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### Sustainable Rural Development through Promoting Non-Agricultural Activities

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## Sustainable Rural Development through Promoting Non-Agricultural Activities

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### *Abstract*

*In rural Romania the main activity is agriculture, so much of the rural population is occupied in agriculture and earns income from this activity [35]. Due to small areas of agricultural land, lack of agricultural machinery and access to credit, many farms are subsistence. In the new 2014-2020 period, for job creation and for increasing the incomes of the rural population, it is necessary to diversify the activities and promote small-scale businesses [40].*

**Keywords:** *rural space, poor development, non-agricultural activities*

### 1. Introduction

The development of agricultural holdings and non-agricultural enterprises should aim at promoting employment and creating quality jobs in rural areas, maintaining existing jobs, reducing seasonal fluctuations. Both projects that integrate agriculture [5] and rural tourism simultaneously, promoting sustainable tourism in rural areas, and investments in renewable energy sources should be encouraged [10].

The creation and development of new economic activities can be achieved by promoting investment in diversification into non-agricultural activities, including the provision of services to agriculture and forestry. Farmers or members of an agricultural household that diversify their

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activities by practicing non-agricultural activities can receive financial support [21]. To this end, actions to inform and disseminate the results of technological, economic, environmental, climate change and cooperative actions for short supply chains are needed. In addition, the use of innovative technologies and equipment contributes to maintaining viability and a rural economy connected to the present realities.

## **2. Problem Statement**

In order to reduce still existing disparities between rural and urban areas and to create decent living conditions for the rural population, it is necessary to continue the process of village renovation and development of rural infrastructure [14]. Thus, rural areas can be invested in creating, improving and expanding all types of small scale infrastructure, including renewable energy and energy saving investments. [26] Investments can also be made in creating, improving or expanding local grassroots services for the rural population, including leisure, for the maintenance, restoration and modernization of the cultural and natural heritage of villages, rural landscapes and sites of high natural value, including related socio-economic aspects, as well as environmental awareness actions[30].

## **3. Research Questions/Aims of the research**

The existing economic and social imbalances between the levels of development of the different regions of the country, as well as between rural and urban environments, require the adoption of active policies that ensure economic development, social welfare and environmental protection [21]. The orientation of these policies requires a realistic assessment of rural space from the point of view of the available resources, as well as of the favorable and restrictive factors of development [29].

## **4. Research Methods**

This paper aims to provide the theoretical and practical premises for the implementation of rural development policies and to support in the medium and long term the support measures of the communes in Galati County. Specifically, the project aims at hierarchizing the communes of Galati according to their socio-economic potential in order to grant the financial support through sub-measure 6.2 [36]. The communes that currently make up the rural area of Galati county face an inappropriate

degree of basic infrastructure development and are apparently eligible for investment projects. In the elaboration of the theoretical model for analyzing the socio-economic potential of the rural areas, the following criteria were considered: endogenous potential, environmental factors, human capital, technical and urban equipment [37].

From an administrative point of view, Romania's rural area comprises 2861 communes of which Galati County, which includes 2 cities and 61 villages (www.insse.ro). Infrastructure creation is the first step in the local development process, with the idea that access to utilities, goods and / or services increases the attractiveness of the area, so it acts as a "magnet" for potential investors [26]. These criteria influence each other and are operationalized through a set of 25 indicators, namely:

