SPECIFIC ASPECTS REGARDING THE DEVELOPMENT OF THE AGRICULTURAL SECTOR IN THE WESTERN REGION OF ROMANIA

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Abstract: *Romania's accession to the European Community has facilitated access for economic entities to international financing. One of the economic sectors that benefited from these external sources of financing was the agricultural sector. In Romania, the agricultural sector amounted to nearly 86 billion RON in 2018, a substantial increase of 88.66% compared to 2007. The purpose of this article is to observe, during 2007-2019, the evolution of the main indicators that characterize the agricultural sector in Romania, focusing on the situation of the Western region of Romania. The main conclusions of this article highlight the effect of European funds on the development of the agricultural sector in the western region of Romania.*

Key words*: agriculture, Romania, Western Region of Romania, agriculture production.*

INTRODUCTION

The agricultural sector is an important branch of the national economy, having multiple functions: from biological function to economic activity, from the ecological factor of environmental protection to the factor of diminishing desertification, to tradition and culture [3,8,15].

Agriculture is defined mainly by the cereal production sector, field production, but also in the livestock sector. The evolution of agricultural production is approached in multiple studies [4,5,6,7,12] focusing on the situation in Romania.

On the other hand, agriculture is a safety net for the rural population on the one hand by providing prosum, and on the other hand by reducing unemployment [13,14,17]. However, technological development and the use of techniques to optimize agricultural production lead to a reduction in the number of people engaged in agriculture [1,9,16].

The study conducted by Dachin [11] shows the volatility of the agricultural sector in Romania, suggesting policies to streamline and increase the productivity of this economic sector Ana and Stoica [2] support the importance of the social economy, and Codreanu [10] highlights the role of organic farming in the development of the agricultural sector.

The purpose of this article is the study of agriculture sector in Romania and especially in Western region of Romania by presenting and analysing the evolution of the main indicators regarding the agricultural production between 2007 and 2019.

The paper is organized in several sections. First section introduce the research topic and purpose of the article. The second sections presents the research materials and methods used and the fourth section presents the reseach results. The end of the paper presents the conclusions of the article.

MATERIALS AND METHODS

The present paper aims to analyze the evolution of the main indicators of characterization of the agricultural sector. In accordance with the purpose of the paper, the present research uses specific means of descriptive research. The research methods used in this paper are: the method of bibliographic study, the method of comparison, the method of synthesis and the graphic method. For the analysis of the indicators from the agricultural

sector, the data provided by the National Institute of Statistics were taken over, for the period 2007-2019.

RESEARCH RESULTS

The data represented in Table 1 exemplify the evolution of agricultural production during 13 years. What is worth mentioning is the fact that, although we expected a decrease in agricultural production to be felt in 2008 as a result of the Financial Crisis, however, the maximum percentage decrease is achieved in 2012 in the case of Romania, which records - 16.01% compared to the previous year. The impact is stronger in the case of privately owned companies (-16.3%). In the Western region, the largest decrease is recorded in 2015, in which agricultural production decreases by -12.22%, and in the case of private property the decrease is only 11.59%.

Table 1.

Evolution of agricultural indicators compared to the previous year

	TOTAL		PRIVATE PROPERTY	
YEAR	**TOTAL**	**WEST REGION**	**TOTAL**	**WEST REGION**
2008	40.45 %	24.43 %	41.78 %	27.01 %
2009	-10.55 %	-11.37 %	-10.25 %	-11.14 %
2010	7.55 %	29.97 %	7.67 %	28.83 %
2011	18.71 %	3.29 %	19.33 %	4.34 %
2012	-16.01 %	-6.31 %	-16.30 %	-8.76 %
2013	22.11 %	15.08 %	22.38 %	16.51 %
2014	-5.02 %	-8.74 %	-4.99 %	-6.97 %
2015	-7.75 %	-12.22 %	-7.36 %	-11.59 %
2016	0.87 %	8.33 %	0.94 %	7.85 %
2017	13.19 %	11.42 %	13.30 %	11.69 %
2018	10.01 %	15.03 %	10.05 %	15.98 %
2019	4.22 %	19.52 %	3.46 %	19.09 %
TOTAL EVOLUTION	88.66%	112.19	91.93	120.72

