

# Change and Diversification of Rural Communities in Bucharest Metropolitan Area post 1989

SASAKI Lidia\* and KOBAYASHI Koji\*\*

\* received a Ph. D. degree from Tokyo Metropolitan University in 2002

\*\*Faculty of Education, Gifu University

**Abstract :** *The objective of the present study was to explore the processes of change and socio-economic diversification in 4 communities (3 rural communes, 1 small town) of Bucharest Metropolitan Area following Romania's political shift in 1989.*

*The study introduces the political, socio-economic and cultural context, which constitute the backdrop of recent changes. Based on detailed field surveys at the local level, driving forces of recent processes of rural change are identified as internal (local) forces and external (mainly urban) forces. In most communities of the BMA recent changes are driven by a combination of both local and external forces and factors. The study points out, however, to the processes of urbanization/suburbanization as the leading driving forces of change in the Metropolitan Area. Analysis of recent processes of diversification in the 4 communities is followed by the evaluation of socio-economic and spatial consequences, both at the local and regional level.*

**KEY WORDS :** Bucharest Metropolitan Area, post-socialist transition, sustainable rural development, diversification of rural economy, suburbanization.

## Introduction

Romania's political shift in 1989 has been followed by democratization, legislative and institutional reform, economic restructuring based on the principles of market economy, socio-demographic and cultural change. In this context, rural communities, victims of 40 years of communist mismanagement, have been witnessing complex changes, leading to increasing economic, socio-demographic and cultural diversification.

Romania remains one of the most rural countries in Europe: 89% of territory and 45% of national population are rural; however, rural areas lag behind in terms of infrastructure and socio-economic development: half of Romania's rural communities have no access to public transportation system; more than half have no industrial activity; more than 70% of rural households depend on farming revenues, poverty affects 65% of rural population (Rusu, 2003). As a consequence, rural development remains a high national priority. In the first years of the post-socialist transition, rural development has been frequently equated with development of the farming sector. At present, the national rural development strategy acknowledges that, while agriculture remains the backbone of the rural economy, economic diversification is the key to the sustainable development of rural communities and stresses the important role played by non-farming economic activities in providing alternative rural employment and incomes and in improving rural living standards. (*Ministry of Agriculture and Food, 2000*).

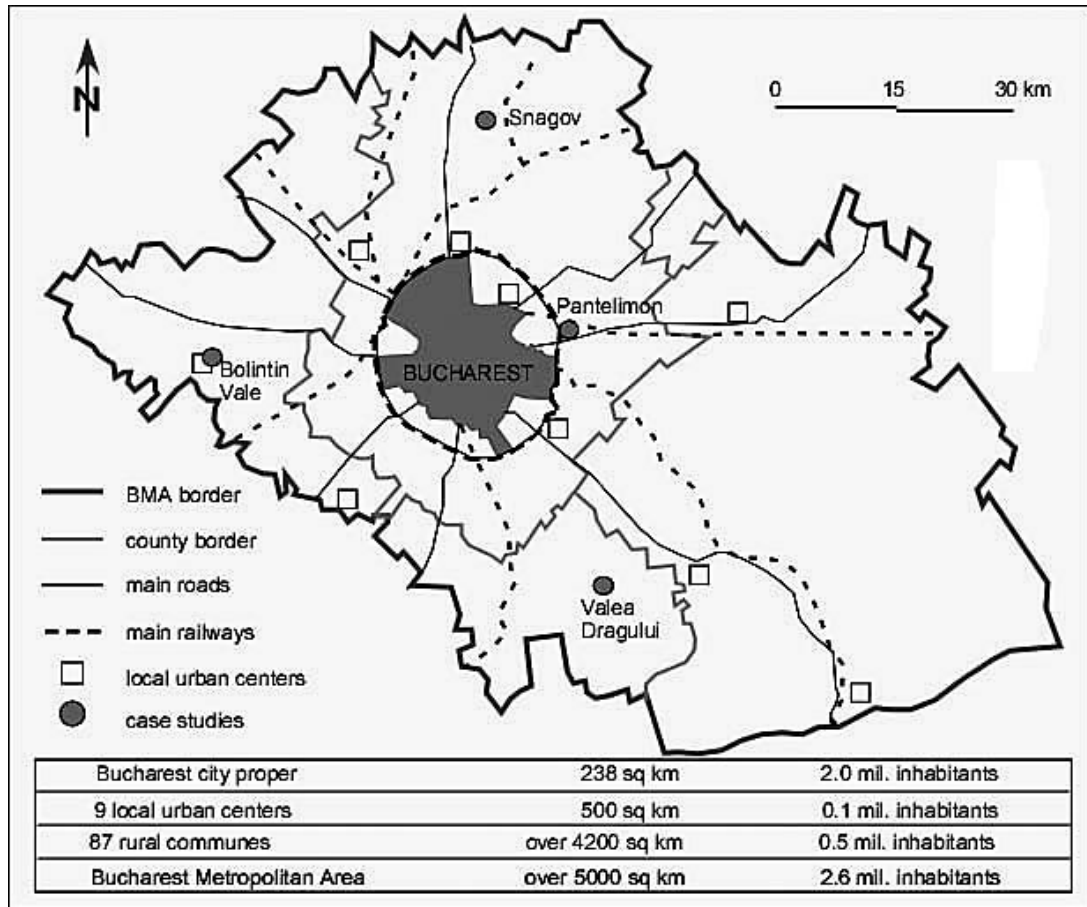


Figure 1. Bucharest Metropolitan Area - proposed structure (Nadejde, 2005) and location of sample communities

The objective of the present study was to explore the recent processes of change and socio-economic diversification of rural communities in Bucharest Metropolitan Area (BMA), in southern Romania, one of the country's most dynamic regions post 1989.

Approximately equivalent of the rural-urban fringe, BMA (Figure 1) extends on a radius of about 50-60 km from Bucharest; proposed mainly for territorial planning purposes (Nadejde, Placintescu, 2005), it is an area of significant natural and human potential for a diversified rural economy. Extensive resources of fertile farmland and developable land, landscape amenity, skilled labor force, traditions, make the area attractive for farming, manufacturing, services and various recreation activities.