**Table 1.** The set of indicators in the analysis of the potential of rural areas

<p>Criterion 1 - Endogenous potential</p> <ul style="list-style-type: none"> <li>Number of inhabitants</li> <li>Agricultural area</li> <li>Number of animals expressed in UVM</li> <li>The forest area</li> <li>Cultural heritage</li> </ul>
<p>Criterion 2 - Physical-geographic features</p> <ul style="list-style-type: none"> <li>Average altitude</li> <li>Density of fragmentation (flowing water)</li> <li>Area of sites of community importance</li> <li>The share of the forest area in the ATU area</li> </ul>
<p>Criterion 3 - Human Capital</p> <ul style="list-style-type: none"> <li>The population density</li> <li>Share of people aged 15-64 in the total population</li> <li>Share of the population with secondary education (high school + professional) in the total resident population of 10 years and over</li> <li>Number of doctors per 1000 inhabitants</li> <li>Number of teachers per 100 students</li> <li>Share of the population using the Internet in the total population over the age of 6</li> </ul>
<p>Criterion 4 - Economic Activities</p> <ul style="list-style-type: none"> <li>Number of economic agents (SMEs, PFA and AF) per 1000 inhabitants</li> <li>Number of employees in SME, AF and PFA at 1000 place</li> <li>Number of accommodation units</li> <li>Number of arrivals in tourist units</li> <li>Share of farms with a size of over 5 ha in total holdings</li> <li>Share of occupied population in secondary and tertiary sectors in the total employed population</li> </ul>

Criterion 5 - Technical and municipal equipment
Share of water-fueled dwellings in the public network in total conventional dwellings
Share of dwellings connected to sewerage in total dwellings
Share of dwellings connected to the gas network in total conventional dwellings
Density of the public road network

Source: [www.madr.ro](http://www.madr.ro)

## 6. Discussions

We present in the table below the hierarchy of communes in Galați County according to the socio-economic development potential is presented as follows [36]:

**Table 2.** The socio-economic potential in the rural area of Galați County

County	Endogenous potential	Physical-geographic feature	Economic Activities	Technical and municipal equipment	Human Capital	Hierarchy of communes
TULUCESTI	0.61	0.55	0.49	0.38	0.49	0.5003
VANATORI	0.56	0.40	0.47	0.43	0.52	0.4856
LIESTI	0.67	0.59	0.38	0.30	0.48	0.4770
FUNDENI	0.55	0.58	0.49	0.31	0.47	0.4739
IVESTI	0.67	0.64	0.37	0.28	0.47	0.4710
INDEPENDENTA	0.60	0.58	0.37	0.33	0.49	0.4647
UMBRARESTI	0.64	0.65	0.36	0.25	0.4	0.4594
SCHELA	0.52	0.34	0.39	0.50	0.48	0.4551
COSMESTI	0.60	0.60	0.32	0.31	0.49	0.4533
GHIDIGENI	0.63	0.44	0.38	0.37	0.42	0.4495
BRANISTEA	0.56	0.57	0.39	0.26	0.49	0.4456
MUNTENI	0.63	0.45	0.37	0.31	0.46	0.4451
PECHEA	0.68	0.39	0.38	0.23	0.48	0.4437
TUDOR VLADIMIRESCU	0.57	0.60	0.38	0.25	0.48	0.4429
FRUMUSITA	0.62	0.57	0.38	0.23	0.45	0.4417
FARTANESTI	0.64	0.53	0.37	0.26	0.44	0.4415
PISCU	0.59	0.55	0.37	0.22	0.49	0.4377
MOVILENI	0.54	0.67	0.33	0.26	0.47	0.4364
COROD	0.64	0.38	0.40	0.26	0.45	0.4348
MATCA	0.67	0.42	0.32	0.28	0.46	0.4338
FOLTESTI	0.58	0.55	0.37	0.25	0.45	0.4312
MASTACANI	0.62	0.55	0.36	0.17	0.46	0.4260
BUCIUMENI	0.56	0.58	0.34	0.27	0.45	0.4253
BARCEA	0.63	0.48	0.35	0.18	0.46	0.4183