Source: Own computation based on data published by National Institute of Statistics

The maximums show us that the growth period is paradoxically determined by the year 2008 in which the Financial Crisis should have manifested itself. Within Romania we see that there is an increase of 40.45% compared to the previous year and an increase in the Western area of 24.43%. Private property registers an increase of 41.78% compared to the previous year in the country, but we see that in 2008 in the West region, we register an increase of 27.01% registering in 2008 the second highest increase after 2010, when private property in the West region registers an increase of 28.83%.

The overall development compared to the reference year 2007, which is expressed in the last row in the table, tends to indicate a positive increase compared to the production in the reference year. Thus, in the period of 13 years from 2007 inclusive to 2019 we are witnessing an increase of 88.66% of the production in the Romanian Agricultural sector, and an increase of 112.19% in the agricultural sector of the western region. The evolution of private property representing an increase of 91.93% of the Romanian agricultural sector, and an increase of 120.72% of the agricultural sector in the Western area.

From the Figure 1 we notice that in a general way, the evolution of the agricultural sector in Romania but also in the western region is in a continuous growth, but as it can be

observed it has undergone certain oscillations. In the selected period of 13 years, the agricultural sector had an average growth of 6.82% in the Romanian state and an average growth of 8.63% in the western part of Romania. In private property, this increase was 7.07% at the country level and about 9.29% at the Western Region level.

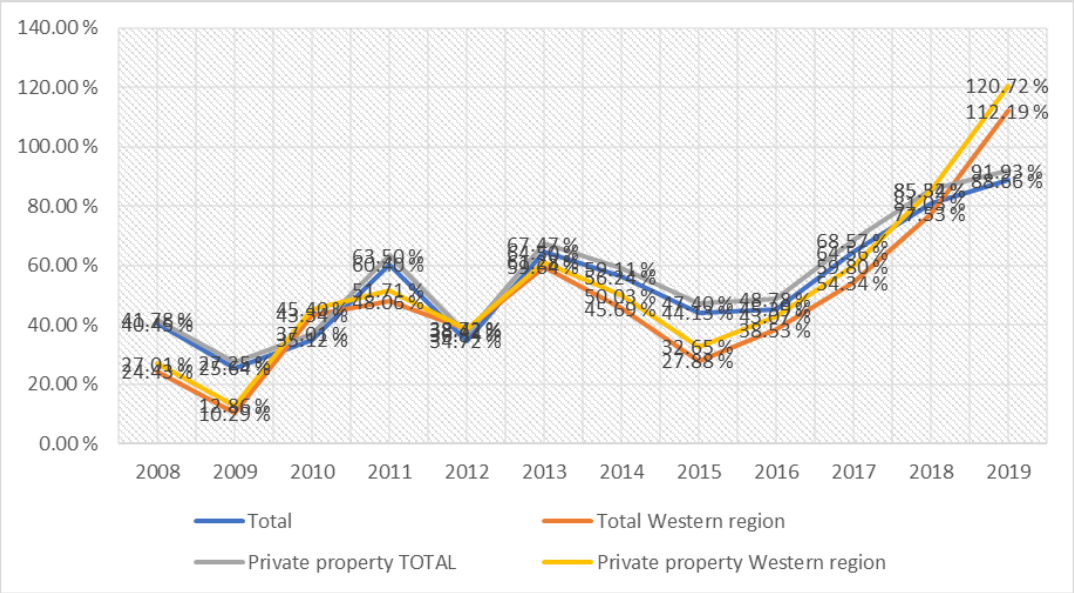

Figure 1. Evolution of agricultural production since 2007

Source: Own computation based on data published by National Institute of Statistics

From the Figure 2 we notice that the total evolution related to the field of private property, in terms of plant production, takes precedence over the total evolution. It can also be seen that the indicator that determines the evolution of private property in the western region takes precedence over the total indicator in the western region. As can be seen, we find the largest existing decrease in 2009 when production in all subcategories decreases significantly.