**4 communities** (3 rural communes, one town) have been chosen for the present study, according to criteria as local resources, distance and accessibility from city center, evolution post 1989 etc; these are: *Pantelimon*, a community of the innermost sector of the Metropolitan area, typical for the dynamic process of urbanization post 1989; *Snagov*, on the outer fringe of the Metropolitan Area at about 30-40 km from city center, the best example of recent suburbanization processes; *Bolintin Vale*, a small town on the outer fringe, an example of balanced local development; *Valea Dragului*, a typical farming community of the rural periphery, where the recent change of the farming structures was not accompanied by the much-needed diversification of the local economy.

Table 1. Natural and human resources of the 4 sample communities

Community	Distance to City <i>km</i>	Popula- tion 2002*	Total area** <i>ha</i>	Forest area** <i>ha</i>	Water bodies** <i>ha</i>	Farmland area** <i>ha</i>
Pantelimon	8	16034	6877	2961	678	2676
Snagov	40	5840	8835	3635	731	4137
Bolintin Vale	30	12300	4042	870	195	2163
Valea Dragului	40	3078	3664	174	129	3129

(Source: \* CNS, 2003; \*\*Local Development Plans, 2005)

Investigations have been conducted in these communities between 1997-2005, including statistical data collection, field surveys, interviews with local leaders and citizens. Local Development Plans of the 4 communities provided detailed local data, but also proved helpful in identifying local strengths, weaknesses and areas of priority intervention according to local leaders' vision and strategy of development.

In order to assess the evolution of the Metropolitan Area post 1989, it is necessary to introduce the main features of the regional system around Bucharest before 1989 (some of which persist to this day).

In 1989, following decades of misguided regional development strategies focused on urban-industrial development, the regional system centered around Bucharest is characterized by huge disparities between the urban center (Bucharest) and the rural periphery, and by the distorted territorial structure. The city dominates the region, as Romania's largest concentration of population and economic activities; this hyper-centralization makes Bucharest an "urban island" (no major urban center on a radius of about 60 km). The city is surrounded by a belt of centers of mixed activities (industry, intensive farming), some of which are also crowded bed-towns/villages. Outwards, Bucharest's rural periphery remains, paradoxically, one of the poorest rural areas in Romania: mainly farming communities with underdeveloped infrastructure and poor economic performance; population is highly dependent on industrial jobs in the city and to a lesser extent on local farming activities. At the end of the 1980s, acknowledging the increasing territorial disparities, authorities initiate a program of rural restructuring around Bucharest: 4 local polarizing centers are promoted to town status, some other "promising" communities (mainly of the inner fringe, among them 3 of our case studies) receive investment for diversification of local economy, in an attempt to create "agro-industrial centers". The program fails to address the central issue of basic infrastructure development and is discontinued after 1989.

### Driving Forces of Change and Diversification in BMA post 1989

Post 1989, processes of rural change and diversification have been unfolding on the backdrop of radical system transformation: transition to market economy and democratization.

In the particular context of the Metropolitan Area, recent processes are triggered by 4 sets of inter-connected driving forces (*Figure 2*), of internal (local) nature and external (mainly urban) nature.

