
18th edition of the Conference "Risk in Contemporary Economy",
RCE2017, June 9-10, 2017, Galati, Romania

Risk in Contemporary Economy

Opportunities for Regional Development of the National Territory

Daniela NECHITA*, Ludmila Daniela MANEA,
Florina Oana VIRLANUTA

<https://doi.org/10.18662/lumproc.rce2017.1.55>

How to cite: Nechita, D., Manea, L. D., & Virlanuta, F. O. (2017). Opportunities for Regional Development of the National Territory. In S. Hugues, & N. Cristache (eds.), *Risk in Contemporary Economy* (pp. 658-666). Iasi, Romania: LUMEN Proceedings. <https://doi.org/10.18662/lumproc.rce2017.1.55>

© The Authors, Faculty of Economics and Business Administration, Dunarea de Jos University from Galati, Romania & LUMEN Proceedings.

Selection and peer-review under responsibility of the Organizing Committee of the conference



This is an Open Access article distributed under the terms of the Creative Commons Attribution-NonCommercial 4.0 Unported License, permitting all non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited

Opportunities for Regional Development of the National Territory

Daniela NECHITA^{1*}, Ludmila Daniela MANEA²,
Florina Oana VIRLANUTA³

Abstract

The balanced and polycentric development of the national territory generates a series of opportunities to ensure real and sustainable economic growth across the network of localities, by capitalizing the local and regional potential in order to reduce income disparities and improve the living conditions of the inhabitants. In their essence, territorial systems are functional ensembles consisting of elements and relationships that have as a goal the achievement of common objectives while at the same time the active involvement of all the stakeholders interested in the harmonious development of the national territory.

Keywords: *macroregion, urbanization, regional development, territorial structures, functionality.*

1. Introduction

Any territorial system behaves as an open information system with a dissipative structure, which has internal possibilities of self-organization, to have links to other territorial systems, situated on a superior hierarchical level.

Territorial development is a process of transformation of the "geography" of inhabited territories [1] a process that pursues, on the one hand, the economic growth of the respective regions and, on the other hand,

¹ Dunarea de Jos University of Galati, Romania, daniela.nechita@ugal.ro.

² Dunarea de Jos University of Galati, Romania, daniela.manea@ugal.ro.

³ Dunarea de Jos University of Galati, Romania, florinaoana27@yahoo.com.

* Corresponding author.



the sustainable development of the functional dimensions ensuring the optimization of the economic, social and cultural and environmental aspects. In the current European context characterized by low growth rates and increased and chronic regional imbalances, territorial development has become a general priority for improving public services and employment and, implicitly, urbanization in order to reduce territorial imbalances. The main areas that are pursued in this strategic development of territories are: the development of local, regional and national businesses, the permanent adaptation of the labor market to the needs and needs of the population and the business environment, the constant attraction of investments aimed at the development of localities, technology transfer improvement, SME development in the rural area, improvement of social and urban infrastructure, improvement of the quality of the environment, sustainable rural development, improvement of the quality of health services, education, education and culture [2].

2. Functional dimensions in regional development

Macroregions are territorial structures established to ensure the collection, elaboration and dissemination of harmonized regional statistics at the level of the European Union [3.] At the level of the national economy, four macro-regions [4] are distinguished from the perspective of the territorial-administrative organization, each divided into other regional structures, with specific features. This type of administrative organization of the national territory is based on the provisions of the Law no. 315/2004 on the regional development in Romania and the harmonization with the requirements of the European Parliament and European Council Regulation no.1059/2003 on the establishment of a common nomenclature of statistical territorial units.

Effective implementation of regional development policy involves the knowledge and analysis of the main dimensions that ensure the functionality of the territory, the relationships that exist between it and the anticipation of the trends of evolution.

The analysis of the system of settlements at regional level should be based on the identification of the indicators and the relations between them in relation to the most important functional dimensions of the territorial development: the territory, the population and the economic activities. Between these dimensions there are a series of direct and indirect links that can be analyzed through sets of statistical indicators and geospatial data.

As a functional dimension in regional and national development, the population refers to the following aspects: distribution of population in the

territory, structure of the population on various criteria, population mobility and access to education, culture, health and social protection. At the level of the national territory, in the time span 2005-2011, the total population structured by sex and residence area recorded insignificant changes, aspect which highlights the inertia of the population structure in the territorial aspect.