TEPU	0.52	0.42	0.38	0.29	0.45	0.4160
SLOBOZIA CONACHI	0.56	0.47	0.38	0.18	0.48	0.4159
DRAGANESTI	0.61	0.46	0.36	0.15	0.48	0.4156
SUCEVENI	0.55	0.55	0.37	0.25	0.41	0.4145
CERTESTI	0.58	0.51	0.33	0.27	0.42	0.4137
CUDALBI	0.60	0.36	0.38	0.21	0.46	0.4106
BALABANESTI	0.57	0.39	0.35	0.30	0.42	0.4102
GOHOR	0.57	0.40	0.36	0.24	0.45	0.4091
BANEASA	0.57	0.51	0.35	0.23	0.41	0.4066
SCANTEIESTI	0.55	0.51	0.34	0.26	0.40	0.4049
BERESTI-MERIA	0.63	0.39	0.34	0.21	0.41	0.4037
VALEA MARULUI	0.54	0.39	0.35	0.28	0.44	0.4029
BRAHASESTI	0.60	0.53	0.41	0.18	0.33	0.4021
DRAGUSENI	0.66	0.43	0.32	0.22	0.37	0.3999
BALENI	0.54	0.37	0.35	0.28	0.42	0.3972
CAVADINESTI	0.61	0.56	0.34	0.16	0.37	0.3965
OANCEA	0.49	0.53	0.34	0.24	0.42	0.3965
NAMOLOASA	0.54	0.63	0.36	0.17	0.37	0.3950
VARLEZI	0.59	0.40	0.36	0.20	0.37	0.3893
REDIU	0.53	0.40	0.34	0.24	0.40	0.3857
PRIPONESTI	0.58	0.42	0.31	0.20	0.41	0.3849
NEGRILESTI	0.52	0.49	0.34	0.12	0.46	0.3848
BALASESTI	0.56	0.53	0.29	0.22	0.37	0.3830
VLADESTI	0.54	0.54	0.34	0.15	0.39	0.3820
POIANA	0.52	0.52	0.29	0.19	0.44	0.3816
CUCA	0.53	0.41	0.34	0.21	0.40	0.3810
GRIVITA	0.51	0.33	0.32	0.28	0.42	0.3791
RADESTI	0.52	0.44	0.32	0.23	0.39	0.3759
SMULTI	0.52	0.37	0.33	0.18	0.40	0.3638
SUHURLUI	0.46	0.34	0.32	0.22	0.42	0.3559

Source: [www.madr.ro](http://www.madr.ro)

## 7. Conclusions

There is a reciprocal relationship between the infrastructure of an area and its economic development [10]. The development potential of an area is even greater as the infrastructure is more developed. Thus, the construction and maintenance of the infrastructure have a multiplier effect that creates many jobs and boosts economic development [11].

### Criterion 1.

Communes with the small population are located in Oancea, Suhurlui, which also shows a poor distribution of the economic activities associated with the area. Here too, the distribution of agricultural areas,

strongly conditioned by the distribution of relief forms, the communes with the most extensive agricultural areas are those in the plain and hill area, where the topography and the low degree of fragmentation facilitate the unfolding of agricultural activities [38, 31]. Most of the communes have between 2 and 3 objectives included in the cultural heritage. They are also common where they have no objective, and at the other extreme, 5 communes check more than 10 objectives included in the cultural heritage that can be associated with the local tourist potential .

#### Criterion 2.

Density of fragmentation varies depending on the relief and the existing hydrological network, which directly influences the formation of the indicator. Thus, the lowest values are recorded in the communes in the plain area, especially in the Beresti-Meria, Valea Marului, at the opposite pole are the Movileni, Umbraresti.

#### Criterion 3.

The most numerous accommodation units are located in tourist interest areas. Therefore, their frequency is higher in mountain areas and respectively in coastal / delta areas. Among the communes that stand out by high indicator values are Tulucesti; Fundeni.

Looking from the numerical point of view and the distribution of economic agents, there are significant differences in the territorial profile. If the indicator in the central and western localities shows low values, the value of the indicator is directly correlated with the level of economic development of the area, the least common ones being the most affected by the phenomenon of poverty, such as Cosmesti, Matca, Poiana.