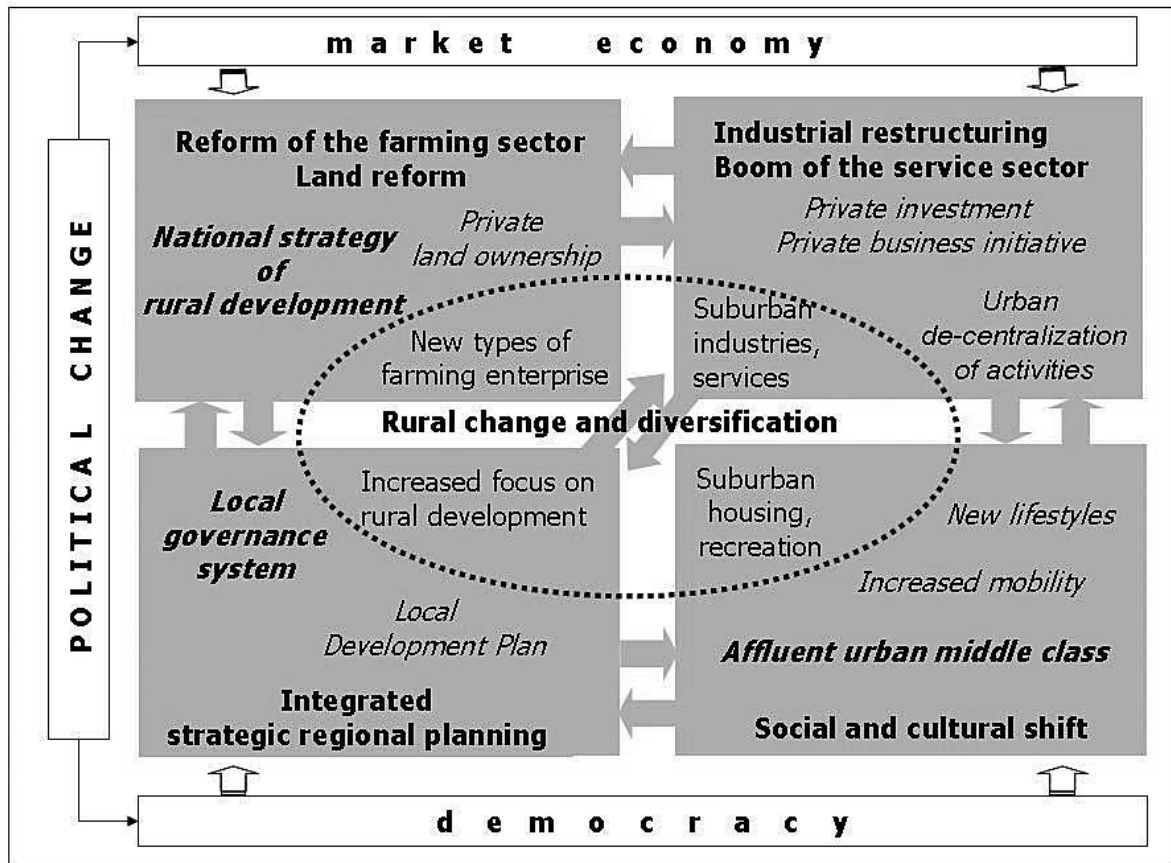


Figure 2. Context of recent rural changes and diversification in BMA

The land reform and restructuring of the farming sector post 1989 have been among the major driving forces of rural change. These have resulted in a massive shift of landownership (about 2/3 of farmland is in private hands in 2000) (*Rusu, 2003*), process followed by the gradual diversification of farming enterprises. However private farms, especially small family farms have had a difficult start, as state support has been limited. It is only recently that special programs of financial aid for rural development have been initiated by the Romanian government and EU (SAPARD program). Such financial support targets not only the farming sector (for land consolidation projects, acquisition of modern mechanical equipment and farm buildings etc), but also the creation of non-farming rural businesses (Small and Medium Enterprises: SMEs) in such areas as processing of local produce, revival of local crafts, rural services, rural tourism etc. So far, the results have been modest: in 1998 only 17% of the SMEs created post 1989 were found in rural areas (*Rusu, 2003*). Major handicaps seem to be the hurdles of the application process as well as farmers' lack of business acumen and distrust of any form of credit.

Another determinant set of driving forces of rural change post 1989 originate in the introduction of market economy, based on private investment and private business initiative, in

all economic sectors. This led to the restructuring and privatization of state industries and services and the boom of new private businesses. Bucharest and its Metropolitan Area, offering the best business opportunities, have been attracting an important share of the new investment. According to *Manoleli (2005)* post 1989, more than 2/3 of foreign direct investment targeted Bucharest region.

Such private businesses (manufacturing, services), focused on maximizing profits, seek convenient locations: cheaper land prices, cheaper labor, attractive local fiscality. As a consequence, Bucharest has seen a wave of urban de-concentration of industrial and services activities which (re)locate to the emerging suburbs. Communities of the Metropolitan Area welcome the process and many compete in attracting investment and new businesses and in promoting diversification of local economic activities. At the local level, the perceived benefits of economic diversification are twofold: on the one hand, it brings new employment opportunities and improved incomes for local labor. On the other hand, new businesses bring much needed tax money to the very lean local budgets, which depend on local taxes (farmland and farming revenues being tax exempted at present). Using their increased autonomy, local authorities resort to two instruments in attracting new businesses: stimulating local fiscality (expressed in lower taxes) and the Local Development Plan. The Plan contains the short and mid-term vision and strategy of local development which takes into account local resources, local inhabitants' needs and aspirations, and increasingly, external demand. Both local landowners and local authorities are interested in accommodating external demand for developable land (either for businesses or residential development). Responding to such demand, local development plans identify and designate attractive land as developable land, usually under the flexible designation "areas for mixed activities". The magnitude of the process is well reflected by the recent urbanization trend in communities of the inner fringe of the Metropolitan Area, where the new businesses tend to concentrate, benefiting from the convenient location, relatively good infrastructure and local resources.

Another set of driving forces of urban origin responsible for recent processes of rural change in the Metropolitan Area, is associated with increased social mobility and the cultural shift. The emergence of an affluent urban middle class, with new values, aspirations and lifestyles on western model, coupled with car ownership, is the source of the recent suburbanization trend. In the past decade, the Metropolitan Area witnessed growing demand for suburban housing (be it status residences of the new business elites, residential parks or "gated" residential communities) and for rural recreation (week-end cottages, clubs: golf, nautical sports, equitation). Usually such development occurs in areas of landscape amenity (forest, lakes, some cultural heritage sites), or in communities with established recreational vocation. Such developments may present opportunities for local economic diversification (services), employment for local labor, as well as becoming an important source of tax money for the local budget.

Coupled with the above driving forces of change, the local context and some local factors can act as catalysts in the process of development. Among the factors that can constitute major local assets in attracting development (businesses or residential) and stimulate economic diversification are location and easy access to the city, along with good physical infrastructure. The transportation network (centered on Bucharest in a radial-concentric

pattern) has been "guiding" the locational choices of new businesses, which show a tendency to concentrate in communities situated along the ringway and the major transportation corridors (motorways more than railways).

Some local resources can have an important contribution to local development: among the attractive resources for both businesses and residential development is available land in convenient locations. Natural resources (fertile soils, landscape amenity), human potential (skilled labor) and cultural factors (as local traditions, education level and mentalities of local population) can also play a role in local development. However, as the following case studies prove, local development is increasingly dependent on the managerial skills, vision and initiative of the local administration, reflected in the Local Development Plan.

**Case Studies**

*Pantelimon*

Pantelimon is a community of the inner rural urban fringe, located 8 km east from downtown Bucharest, at the intersection of the double ringway (road and railroad) with the highway and railway to Constanta, which run parallel from west to east (Figure 3).

