

CONTRYSIDE DEVELOPMENT STRATEGIC APPROACH

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Abstract: The development of the rural area, of the rural community respectively, constitutes a complex research subject that needs to consider at least two basic elements closely interdependent: one, the source of sustainable resources that may generate development and, second, the inhabitants of the rural area representing both factor of action and consume as beneficiaries of the development. The present paper synthesises the way of running a research for the elaboration of strategic options concerning the rural area development based on using methods of strategic analysis recommended by specialty literature.

JEL classification: Q01, Q56, P48,

Key words: rural; development; strategy; potential; valuing; options.

1. INTRODUCTION

The evolution of human society has affected the countryside, causing the structural and functional changes highlighted by the emergence and development of non-agricultural activities and the general trend of urbanization. In this context there is a need to balance the need to preserve and promote the rural tradition from an economic, environmental and social point of view and the natural tendency to modernize rural life⁴. The development of the rural space enjoys a special interest in the European Union, materialized by developing policies and strategies⁵. This requires the active involvement of rural communities in the development process to develop, adopt and implement the best solutions for all initiatives to mobilize own resources of superior social and economic benefit of the community. The present study is based on the idea that rural development requires knowledge, development and improvement of rural problems, which generate complex tasks whose solution can not be solved in the short term, requiring successively integrated programs with sustainable effects and completed by improving the institutional and human condition. Rural evolution always has a strategic character and is linked to the Common Agricultural Policy, whose implementation is done with its specific mechanisms and programs for rural development, characterized by complexity and focused on various sectors: infrastructure, agriculture, tourism, small and medium enterprises, environmental

⁴ Otiman, P., I., 1997. “Dezvoltarea rurală în România”. Editura Agroprint, Timișoara, pp. 33-36.

⁵ Săvoiu, Gh., Manea, C., 2007. The Romanian Rural Economy – a Resource of Growth and Regional Cooperation, or a Source of Conflicts and Insecurity, Romanian Economic Journal, Departament of International Business and Economics from the Academy of Economic Studies Bucharest, 10(25), pp. 186-199.

protection, education, community development, etc. Essentially rural development is based on a strategy pursuing targets aimed at economic revitalization of rural areas and thus to obtain the benefits of the rural economy able to expand upon those whose future is linked to the search for means of existence in the countryside.⁶

2. OBJECTIVES

The objective of the research is the design of strategic options for the development of rural areas in the Central Development Region of Romania connected to rural areas, leading to better adaptation and improvement of rural development policies, concerning the revival of economic activity, diversification, and increasing employment in the rural areas. The research aimed to both to identify problems and the potential development and diversification of agricultural and non-agricultural activities to help better targeting of rural development policy measures.

3. METHODOLOGY

The myriad of problems that need to be addressed when discussing the rural area require a research methodology able to adapt to local specificities. According to experts, such a methodology could be based on the case study⁷ which has shown its usefulness by relevance of obtained results which has shown its usefulness by relevance of obtained results⁸ in many studies and projects nationally and internationally. Rural development represents a complex problem requiring to validate or invalidate assumptions the use of several methods, both quantitative and qualitative such as statistical research and literature in the field (reports, strategies, studies, monographs) , semi-structured interviews with key local factors and structured interviews to collect data on successful initiatives and of course PESTEL and SWOT analyses and the analyses of the relevance of opportunities and threats for the identified strengths and weaknesses. Applying the case study for a field research can be based on a schematic structure as presented in Fig. 1.

⁶ Iagăru, R., 2011. *The rural development of Sibiu County in the context of the European Union integration*, Conference Proceedings 2 of the 17th International Conferences of The Knowledge-Based Organisation.

⁷ Yin R. K. 2003. *Case study research: design and methods*, 3rd edition, Sage Publications, Thousand Oaks/London/New Delhi, pp.67–79.

EC, 2009. *Rural development in the European Union. Statistical and economic information. Report 2009*, Commission of the European Communities, Directorate-General for Agriculture and Rural Development, Brussels, http://ec.europa.eu/agriculture/agrista/rurdev2009/index_en.htm, accesat în data de 22.03.2011.

⁸ Kerekes, Kinga și colab. 2010. „Dezvoltare rurală. Ocuparea forței de muncă în mediul rural.” Editura Accent, Cluj-Napoca, pp. 127.

