. Services in the banking sector and insurances give an improved security in the rural areas studied, in 2010 there were a number of 12 companies specialized in such services, the most numerous being the category of Financial and insurance auxiliary activities and pension funds.

Businesses specializing in real estate transactions highlight a lively activity, the number of this kind of businesses is one that has achieved significant level in 2010, one of 25 units. Legal and accounting services, administrative centralized management and management consulting, as well as architectural and engineering can be found in half of the villages and have recorded a total of 10, 15 and 21 units. Administrative services and support services, education, health and social assistance, arts, entertainment and recreation and other types of services are in a more limited evolution and unevenly distributed.

Diversification into non-agricultural rural activities reflect forces that push (push) or pull (pull) that manifest at the household level and is a way out of poverty or a survival strategy (Davis at al., 2007).

## CONCLUSIONS

From the statements above it follows that the image of SMEs in rural areas of Sibiu Depression is positive oriented towards development and diversification with increased tourism and agro tourism activity, without failing capitalization of an important tourism potential of the basin.

Also the results show relatively good ability of local decision makers factors to guide the rural economy by developing and integrating business activities, but this action is only in its infancy and is evolving very slowly.

Revenue generating activities, which creates alternative framework for rural development, is highlighted by designing and implementing strategies that lead to a pronounced diversification of activities and their integration in the rural economy of the area investigated.

Diversification of the rural economy, creates the possibility of increasing rural income and economic viability of rural organizations, and promotes both local consumption of goods and services and the provision of specific services and can function as a strategy of rural economic organizations to manage risk and counter existing threats in their action.

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