Table nr.1. Population by sex and residence area

Years	Total people			Urban			Rural			pop/ km ²
	Total	Masc.	Fem.	Total	Masc.	Fem.	Total	Masc.	Fem.	
Macroregion 1										
2005	5.267	2.576	2.691	2.968	1.430	1.538	2.299	1.146	1.152	77,2
2011	5.231	2.552	2.679	2.931	1.404	1.527	2.298	1.147	1.151	76,6
Macroregion 2										
2005	6.581	3.244	3.336	3.199	1.543	1.656	3.381	1.701	1.680	90,6
2011	6.490	3.191	3.299	3.123	1.495	1.627	3.366	1.695	1.671	89,4
Macroregion 3										
2005	5.538	2.659	2.878	3.387	1.600	1.787	2.150	1.059	1.091	152,7
2011	5.497	2.637	2.859	3.409	1.605	1.800	2.090	1.031	1.059	151,5
Macroregion 4										
2005	4.236	2.062	2.173	2.323	1.118	1.205	1.913	944	968	69,2
2011	4.135	2.011	2.123	2.265	1.084	1.181	1.869	927	942	67,5

It should be noted that the distribution of population and its concentration in urban centers and adjacent areas are variables on the basis of which the firms orient their economic activity and initiate the investment process. These variables have a nuanced role, areas with a high population density are more likely to be able to provide workforce both quantitatively and qualitatively, meaning that a larger population can ensure diversity in terms of vocational training, resulting in a notable diversity of economic sectors that will turn their attention to such areas.

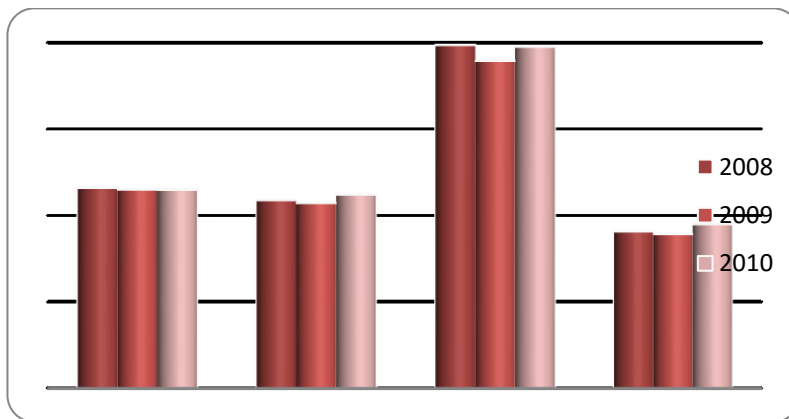
The development of economic activities depends on the natural potential of the place and the population, the population of geographic territories being directly influenced by the accessibility of the relief and the natural resources.

As a functional dimension, economic activities are addressed taking into account the following variables: the labor market, the structure of the national economy by branch of activity, as well as the indicators that highlight the income, expenditure and consumption situation of the population at national level.

Analyzing the evolution of nominal GDP in the national economy it is observed that it is on an upward slope, but given the inflation in the

period 2009-2011, the growth of the GDP indicator is low and insufficient to be considered a sustainable economic development.

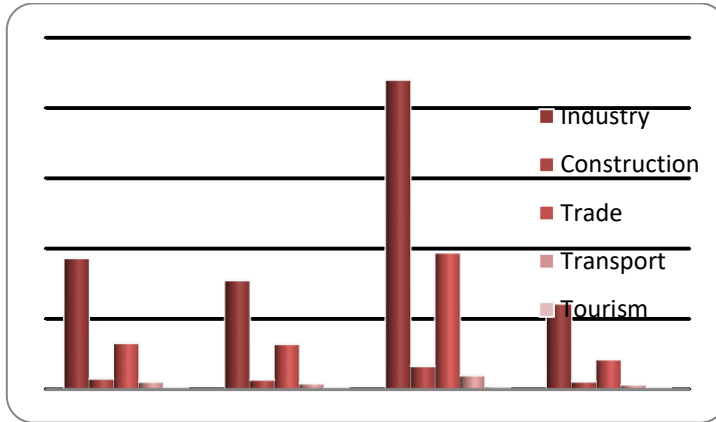
Graphic nr. 1 GDP evolution per macroregion



In the case of regionalization and implicitly of regional development, there is a tendency for concentration in large cities, these becoming regional centers to the detriment of the surrounding territories that suffer both from an economic and social point of view, the labor force migrating to the source of jobs [5].