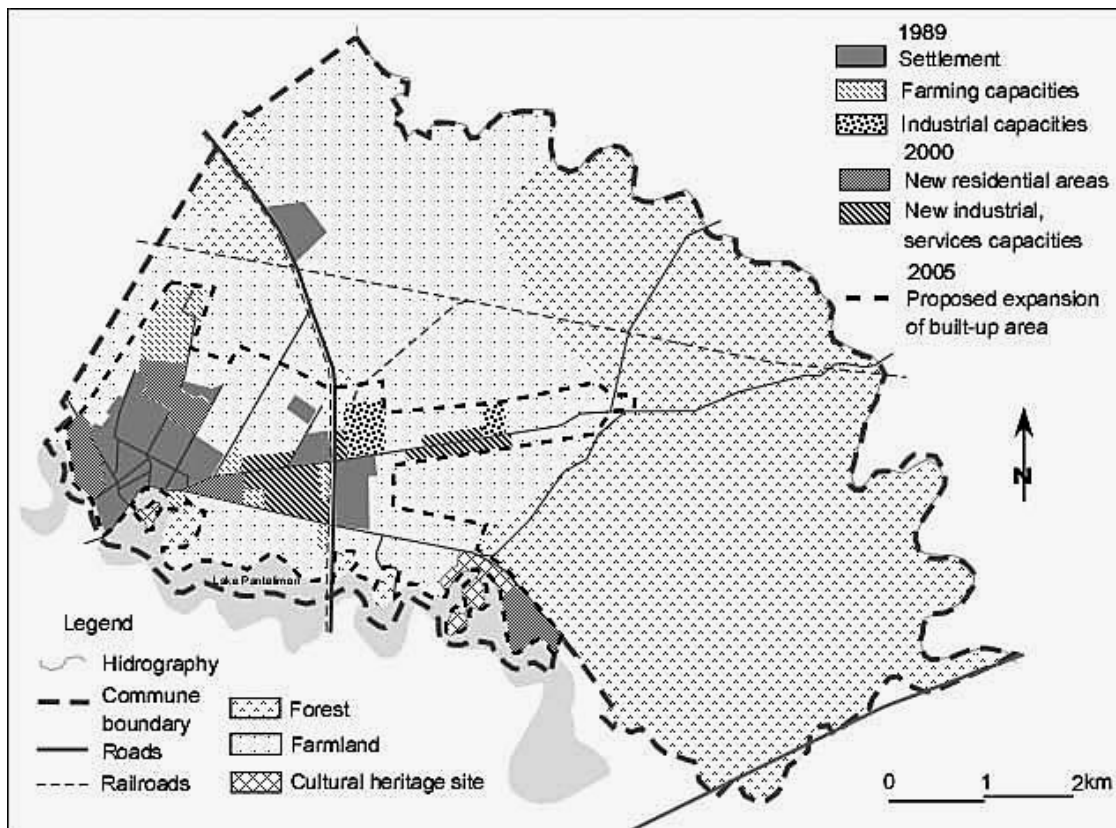


Figure 3. Pantelimon commune: diversification of activities as reflected in land use changes post 1989

It is one of the largest communities of the Metropolitan Area, concentrating natural resources attractive for development (fertile farmland, potential developable land, along with landscape amenity of the lake, forest and cultural heritage sites) and important labor resources (in 2005, about half of its 16000 inhabitants are active).

Taking advantage of the proximity to major transportation corridors and to the city, Pantelimon attracted important investment during communism: state farms with typical suburban specialization (modern dairy farm, intensive vegetable gardening and fruits growing) were complemented in the 1970s with major industrial capacities employing local labor. With the inflow of migrants attracted by industrial jobs, Pantelimon became a dormitory village; population swelled during the 1980s, (over 17000 inhabitants in 1985). The project of settlement restructuring (building a new civic center) in the late 1980s failed to address the major issue of deficient local infrastructure (current water, sewage system, used waters treatment facilities, gas network, garbage disposal).

Post 1989, the restructuring of state industries resulted in downsizing and massive layoffs, which severely affected the local economy. Farming activities also declined following closing of state farms, while land redistribution did not help revive family farms, as population has lost any skills and motivation for agriculture; in 2005, the surviving (ex-state) dairy farm and a few local farming associations cultivate remaining farmland.

The Local Development Plan capitalizes on major local assets: location and accessibility, relatively good transportation infrastructure, availability of land in convenient locations (both for businesses and residential development). Anticipating the rapid urbanization trend, and responding to growing external demand, successive local development plans have been designating wide areas of farmland along major transportation corridors as developable land. Cheaper land prices and lower local taxes made Pantelimon an attractive location: more than 400 new businesses were established here post 1989 (*Local Development Plan, 2005*), concentrating along the three motorways intersecting east from the settlement nucleus. Among the industrial branches present are: food industry (a meat processing factory, chocolate, pastry), beverages industry (juice, beer), clothing, paper products. Also present are services, mainly commercial: wholesale centers, a huge supermarket (Photo 1), and warehouses.

The commune also attracted residential development, both for the needs of the local community (2 new districts, north and west of the main settlement nucleus) but also for urbanites in search of rural peace (permanent homes and week-end cottages in a secluded location next to the forest and the lake).

As of 2000, an area of about 250 ha of farmland has been converted to built-up uses, along the main transportation axes. The newest Local Development Plan (2005) proposes the doubling of the built-up area and designates 3 functional development "corridors": an industrial and services corridor along the ringway and the main E-W motorway; a residential "corridor" along the secondary road; a recreation "corridor" along the lake shore.

The newest major project discussed (which will receive financing from the national budget and EU), is that of Bucharest's second outer ringway, that would pass Pantelimon east of the present one, and which is expected to bring new opportunities for local



Photo 1. Pantelimon commune: new supermarket (August 2005)

diversification.

During the past decade, aspiring to township status, the administration made some improvements of local infrastructure: current water and gas distribution networks for the residential area, asphalt coating of some roads, new administrative buildings can be noted. However, the rapid pace of development on the backdrop of very poor infrastructure for businesses (no centralized water supply system for the new industrial area, which relies on drilling of underground water; no sewage system or water treatment facility, no sanitary landfill) comes with a high price: environmental degradation. Local administration has not the capacity of mitigating these problems, as it is obvious in the confusing vision and strategy of local development. According to the newest Local Development Plan, Pantelimon is supposed to become a center of mixed manufacturing-services-farming-recreational activities; such diverging goals are difficult to conciliate, especially when the local development plan does not state clear principles of functional zoning, that could prevent land use conflicts; interested in accommodating all demands, the largest share of land marked for development is found under the category of "mixed activities".

If the present trends continue, Pantelimon might face a severe environmental crisis which will put at risk the long-term sustainable development of the community.

### *Snagov*

Snagov is one of the communities experiencing dynamic suburbanization processes after 1989; it was chosen as a typical suburban residential community in the rural-urban fringe. Situated on a secondary road, some 30 km north from Bucharest, on both sides of Snagov lake, it is one of the largest communes of the peri-urban area in terms of total area, comprising 5 villages, with a population of about 6000 inhabitants (Figure 4).

The commune has good natural potential, with prime quality farmland, and forest on about half the total area, which along with the lake represent valuable assets (landscape amenity) for suburban residential development and rural recreation.

A rural commune of farming traditions, during socialism Snagov has 4 farming cooperatives (grain crops and livestock farms), while more than half of local labor commute to industrial jobs. The most notable evolution before 1989 is development as a recreation spot and a reclusive residential area for the communist party elite.

