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**Macro-economic and regional conditions of the development of agriculture and rural areas in Romania**

Maria Vince, *Politici agricole in lume. Teorii și realități* (Agricultural policies in the world. Theories and reality).

Cluj 1999, Presa Universitara Clujeana, pp. 267

Maria Vince, *Dezvoltare regionala și rurala. Idei și practici* (Regional and rural development. Ideas and practice),

Cluj 2000, Presa Universitara Clujeana, pp. 185

Romania continues to be in an exceptional position in the light of changes taking place in the rural areas of Europe. The rural population lives in 3.7 million buildings, in other words 46.9% of all the buildings in Romania. In the 1990s more buildings (mainly blocks of flats) were built in the countryside than in towns. Between 1990 and 1994 an as yet unprecedented population influx to rural areas was recorded. These facts clearly prove that considerable groups of Romanian society prefer conditions and living in the countryside.

It is to be expected that these tendencies will continue, and there is, therefore, a growing need for academic papers which would help to solve the economic and social issues of rural areas in an innovative manner. Maria Vince's works answer these needs in a versatile manner.

In her book, *Politici agricole in lume. Teorii și realități* (Agricultural policies in the world. Theories and reality) the author gives an authoritative presentation, seen from the theoretical point of view, of the links between the agricultural sphere and economic development of the country and society as a whole. She expresses the reciprocal dependence between the agricultural sphere and macroeconomic conditions in concrete forms such as the financial policy and the pricing policy of the country, the parity of economic exchange between countryside and town, inflation, national budget. The scale of the country's researched dependencies is also expressed in the aspects of "global economy" (I shall refer to that later).

The analyses concerning crises in agriculture are very up-to-date and interesting. From the historical perspective such crises can often be noticed in many countries and at different times. They were more often connected with the lack of agricultural products than their surplus.

In Romanian agriculture nowadays there are certain negative phenomena such as the disorganization of agricultural markets, the lowering of profitability of agricultural production and an irrational parity between prices of agricultural products and prices of technical equipment. The introduction of rational and effective instruments of agricultural and commercial policy is, therefore, essential. The author devotes a separate chapter to the possibilities of adapting instruments of agricultural policy. Propositions for Romanian agriculture were found in the analyses of models of agricultural policy applied in highly developed countries (e.g. USA)

Suggested instruments of agricultural policy include: price regulation, subsidies for technical equipment, credit policy, income regulating import and export of agricultural products. It is also important to develop the relationship between agricultural and social policy, particularly in developing countries with a high percentage of the poorly paid and the emphasis on relatively low prices of agricultural products with a fundamental significance for family budgets. Other instruments of agricultural policy are applied in highly developed countries which the author presents in the chapters dealing with agricultural policy in the USA and countries of the EU.

The author presents a complex view of the regional development and rural areas which have arisen on the basis of theoretical studies and development concepts in the EU. Such a point of view is a novelty in the studies assisting transformation policy and practice in the rural areas of Romania.

Significant analyses are concerned with changes in the socio-economic situation of rural areas in Romania in conditions of an inadequately educated enterprising rural population, the fear of risk, ownership rights which are not respected, an undeveloped banking system serving agriculture, the slow privatization process and continuing economic instability on a macro scale. In 1991 70% of privatized farms were registered in relation to all the farms entitled to privatization. In 1995 83.6% of the farms were in private hands. However, a particularly Romanian feature is the fact that 80% of technical services centres remained under state control and only 55% of tractors were the farmers' property.

The author raises "strategic questions". Can Romanian agriculture become one of the "engines" actuating the national economy? What are the pros and cons for the countryside after the completion of the privatization process? The author's response to the first question is decidedly negative. However, she replies to the second question in a variable way. Much depends on the growth of agricultural productivity which would bring about



Neither of the discussed books have analysed the significance of the growing processes of globalization. The author mentions the influences of "global economy". Meanwhile, these processes clearly point out the tendencies which may have a decisive meaning for the problems analysed in both books.

The author in a largely arbitrary manner and without giving criteria selects certain general economic theories for presentation particularly when writing about liberalism, neo-liberalism, the welfare state or the social economy of the market. There is no reference to classical economic theories of capitalism such as F. A. von Hayek, M. Friedman, M. Blaug and others.

When writing about factors which are decisive in matters of pricing, the author indicates three theories. This does not exhaust the alternatives which appear in different economic systems. The accepted theories, on the other hand, are a reflection on the type of analyses, explanations and conclusions appearing in both books.

It is, however, difficult to criticise the fact that the content of the books is not up-to-date with changes fast appearing on the food markets of the EU and in other European countries (such as the beef problem connected with mad cow disease, as well as genetic and other experiments) which would be worth including in the author's new books.