The intensity of the economic activity, but also its development, is closely related to the ability of the business environment to sell, to be competitive and present on the national and international market, with ability shown by the turnover. The analysis of the turnover in the national territory on the main economic activities shows that the economy as a whole has an accentuated industrial profile, aspect highlighted by both the high share of the industry in the formation of gross domestic product and the share of the employed population in the secondary sector. In addition, the industrial sector holds the main weight not only in 2011 but also over longer periods of analysis, followed by commercial and construction activities.

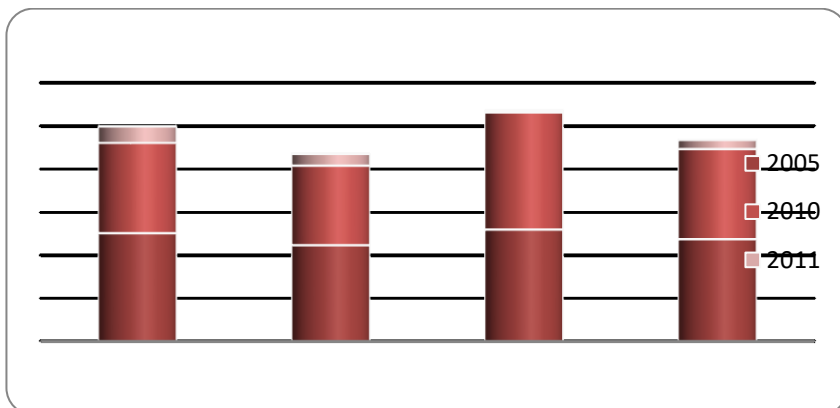
Graphic nr.2. Turnover by activities of the national economy



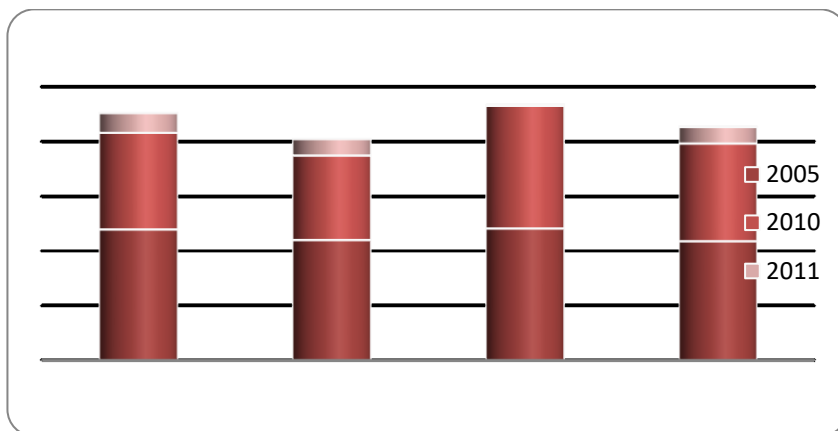
The industrial role of the urban centers has been one of the reasons for the economic growth and agglomeration, and even if the deindustrialisation process has grown, the role of the industrial centers remains a major one [5].

Territorial development is also highlighted by how local communities and households manage their material and financial resources. On the other hand, as it results from the analysis of the distribution of total revenues and expenditures over the period 2005-2011, the increase of revenues was correlated with the increase of expenditures and the level of discretionary incomes that can be oriented towards the realization of investments is low.

Graphic nr.3. Distribution of total monthly household incomes at national level



Graphic nr.4. Distribution of total monthly expenditures on household at the level of the national territory



Even if the network of localities in our country is balanced in terms of their geographical distribution, this does not ensure a balanced development. Thus, there can be noticed major socioeconomic differences between macroregions, differences that are perpetuated at the level of cities and communes [6], the first attracting the majority of resources and investments at regional or local level.

Territory as a functional dimension is of particular importance in the distribution of localities, influencing the development through the existing potential and its vulnerability to natural and anthropogenic risks (the characteristics of the relief, the bio-pedo-climatic peculiarities, the way of using the land, the distribution of the natural resources) by managing and solving the problems related to the transport infrastructure and the technical-urban infrastructure and by the impact of the economic activities and the increase of the degree of urbanization on the environment.

Relief through its peculiarities has played and plays an important role in the formation, organization and development of human settlements. However, one can observe an uneven distribution of the localities in relation to the relief, plus the rural majority, which together explains areas with low population density. At the same time, sustainable development is based on an efficient use of natural and man-made resources. Romania benefits from a large and varied number of natural resources that favored the development of human settlements while, at the same time, reduced connectivity and accessibility led to isolation and poor exploitation of some areas. On the other hand, urban areas grew by 70%, but uncorrelatedly with population growth, which in many cities decreased, leading to inefficient land use [5].