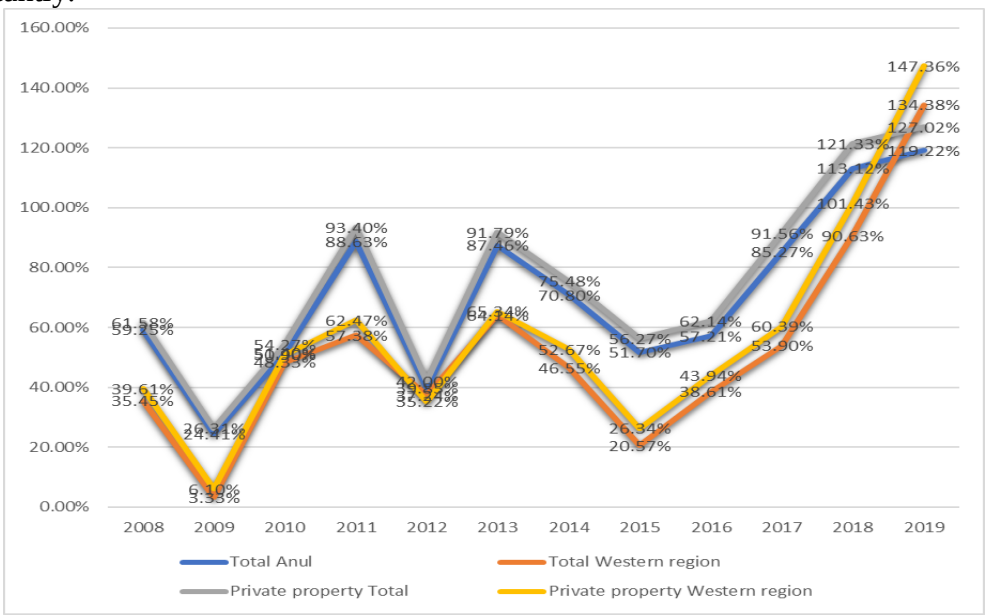

Figure 2. Evolution of crop production since 2007

Source: Own computation based on data published by National Institute of Statistics

With regard to animal production, we can observe that, as in the case of plant production, the evolution of animal production tends to be higher in the field of private

property than in total. In terms of animal production, however, we note that in the western region, the smallest increase is achieved in 2008, both in terms of private property in the western region and in terms of the total in the western region. In terms of the country's total reported, the smallest increase was reported in 2010 (Figure 3).