In the 1980s, in a misguided attempt to modernization, Snagov fell victim to the rural restructuring program, with the villages of Vladiceasca, Cioflinceni and Ghermanesti totally or partly demolished and a new civic center built in Germanesti. Post 1989, recovery has been very quick; as early as 1990, even before the land reform law was passed in 1991, people retrieved their land and began rebuilding their homes.

Land restitution in 1991 has been followed by the revival of family farms, but in Snagov results have remained modest due to land fragmentation (average less than 2 ha per farm) and the lack of means of production. While a few farming associations cultivate commercial crops on the distant land plots, a majority of farmers are limited to subsistence farming, which fails to provide sufficient revenues. With growing land prices, many farmers/local landowners become interested in selling land for considerable profit.

On the other hand, keen to enhance the residential-recreational functions of Snagov, the



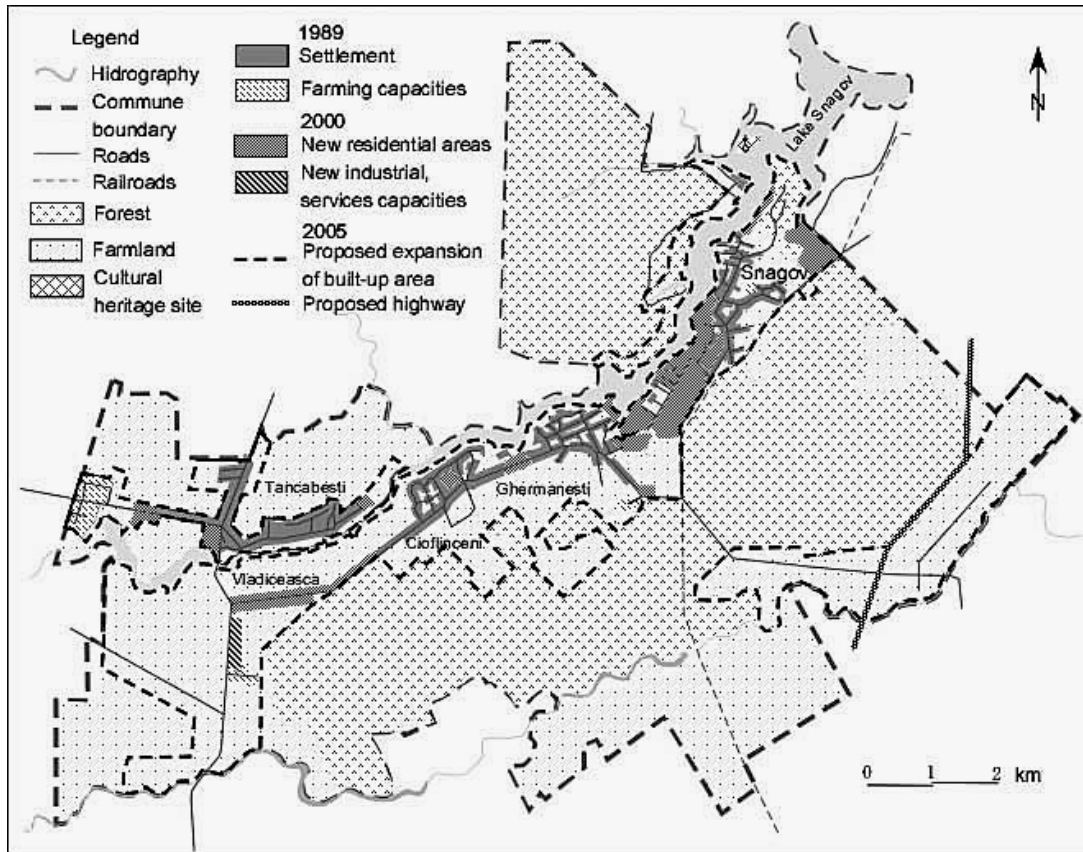


Figure 4. Snagov commune: territorial expansion of the built-up area post 1989

local council approved massive transfers of available farmland to built-up uses in successive development plans (1992: about 640 ha; 2000: 200 ha), for both residential and recreational destinations. Capitalizing on the one hand, on local landscape amenity (with important natural and cultural assets: the lake, the forest, the old monastery) and on the other hand on the established reputation and positive image as an elite residential spot, Snagov has been attracting a wave of typical suburban residential development of second homes and week-end cottages (Photo 2). Owning a home in Snagov is equated with high social status, so residences here tend to be prestige-related and expensive. During the first years after 1989, individual development of private family homes was dominant; recently, there has been a surge in the involvement of developers, buying large tracts of land for residential and recreation-services development (Photo 3, 4).

The newest Local Development Plan (2005) states that the strategy for local development will continue to focus on services - recreation activities (plans for a golf course, hippodrome, Dracula Recreational Park), and it approves the expansion of the built-up area by more than 1000 ha, mainly for residential and recreation projects. Willing to accommodate urban demand, authorities designated for



Photo 2. Snagov commune: new holiday homes of Bucharest elites (June 2002)



Photo 3. Snagov commune: recreational facilities (August 2005)



Photo 4. Snagov commune: recreational horse riding center (August 2005)

residential development perimeters situated in prime locations, along the lakeshore and next to the forest, while limited areas destined for industrial-services development follow the highway, west of the settlement. In spite of rising land prices (which "jump" in 2004 4-5 fold compared with 2003), present development trends are anticipated to continue. The most recent project, of a major north-south highway that will cross the south-eastern tip of the commune is expected to bring new opportunities of development (a Dracula-themed recreational park is discussed).

Such development holds potential positive effects for the local community: on the one hand, the creation of new infrastructure and other facilities that can also benefit the local community; on the other hand, new employment opportunities for local labor in the building sector, maintenance services (guards, gardeners, administrative staff etc), hospitality industry.

In recent years, there has been a gradual improvement in infrastructure network, both densification of roads and development of some utility networks (gas, telephone). However, a cause of concern remains the delay in the creation or expansion of basic utilities (as current water and sewage network, waste water treatment facilities), which do not keep the pace with residential development. As a consequence, individual homeowners and developers are forced to resort to local improvisations which have been proved to have a huge negative impact on local resources and environment: organic pollution of the lake, contaminated from pit-toilets; forest thinning and clearing along the lake shore for isolated cottages.