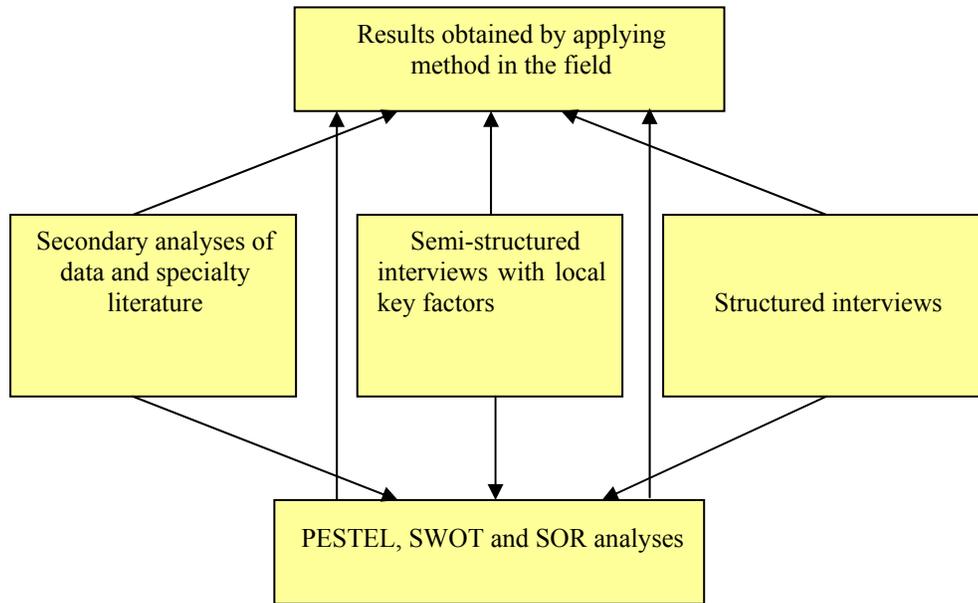


Figure no 1. The methodological structure of the field research

4. ANALYSES

The case study referred to in this paper is the strategic assessment of the rural area of Sibiu Depression in the view of development and diversification of economic activities.

Using PESTEL model for rural diagnosis of Sibiu Depression proved very useful in that it highlighted some particular aspects of the studied communities which allow adaptation of the economic environment to ever more frequently occurring changes in the surrounding environment. To know better and more complete about the socio-economic characteristics of the studied rural area we use SWOT and SOR methods. These methods are commonly used to identify strengths and weaknesses, external opportunities and threats of an organization or territory unit.⁹ Following the processing of data collected from respondents, we have a picture of the most relevant strengths and weaknesses, opportunities and threats for development and diversification of economic activities in rural areas of Sibiu Depression (Table 1). Performed SWOT analyses contributed fundamentally to highlight the issues of development and economic diversification in the rural areas of Sibiu Depression and the causal relationships were found with the problem-tree, a tool commonly used in the strategic planning process (Fig. 2). Once problems of development and diversification of economic activities in rural areas identified, we stepped on to identify solutions (strategic measures) which promoted and implemented will replace the problem-tree problems leading to the objective-tree (Fig. 3).

⁹ Vincze, M., Kerekes, K., Pakucs, B. And Veress, E., 2009. Set of methodologies for collecting data sets from the reference areas. Deliverable 3.1. of the EU Framework 7 project 'RuralJobs', www.ruraljobs.org, accesat în data de 19.02.2011

Table no. 1. SWOT Analyses in brief

	Strengths		Weaknesses
PT 1	Exceptional tourism potential, especially favorable for agro-tourism and rural tourism.	PS 1	Lack of knowledge for accessing European funding with a large percentage of farmers.
PT 2	Good agricultural potential and a diversified terrain for diferent cathegories of use.	PS 2	Lack of development strategies and durable vision.
PT 3	Industrial parcs in the area of Şura Mică and Şelimbăr	PS 3	Lack of work places for young graduates.
PT 4	Important areas of durable wood exploitation.	PS 4	Weak educational infrastructure.
PT 5	Nationally and Internationally recognised Brands.	PS 5	Decrease of cultivated surfaces and number of stock.
PT 6	Numerous construction firms that may contribute to infrastructure and facilities development.	PS 6	Decrease of number of population mainly because of external migration and increase of elderlies.
	Opportunities		Threats
O 1	Possibility of accessing national or European funding to develop tourism	A 1	Lack of support actions for the rural space business environment
O 2.	Possibility of accessing national or European funding to develop agricultural production and its processing	A 2.	Incapacity of local key factors to create partnerships to access European funds and implement projects
O 3	Possibility of accessing national or European funding to develop the non-agricultural sector.	A 3	Low interest of agricultural producers in starting associations
O 4	Possibility of developing infrastructure using financing programs	A 4	Decrease of firms" activities due to economic crisis
O 5	Possibility of developing agricultural sefvce activities using financing programs	A 5	Lack of policies and strategies in supporting the products from the rural aereas

