



REFORM IN AGRICULTURE AND ITS EFFECTS ON FOOD SECURITY

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ABSTRACT:

From economical point of view, nowadays society has only one existential criterium: efficiency. Belonging to the production domain, economical efficiency expresses the report between results and necessary efforts for obtaining it or viceversa and on the one hand the report between production factors and on the other hand the obtained results.

Agriculture has certain particularities and functions that individualize it from the rest of economical branches. Through its produce, agriculture satisfies the primary human necessities: food. Today, there are no serious alternatives in human consumption regarding produce as far as science and techniques are concerned. From this perspective, agriculture has no opponent and can not be replaced by other economical branches.

KEY WORDS:

reform, food security, economic efficiency

This paperwork shows that agricultural reform is a basic component of the global reform in the Romanian society, a part of the market economy building process; the reform aims at increasing the general welfare and improving the living standard.

The creation and operation of the farm produce market on competition principles requires the reform of the agrarian structures and agricultural policies, the institutional and administrative reform etc.

It is the reform that will generate deep mutations in agriculture and the whole farm food system by privatisation and reinforcement of private structures. It will also provide the framework for developing a lasting agriculture on the basis of the viable agricultural farms and environment protection system, in order to be integrated in the country's global development and the European agricultural structures.

Neither today not in the future could our agriculture become a family business that will produce self-consumption products. Agricultural reform is meant to reorganise the supply and to turn the farm producers into

specialists who will become competitive on increasingly competitive markets.

The finality of the agricultural reform must consist of economic objectives that aim the consolidation of effective structures opened to the competitive markets. The complexity of the rural area will extend the planned changes to the whole economic and social existence and direct it towards permanent evolution if the local initiative intensifies.

The main objectives and action paths for the future are:

1. to finalise the legal status of the land and the issuing of deeds of property;

2. to adjust the economic-social organisation of production with a view to creating agricultural stations competitive on the domestic and foreign market;

3. to set a definite policy about the types and forms of stations to be promoted and supported — family and nonfamily farms, associations, private agricultural societies, mixed agricultural companies or companies in which the state is the main investor. Each of these types has both advantages and disadvantages that must be taken into consideration. I believe that the family farms should be monitored primarily as they are the main economic-social type of organisation in agriculture. Much of our present and future agricultural progress will depend on the transformations in the family farms, in changing the peasant type family farms into a family. trade company. A typical feature of the Romanian transition that has no precedent in the last ten years is the significant increase of the population employed in agriculture.

On analysing the land factor, one can see that what characterises our agriculture is the prevalence of small and very small farms covering 2-3 hectares only. Such farms are unable to ensure the desired agricultural progress or a decent living standard for the farmers. An important part in overcoming this situation is to increase the size of the family farms by land concentration land and their economic effectiveness as a result of using higher efficiency production factors.

At the end of 2000, most of the country's arable land belonged to 4.170 individual farms that covered an average surface of 2.47 hectares.

The evolution of farm organisation has not eliminated the excessive division of the private agricultural sector, as in 2001 the areas were still parcelled as they had never been before in Romania.

A major obstacle in accelerating agricultural development and modernisation is the lack of a correlated approach of new property structures with the older ones. If the purpose market economy, then the following must be reorganised: private property, family farms and market economy institutions. A fundamental requirement to improve the natural and human resources that are made available for the farms, mainly the land and the labour, is to promote the qualitative factors: superior knowledge and a higher professional and managerial training of the farm producers, new technology, performant equipment and information technology so that the mechanisation and fertilisation stages will be

finalised and the transition to the current stage of the developed countries, i.e. information technology. The reform will be a long process that requires investment efforts both from the state and the farm producers as well as the adequate orientation of scientific research, an institutionalised mechanism to transfer and apply the scientific research and technical results in the private and public agricultural farms.

As one of Romania's future objectives is its integration in the European Union, measures must be taken to provide the Union's standards in the following fields:

- to reduce the gap between the level of economic development based on a higher productivity and competitiveness;
- to adapt the production structure to the domestic and foreign market demands;
- to institutionalise the market mechanisms that are compatible with those in the European Union and to improve market access;
- to develop rural areas integrally.

All this are related to reform in general, require market forces to combine with the state's rational actions meant to correlate the private and the public economic interests, to support farm producers, to apply protection policies for the national production according to the international regulations as part of the relationships with countries all over the world.

In my opinion, agricultural reform requires a change in the people's life style and the structural adjustment of all rural activities by reinforcing the private property and provide functional market mechanisms. However the reform will not end as soon as the land and the main rural good have been privatised, as it has happened in our country. This is only the beginning of viable agricultural structures. They are the factors that will eliminate the old agrarian structures and the basis of market-based agriculture. The complex process of the market system requires the reform so that the agricultural market should be formed and function properly.

It is my belief that the structural change factors — the reform factors as well — relate both to the macroeconomic and the microeconomic component. The former is made of a mechanism and agricultural policy system that provides market organisation and functionality. Market stabilisation as a result of an increase in the population demand and a competitive agricultural offer is closely related to the microeconomic component where reorganisation must take place in order to generate the economically and socially viable agricultural farming system.

Such a system will ensure agricultural market functionality on competitive principles and regulates the supply-demand ratios through democratic mechanisms that support and dynamize competitiveness.

The success of the reform is brought by applying a long- and short-term recovery and development strategy. When an economic system is being settled, fundamental changes take place in land ownership and

viable organisational formulas are chosen. In Romania's case, the directions to which agriculture has been oriented have oscillated, and the strategies, though numerous, were short-termed. But the fundamental strategic elements should be continuous and rigorously applied for longer periods.

I believe that a series of programmes must be elaborated to achieve the following:

- the correlation of agriculture with the other branches and also with other rural non-agricultural activities, which means to integrate agriculture in the national economic system;
- the complete protection of agriculture from all points of view: economic, organisational and ecological;
- last but not least, to establish new agricultural orientations based on international market context and requirements in order to adhere to the European Union.

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