On the other hand, regional planning authorities are worried about the continuing trend of lotization of land along the lakeshore, which in the long term might lock up public access to such recreation resources for the poorer urban categories.

Summing up, major changes in Snagov have been unfolding under strong urban pressures, and represent the most typical case of suburbanization in the Metropolitan Area; this evolution seems to continue, and local and regional planning authorities agree to the development of Snagov as a local center of polarization, providing services for the surrounding rural area and recreation for urban inhabitants; its promotion to township status seems also possible in the near future.

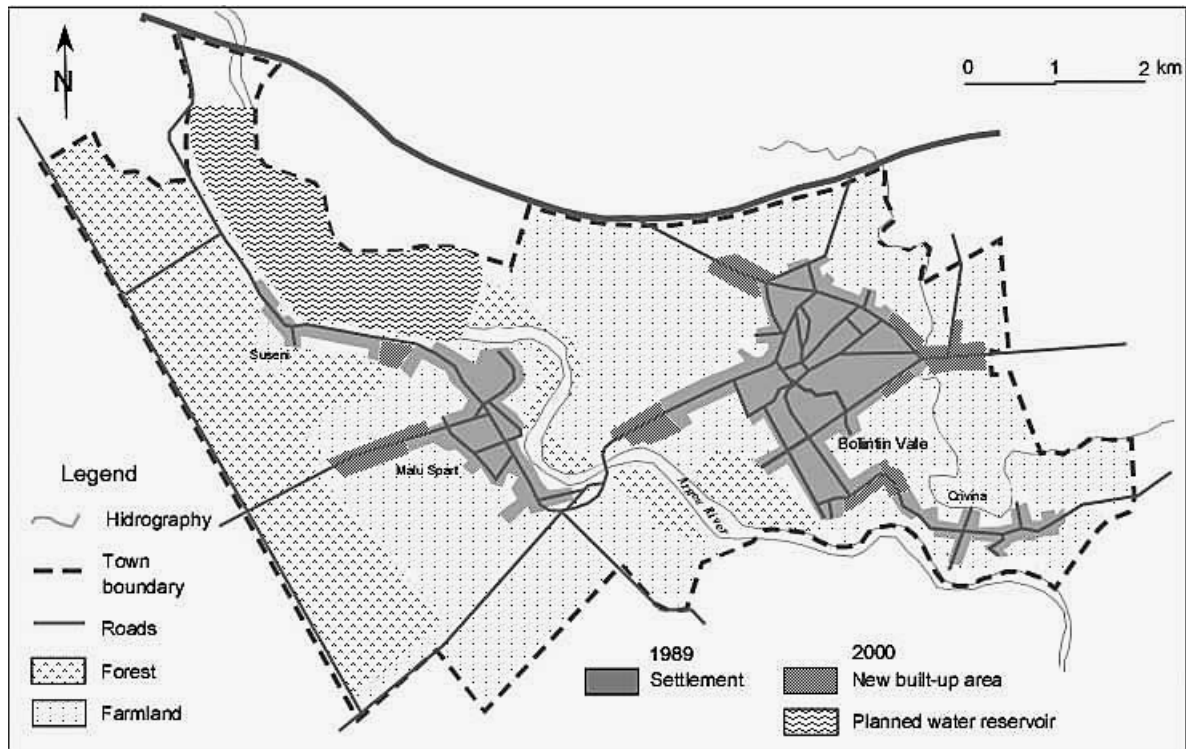


Figure 5. Bolintin Vale town: development post 1989 as reflected in land use changes

### *Bolintin Vale*

Located on the outer fringe of the Peri-urban area, about 30 km west from Bucharest, the little town of Bolintin Vale belongs to Giurgiu county; the town is actually made up of 4 villages of which Bolintin Vale was promoted to urban status in 1989 (Figure 5).

Situated on both sides of Argeș River, along a secondary road, Bolintin Vale has relatively good natural potential, with fertile alluvial soils, forest, and some local oil resources. Human resources, however represent the major local asset for development: the town has more than 12000 inhabitants, of which about half well-educated, highly skilled active population.

During socialism, Bolintin Vale developed into a local center of polarization for the surrounding rural area, with farming and some industrial activities (oil extraction), also serving as a regional education center. Its relative prosperity however comes from the traditional employment of a good share of local masculine labor in the building sector, in Bucharest and all over the country.

At the end of the 1980s Bolintin Vale is identified as one of the potential centers of polarization around Bucharest and receives investment for rural restructuring, which reshapes the central perimeter of the commune (new civic center). Infrastructure development lags behind however, and in spite of its urban designation in 1989, Bolintin Vale retains its rural aspect. After 1989, Bolintin Vale can be considered one of the examples of positive, balanced evolution in the Metropolitan Area. The local development strategy focuses on the town's sustainable development as a mixed activities center, combining farming, manufacturing, building sector, with services activities serving a broader regional frame. Location and difficult access

kept Bolintin Vale away from the urban pressures experienced by communes of the inner fringe and its recent evolution has been under the impact of a combination of local development factors and indirect urban influence.

Notable is the positive synergy of skilled leadership, good education levels of local population, skilled labor, local entrepreneurial spirit / business initiative; these mutually enhancing factors explain local prosperity post 1989. After the land reform and land restitution in 1991, small family farms (average 2.2

ha) are revived; farming remains however a complementary activity, with many households doing it part-time, to satisfy family needs. Inhabitants' main occupation remains in the building sector, as Bolintin Vale and a few other neighboring communes are well known for the skill of its builder-masters (*Sasaki, 2002*). The tradition of pluri-active families was revived post 1989 and an original employment pattern is perpetuated by the approximately 2500-3000 local men working in the building industry abroad (about 70% or approximately 2000 households depend to some degree on revenues from building industry). Skilled building workers team up to get working contracts in Bucharest or abroad (Germany, Italy and Israel are the main destinations); such contracts extend from 1 to 3 years; the revenues are far higher than Romanian average salaries, so that upon returning, they can afford starting new businesses or building new family homes.