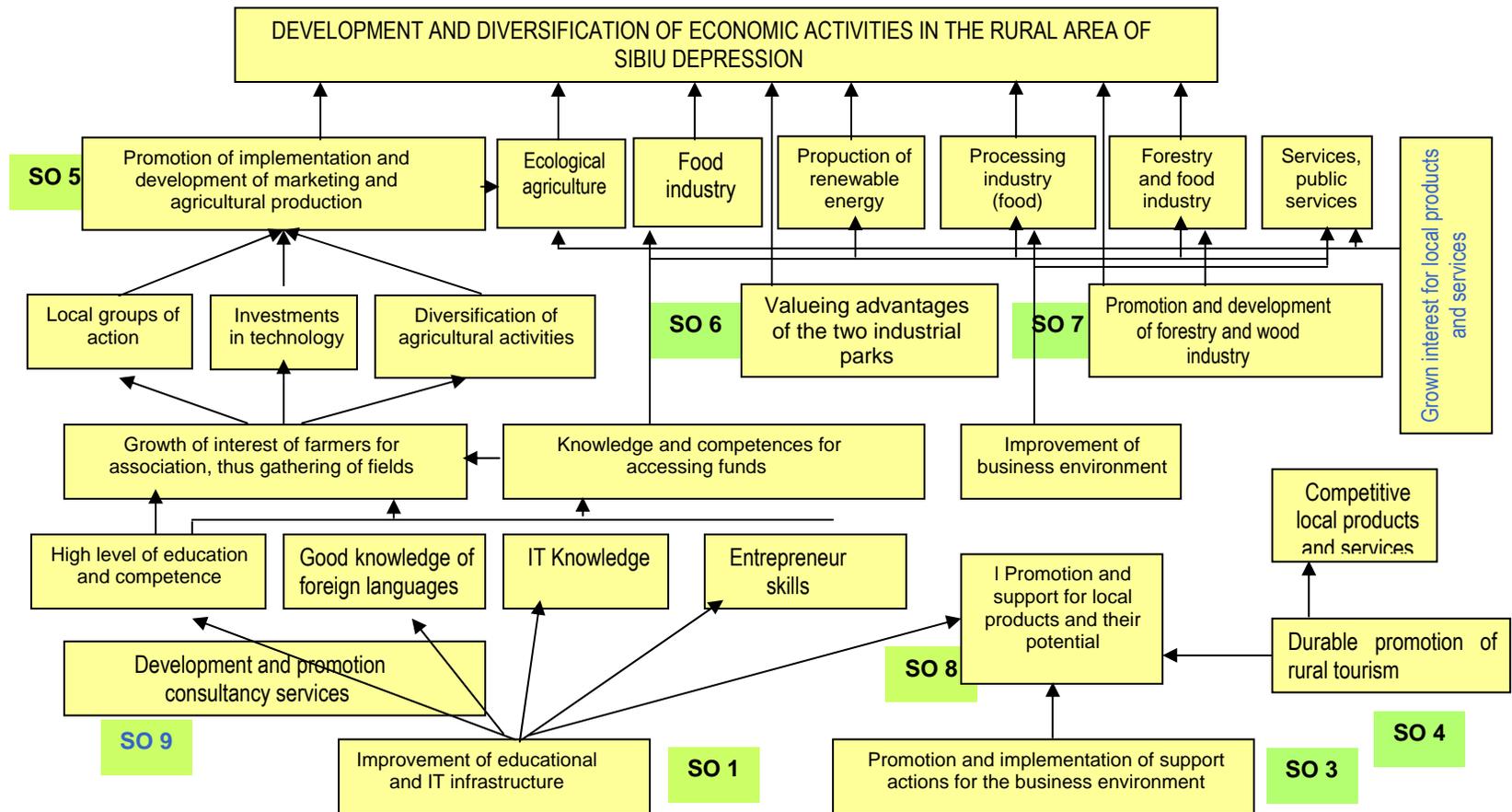


Fig. nr.3 The objectives-tree economic activities development and diversification in the rural area of Sibiu Depression

5. CONCLUSIONS

The research aimed to both identify the problems and to diagnose the potential development and diversification of agricultural and non-agricultural activities to help better targeting of rural development policy measures.

The objectives address the need for organized research in order to highlight the territorial specificity – as factor of influence on the development and diversification of economic activities in the researched rural areas.

Socio-economic diagnosis conducted in the rural areas of Sibiu Depression has highlighted a number of specific issues. These lead to the general conclusion that the development and diversification of activities in the rural areas of Sibiu Depression need to be done according to territorial specificity supported by the rural community who gives life to and maintains the respective rural area.

The diversification of activities in the rural areas of Sibiu Depression creates the possibility of increasing rural incomes and raises the viability of rural economic organizations. At the same time it encourages the consumption of local goods and services and provision of services related to agriculture. It also emerged that the establishment of strategic orientation towards promoting information and consultancy services, namely cooperation between entrepreneurs, public authorities and universities is directly related to the development and diversification of economic activities in rural areas.

As a result of the PESTEL analysis carried out, at the level of the rural area of Sibiu Depression the diagnosis identified many examples of enhanced economic activities, especially in tourism and agro- tourism, construction, trade, or food industry. The encouragement of business initiative is dependent on educational infrastructure and the adoption of those policy measures that motivate the decision to take.

The action of identifying problems existing in the studied rural area and the proposed policy measures to solve them in the direction of recovery of territorial specificity, are the foundations of sustainable development and diversification of economic activities in rural areas.

Developing strategic measures geared towards capitalizing on the opportunity with ICT infrastructure development financing funds is a sure way to increase the competitiveness of organisations with positive impact on the economic potential of the area and reduce territorial marginalisation.

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