The three functional dimensions influence both the dynamics, the functionality and the development of settlements from the local level to the regional and even national ones, both directly and indirectly. Considered to be of vital importance in a competitive knowledge-based economy and the creation of prosperity, the three functional dimensions can generate opportunities for development at the level of the four macro-regions to add value to them, harmonize the links between cities and rural communities and can generate an increase in living standards for all residents.

3. Priorities in macroregional development

The close link between the four macroregions of the national territory on the one hand and the urban areas considered as polarizing centers and rural areas on the other hand are based on labor supply, education opportunities and the supply of public services, on the development of communications technology and transport infrastructure, etc. These aspects have increased the degree of urbanization and the depopulation of certain areas and localities, the intensification of the internal migration, the intensification of the needs related to the improvement of the connectivity between the areas and the increase in the accessibility to quality services and the attraction of investments in this respect. To this end, the macroregional development needs to be systematically and coordinated at the national level, balancing the development of urban and rural communities, with emphasis on territorial specificity and complementarity.

Thus, within the functional urban and rural areas, with clear priorities in terms of territorial specificity, functional dimensions and resources, it is possible to define strategic directions regarding territorial development with specific objectives and well-defined and delimited priorities that can be solved for a sustainable and durable development.

At the level of the four development macro-regions, development needs are transformed into priorities that can be correlated with the existing situation, with priority economic sectors to local economies and supported through EU structural funds through operational programs, national funds or local funds [7].

Synthetically, these priorities can be structured like this:

- developing business infrastructure, promoting and encouraging entrepreneurship both in urban and rural areas, developing high value added sectors;
- developing infrastructure and tourism support services;

- targeting the funds allocated from the European Regional Development Fund (ERDF) with a developing role, especially to low-growth urban areas with potential for growth, encouraging the development of the technical infrastructure;
- encouraging urban development poles that group localities with high economic potential;
- the launching of joint projects grouping several localities or areas, even located in different counties or macroregions, and strengthening the regional connection of several cities and municipalities (regional transport networks, regional business networks to promote the local investors and successful business ideas);
- the development of occupational services and active labor market integration services, along with the development of occupational mobility strategies;
- an improvement of the educational infrastructure;
- improving accessibility, mobility and connectivity in macroregions and, in particular, in the case of special function urban localities;
- development of transport infrastructure, rehabilitation and extension of water-canal networks, wastewater treatment, development of environmental projects and energy efficiency necessary for sustainable development.

Building on these priorities, the fulfillment of specific objectives and territorial development targets can lead to the efficient use of national territory, can support the efficiency of local networks, with a major role in ensuring a balanced development of competitiveness at local, regional, as well as internal and external complementarity.

6. Conclusions

Balanced territorial development implies a multitude of structural and qualitative changes in the context of a highly dynamic and complex economic environment as well as a sound management of existing territorial resources. Regions are considered territorial structures with a major role in implementing the sustainable development process, vital socio-cultural entities in support of the needs of local communities [3] and creating the process of economic competitiveness and influencing the modernization and increase of urbanization at national level.

References

- [1]. Dezvoltare Teritorială, Ministerul Dezvoltării Regionale și Turismului, available at: <http://www.mdrap.gov.ro/>;
- [2]. Analiza sistemului de așezări în contextual dezvoltării policentrice, decembrie 2010, MDRT, available at: http://www.adrcentru.ro/Document_Files/ADStudiiRegionale/00001049/q1dwf_Analiza%20sistemului%20de%20asezari%20la%20nivelul%20Regiunii%20Centru.pdf ;
- [3]. Statistica teritorială, repere economice și sociale regionale, Institutul National de Statistică, 2013, available at: <http://www.insse.ro/cms/files/publicatii/Statistica%20teritoriala/Statistica%20teritoriala%202013.pdf> ;
- [4]. Raport de dezvoltare urbană, Centru Român de Politici Europene, 2013, available at: http://ec.europa.eu/regional_policy/ro/information/publications ;
- [5]. Regionalizare, raport CONREG, 2013, available at: http://www.contributors.ro/administratie/conreg-%25e2%2580%2593-esecul-regionalizarii?attest=true&wpmw_tp=0&wpmw_switcher=desktop;
- [6]. Studiu privind dezvoltarea urbană în Regiunea de Sud-Est, situația actuală și oportunități de dezvoltare, MDRAP, 2013, available at: http://www.adrse.ro/Documente/Planificare/PDR/2014/Studiu_Urban_ADR_Raport_final.pdf .