Local business acumen and entrepreneurial spirit are illustrated by the business start-ups after 1989 (in manufacturing, services, building sector). *Expresconstruct ANK* (Photo 5), is such a prospering new business, employing about 200 local staff. Started in 1995 as a building contracting company, it diversified its activities into farming, manufacturing, retail and recreation activities. In the building sector it has contracts in Bucharest and surrounding counties, both public and private projects; it also started manufacturing some of the building materials it uses. Revenues from farming activities keep growing (more than half of total turnover in 2004), based on the long-term concession of 4000 ha of irrigated farmland from ex state farms; the company used SAPARD funds for the acquisition of farming equipment; it cultivates commercial crops for export: grains, sunflower, rapeseed, soy; it also produces fresh fruit (on 150 ha orchards) and greenhouse vegetables for the urban market; it also offers mechanization services to farming associations. It recently diversified with the acquisition of a livestock farm (600 heads) and with investment in recreation activities (acquisition of a 35 ha fishing pond), manufacturing (a bakery), and retail (a local grocery). The company is a good example of local business initiative, capitalizing on local opportunities and natural and human resources.

Such new businesses represent an important outlet for local labor, as well as a source of taxes for the local council; the local budget has been used in recent years to improve both physical and social infrastructure.

The newest Local Development Plan proposes a strategy of sustainable development that



Photo 5. Bolintin Vale town: new business  
(Expresconstruct ANK) (August 2005)

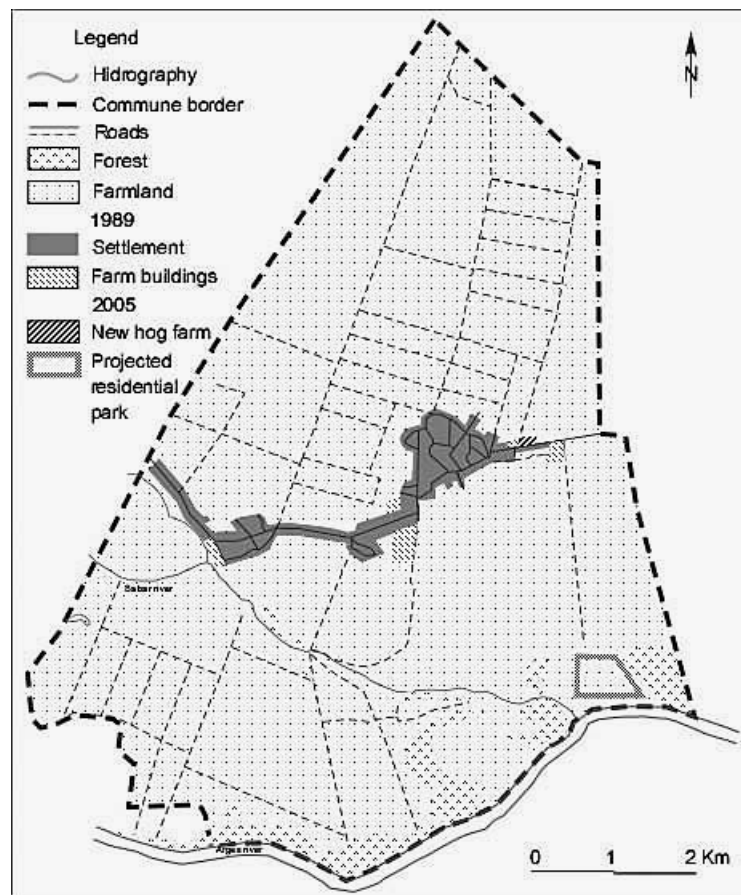


Figure 6. Valea Dragului commune: development post 1989

should encourage creation of new businesses, especially in manufacturing (food processing, clothing, footwear, traditional handicrafts) and services. It also proposes investment from the public budget for new infrastructure projects: expansion of the water supply network, new water treatment facilities, an ecological landfill, creation of gas distribution network, as well as for recreational facilities along the river (after the completion of the water reservoir on Arges River - a major regional project, scheduled for 2007). The provision/improvement of social infrastructure - public housing, education, health care, are also top priorities that should receive preferential investment.

### *Valea Dragului*

Located at about 40 km south from Bucharest, along a secondary road, Valea Dragului was chosen to represent traditional farming communities of the outer fringe of the Metropolitan Area, left behind in the race for development after 1989 (Figure 6).

Evolution during socialism in Valea Dragului is marked by the creation of the farming cooperative in the 1960s, on approximately 2200 ha, with about 1000 members; the farm specializes in grain crops, fresh vegetables and dairy produce for the city market. Following mechanization of farming operations, in the 1970s-80s more than half of local working force (about 1000 workers) commute to urban industrial jobs to complement incomes from farming. Pluri-active families are the norm: usually men and younger family members work in

industry, while women and the older generation remain in agriculture.

Post 1989, in spite of good natural and human potential for farming (fertile soils, skilled labor), the commune failed to prosper, due to a combination of local handicaps.

The collapse of the local farming cooperative was followed in 1991 by land restitution. On the backdrop of industrial restructuring and massive labor lay-offs, the return to family farming seemed the only viable strategy of survival for many inhabitants. However, the success of family farms has been delayed by the absence of modern technology and inputs, farmers' lack of modern managerial skills and land fragmentation (average farm in Valea Dragului has about 2.4 ha in few, uncontiguous plots). In the absence of state financial support for small family farms, a majority of farmers were forced to revert to traditional semi-subsistence farming. The dual system is mainly oriented to satisfying family needs, while also providing some cash income from intensive vegetable gardening for urban markets (*Sasaki, 2001*). In this context, the solution proposed for competitive farming has been the creation of farming associations, led by former specialists at the local farming cooperative before 1989. Such associations lease land from local farmers (based on 3 to 5 year contracts), and, using modern technology, cultivate cash crops (grains, sunflower); farmers receive usually 1/3 of the harvest cultivated on their land or the equivalent money. In spite of very good natural potential, in Valea Dragului such farming associations went bankrupt after 1995 due to mismanagement and embezzlement of funds. At present, no such association is active in the commune, and, as a consequence, large tracts of best-quality farmland lie idle for years.

On the other hand, diversification of the local economy in sectors other than farming is retarded by a combination of natural and human factors, as distance from Bucharest, difficult access, underdeveloped infrastructure, low education levels and conservative mentality of local population, lack of local business initiative, absence of leadership skill of the local administration.