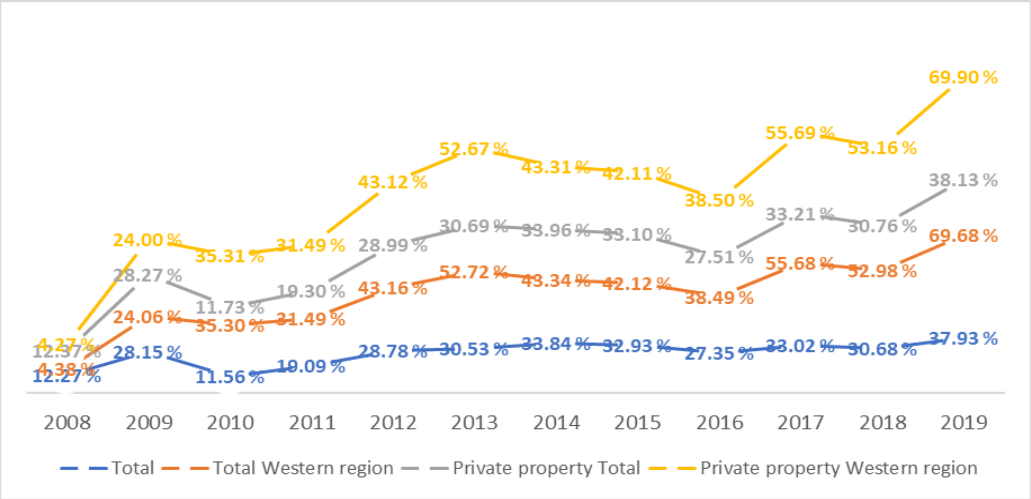

Figure 3. Evolution of animal production since 2007

Source: Own computation based on data published by National Institute of Statistics

The agricultural services sector, in particular the privately owned agricultural services sector, is experiencing one of the largest increases. Compared to the total in 2019, we have an increase of 161.81 percent higher than in 2007 in terms of the total in the country, an increase of 84.44 percent in terms of the western region in terms of the total in the western region, but there are an increase of 186.21 percent compared to 2007 in terms of privately owned agricultural services throughout Romania, and a recorded percentage of 495.93 percent compared to the reference year when we talk about private agricultural services in the western region (Figure 4).

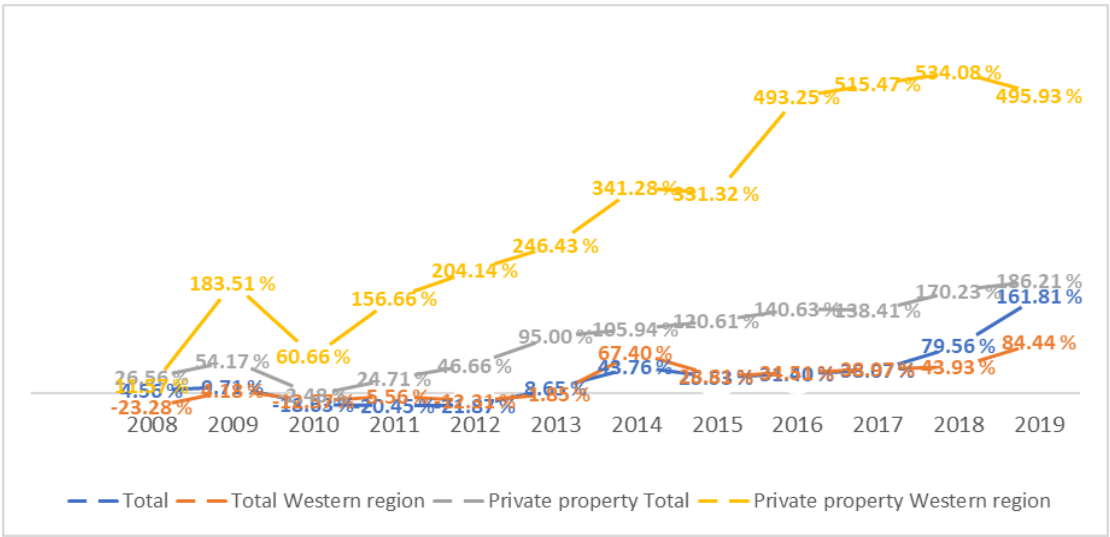

Figure 4. Evolution of agricultural services since 2007

Source: Own computation based on data published by National Institute of Statistics

CONCLUSIONS

The agricultural sector is one of the main pillars of Romania's development, so the developments generated by it must be studied closely. Following the study, there is an increase in agricultural production in the private sector, especially in the west. In the private production in the western area indicates one of the largest increases in agricultural services, this is largely due to the development of the number of new companies indicating a development of entrepreneurship that occurs following Romania's accession to the European space. These developments suggest the need to continue funding programs both from the Romanian government and from European sources to achieve a sustainable development of this sector. Reducing bureaucracy could have a greater impact on the sustainable growth of the agricultural sector and the creation of new economic entities, which would counteract the negative effects of the Covid-19 pandemic.

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