Criterion 4. Communes with the highest population density are located in the more permissive areas of the reef and around Galati, Tecuci, where the density is over 74 inhabitants per km. Most communes have a density ranging from 10 to 81 inhabitants / km<sup>2</sup>. Areas where the indicator is the smallest are the least economically developed. Thus, the share of the population with secondary education has lower values in the area of Tecuci being the most affected. Poor workforce quality, in terms of education, negatively influences the development potential of the area. The share of the Internet users has high values, especially in Schela and Hunting villages. Most of the communes (66%) in Galați County have between 10 and 28 economic agents per 1000 inhabitants, which reveals a reduced density, far below the national average.

More than half of the Galati County municipalities have a number of employees in SMEs, PFAs and AFs ranging from 9 to 46 per 1000 inhabitants, which shows an extremely low participation of these agents in job creation.

Approximately half of the communes in Galati have a share of farms over 5 ha in total holdings ranging up to 6%.

#### Criterion 5

The worst represented in terms of existing road infrastructure at the locality level are the communes situated in areas facing constraints caused by relief or other physical-geographic factors. This category includes, in particular, the localities Draganesti, Cavadinesti, Namoloasa. However, a low share of roads does not necessarily represent a poor infrastructure given the specificity of these localities.

Communes Vanatori and Schela are best represented in terms of the number of water-fed homes in the public grid, a situation that is mostly due to the existence of sufficient and affordable water resources, but also to the high level of economic development.

Approximately 31% of the communes are in the lower range in terms of the value of the indicator, or less than 2% of the number of homes fed by water from the public network. The number of communes where the share of households connected to the sewerage network drops below the 5% threshold is extremely high, which reveals that in most of the Romanian rural area there is still a significant deficit in the basic infrastructure. In the 61 communes, over 95% of the dwellings are not connected to the gas network. In this context, the local population is still dependent on traditional ways and means of ensuring minimum living conditions (eg heating of the dwelling).

An important role in the actions of developing local communities is the LEADER program, which promotes local development initiatives and strategies.

The main problems in mountain areas are related to the harmonious and, as far as possible, complementary development of agricultural and non-agricultural activities, plus the supply of labor factors, the ownership and land use structure, the types of use Of the land and the yields obtained, the intensity of the breeding activities and the results obtained, the incomes obtained in different sectors of activity. LEADER encourages rural territories to explore new ways to become or remain competitive, to capitalize on their assets and to overcome the difficulties they might encounter, such as an aging population, low levels of provision Services or absence of employment opportunities.

Thus LEADER contributes to improving the quality of life in rural areas, both of farmers' families and of the wider rural population, addressing rural issues from a global perspective. For example, competitiveness in food production, ensuring a pleasant environment and creating jobs for the local population are mutually supportive and requiring specific skills, appropriate



technologies and services that need to be addressed as a coherent whole through appropriate measures [37]. Cooperation can help LAGs enhance their local activities and enable them to solve certain problems or increase the value of local resources. Information to the rural population can be achieved through the national rural network aiming at: increasing the stakeholder involvement in the implementation of rural development [9]; Improving the quality of implementation of rural development programs; Informing the general public and potential beneficiaries about rural development policy and funding opportunities; Encouraging innovation in agriculture, food production, forestry and rural areas [40].

The measures proposed to achieve the three priority areas 6 - Promoting social inclusion, poverty reduction and economic development in rural areas ensure complementarity and compliance with the AP Ro commitments regarding NRDP funding for: a) Development challenge 2 - People and Society "and thematic objective 8 - Promoting employment and supporting labor mobility, including:

- Creating new small businesses by providing business start-up support to micro-enterprises and small businesses outside the agricultural sector; The development of non-agricultural activities in rural areas. B) the development challenge 2 - "People and society" and the thematic objective 9 - Promoting social inclusion and combating poverty which includes:

- Encourage local development in rural areas by investing in small-scale infrastructure and creating / improving grassroots services for the rural population;

- Promoting LEADER community local development strategies.

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