The Local Development Plan (2005) identifies the community's farming vocation as central to the local economy; however, it stresses the priority of development of competitive, commercial farms. The Plan recommends diversification both on and off farm with the creation of SMEs in food processing, manufacturing, services and recreation activities, rural tourism. Investment in infrastructure is also as a top priority. The Plan fails however to indicate concrete steps to attain development goals, as the local budget is very poor (farmland and farming revenues/incomes are tax-exempted). Private investment or state financial aid seem the only solutions for diversification.

Recently, with the consolidation of a few commercial-oriented farms, there has been some diversification of farming activities. Such an example is farm V., the largest family farm in Valea Dragului. The land owners are both agronomists, but their recipe for success lies in the mix of family tradition and innovation, skill and know-how, business acumen and initiative. The farm is an example of farming specialization, complemented by diversification in non-farming activities. On 55 ha of land (both owned and leased), the family cultivates cash crops (mainly grains, sunflower) and produces certified seeds; it also produces greenhouse vegetables for city markets; it owns a tractor and a combine and it offers mechanization services (plowing, tilling, harvesting) to local farmers and farming associations in the



Photo 6. Valea Dragului commune: new hog farm (August 2005)

neighboring commune; it owns 150 sheep, for commercial production of meat and cheese; in a specialized shop, the farmer sells herbicides, pesticides, fertilizers and offers counseling services; recently, they also opened a small grocery. The farmer has projects for enlargement (acquisition of land and machines) and further diversification.

Another example of a commercial farm is the new hog farm (Photo 6), the largest private investment in Valea Dragului post 1989; started in 2004, it grows about 7000 hogs for

the meat processing factory in the neighboring commune; the farm leases about 60 ha of local farmland on which it cultivates fodder crops for feed. It has projects for diversification with a new silo for drying grains and an animal feed factory based on local fodder crops.

There are high hopes for new investment projects in Valea Dragului and, in August 2005, negotiations were under way with a group of private investors for a processing factory for canned freeze-dry vegetables (based on locally-grown organic vegetables). A second project discussed is the residential development of small villas for urban residents on 8 ha of land south of the village - if the project is successful, then recreational activities based on local resources (forest, river) will also become possible.

Progress is slow, but with financial support from the Romanian government and EU programs, in 2005 projects for telephone and gas utility networks improvement were under way.

Urgent intervention is needed to avoid socio-economic crisis in Valea Dragului (and in thousands of similar rural communities all over Romania): state financial support should be directed to family farms, infrastructure development/improvement, diversification of local economy (SMEs start-ups). Priority should also be given to improvement of human resources (general education standards, specialized training and counseling services) to form new skills and change local mentalities.

## Conclusions

Post 1989, socio-economic changes in communities of BMA are pushed by a combination of both internal/local and external/mainly urban forces. In Bolintin Vale and Valea Dragului change is slow, mainly driven by local forces, while in Pantelimon, it is the rapid process of urbanization that has been generating socio-economic diversification and change; Snagov became the typical example of suburban development.

In the absence of a clear strategy of regional development, recent evolutions in the Metropolitan Area have been mostly the result of spontaneous development, led by private/corporate initiative. Processes of urbanization and suburbanization have been most active in communities of the inner rural-urban fringe and the northern sector (attractive by their good location, land availability, landscape amenity, labor resources, but also favored by the regional transportation infrastructure). In these communities, winners of the transformation

process, economic diversification is most dynamic, but a lack of strict regulations has resulted in negative aspects of uncontrolled development and urban sprawl. Stricter regulations and mechanisms of public control are needed for a better balance between environmental conservation and economic development.

Meanwhile, rural communities on the periphery of the rural-urban fringe and the southern sector failed to attract investment (due to difficult access, underdeveloped infrastructure, poorer human resources), and continue to lag behind in terms of economic diversification. Losers of the transformation process, such rural communities face imminent socio-economic crisis. Urgent government intervention is needed; the following steps should be taken in order to encourage local economic diversification:

1. improvement of the business environment: access to preferential credits for creation of rural SMEs, better access to information, training and consultancy services (using financial aid from EU - SAPARD funds)
2. improvement of rural infrastructure, mainly transportation (using PHARE funds);
3. improved coordination between regional and local authorities, that should actively promote local business opportunities and attract potential investors.

Such steps should help prevent the widening gaps between communities of the northern and southern sectors of the Metropolitan Area, and between center and periphery, while contributing to the long-term sustainable development of these communities.

## Sources

- Manoleli, D.G. ed. (2004): *Setting the development priorities for Romanian agriculture and rural sector. The impact of the new common agricultural policy reform*. European Institute of Romania.
- Nadejde, S., Placintescu, D. (2005): *Zona Metropolitana Bucuresti-ghid de informare pentru autoritatile publice locale*. Asociatia ALMA-RO, Bucuresti.
- National Committee for Statistics (2003): *Romania. Yearly Statistical Report*. Bucharest.
- Primaria Bolintin Vale (2005): *Plan de dezvoltare durabila a municipiului Bolintin Vale*.
- Romanian Ministry of Agriculture and Food (2000): *National Plan for Agriculture and Rural Development over the 2000-2006 period*. Bucharest.
- Rusu, M. (2003): The State of Farm and Rural Income Diversification in Romania. In *Farm Commercialisation and Income Diversification on the Road to EU accession - proceedings of FAO Workshop*.
- Sasaki, L. (2001): Rural Changes on the Outer Fringe of Bucharest Metropolitan Area: a Case Study of Valea Dragului Commune. In *Geographical Reports of Tokyo Metropolitan University*, No. 36.
- Sasaki, L. (2002): *Recent Rural Land-use Changes in Bucharest Peri-urban Area, Romania*. Doctoral dissertation, Tokyo Metropolitan University (unpublished). p.68-70.
- Urban Proiect (2005): *Comuna Pantelimon. Plan urbanistic general*.
- Urban Proiect (2005): *Comuna Snagov. Plan urbanistic general*.
- Urban Proiect (2005): *Comuna Valea Dragului. Plan urbanistic general*.