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HIGH VALORIFICATION OF LAND RESOURCES IN ROMANIAN AGRICULTURE THROUGH THE LAND PARCELS' FUSION

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Abstract. The economic theory recognizes the necessity of fusion, as an important action of agrarian policy, through which it should be realized the fusion of the land ownership in the peasant households, but in a legislative plan, there is no own disposition, which could norm it as it was done with the other actions which have in view the movement of the land ownership, as are buying, sale, leasing, association and cooperation.

From this reason, all efforts in the last period, made for the parcels fusion, have pertained exclusively to the farmers, and they were done through the actions mentioned above.

The land fusion, in a conceptual plan, legislative and practical, is presently approached in a diffuse manner, superficial, and, mostly timidly and distortedly. That is why, through this study, even it is synthetic, we are addressing ourselves to the professional readers, but especially to the deciders in the agrarian policy, in the goal of forming up a favorable opinion current, to energize the actions of coagulating the land ownerships in our agriculture

The agrarian policy, in an imperative formulation, must put into law, and at the same time, apply the fusion, which should have as finality the solving up of the land parceling problem in the peasant households, in a reasonable time period.

Key words: Land resources, parcels, land ownership, land fusion

Instability of production's factors of peasant household from qualitative and quantitative point of view, primarily with reference to the nature of the material, carried by technical progress (for example mechanization,

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chemicalization, land improvements, certified seed), and secondly, all to those of human nature, there was a constantly ascending scale, in all time which has elapsed since the collapse of communism, which guaranteed the appearance and manifestation of chronic shortcomings, such as: extreme low labor productivity for example ratio of Romania and countries like Britain, Germany and France, in terms of average wheat production per hectare is over 2,5:1); abandonment of large land areas (statistical estimates these areas increased over 3 million hectares of arable land in 2008, i.e. over 30% of the total arable area of the country); maintain rudimentary production technologies based on human energy consumption and working animals, almost identical to those of the early century XX.

Obviously, all these shortcomings, can not last forever, and their resolution must be understood as an obligatory reclaimed requirement, above all, by the role of increasingly large reserved for agriculture in addressing the shortage of raw food, especially those of energy resources market.

Therefore in the equation which positioned face to face the agriculture's shortcomings with requirements of national economic, land consolidation strategy is accepted by the agricultural policy as a binding solution to strengthen land property and performing on this path of small agricultural holdings.

Fragmentation of agricultural land, has reached at present in Romania, the highest rates in Europe. Here are some data which synthetically reflect this phenomenon: the number of parcels over 15 million; the average size of one parcel around 6000 m²; the average number of parcels per one farm (3,7 parcels), the number of peasant households over 4.2 million, the size of a household is 2,4 ha.

Main Effects

Fragmentation and spreading of the parcels affects adversely, the property itself and the production and that of its economic efficiency by:

- putting aside, temporarily or permanently, of important areas of land from the drawing demarcation lines, respectively, of the boundaries of the parcel which, in many cases, are marked by bands, ditches, roads, fences of any kind, and so.
- instability in the system of ownership because of the still confusing displaying of the cadastre and public land, with direct reference to the location and size of parcels. In this case additional costs are usually created for representation before the courts, costs that affect, directly, farmers' household budgets. There is also the danger of yield reduction caused by conflict that occurs between owners with the neighboring lands;

- low economic value and, by extension, of the heritage properties consisting of several parcels and a greater spreading rate;
- reducing the chances of adoption of intensive agricultural systems, of which development, according to agricultural sciences, is needed configuration of agricultural area on parcels with large size and with a regular geometric shape, in order to allow obtaining maximum effects following progress technical factors application, such as mechanization, land improvement, chemicalization; in contrast, are taking in place and proliferate, as demonstrated by the present situation, nonperforming practices and technologies, which are almost similar to those of the early and mid-century;
- increased costs due to additional consumption of time, wear equipment, loss or depreciation of crop, caused by movements to each plot;
- establish control over farming and crop yields and reduce speed to remedy any damage caused to production, because of the action of natural risk factors (i.e. hail, frost, floods, fires, attacks by wild animals, etc.) but also in human cases (i.e. agricultural work badly executed, theft, destruction of crop, etc..) are more hampered, where plots are located at greater distances from centers of production or from peasant household. Crop losses can reach up 100 percent proportions of expected production if the control, respectively remedy damage are not made during the optimal time and with maximum efficiency.

Experiences

Apart from the theoretical aspects debated above, important is also the adoption and development of land fusion as a major economic policy action, the goal of which is the performing of the peasant households. In this equation, two documentary sources are relevant: Romanian and European.

In Romania, the land fusion, approached from the history perspective, has registered, synthetically the following evolution periods:

- *In the period until the First World War*, when there was consolidated agricultural areas in over 700 communes, in Transylvania, and approximately 20 in Basarabia, works, which, after the war “had not been ever re-taken {...} because the State could not grant the subsidies necessary, or because through the agrarian reform application (the one in 1921,our note), the need for those works was less felt” (*The Great Agricultural Encyclopaedia* , vol II, PAS Publishing House, Bucharest, 1938,p.141).
- *In the period between the Two World Wars*, the land fusion, opposed to the previous years, was approached only in theoretical and legislative plan and not

in the practical one. For instance, Kogalniceanu, M., in 1918, in his exposure of reasons for the agrarian reform law, was making the following remark: “that {...} in order to stop the fragmentation of the peasant ownership, already parceled enough, we foresaw the individualization of the lots sold today and the mandatory consolidation of the whole peasant ownership, when the inhabitants will ask for it. This consolidation of the small ownership, which should repeat itself at each 30 years, is the simplest way to stop the parceling of land under the limits of its economic use. The consolidation is imposing also for the organization of the land ownership in function of the crop rotation of the region, with the difference that now, the landed gentry disappearing, peasants have to organize their crop rotation only on their land” (Kogalniceanu, M., ”*Reasons exposition to the Agrarian Reform Law*, The Official Journal no.22, May 1921). As result, in the contents of the Agrarian Law from 1921, at articles 135-150 was specified “well thought distributions as together with the application of the agrarian reform, consolidation should be made”. The law in cause was approved by the Senate, but unfortunately, The Deputies’ Assembly postponed for later on this matter, for the reason that there {...} lacked the Cadastre, but mainly to hasten the entering of the peasants into the owning of the land, with which they were granted (*The Great Agricultural Encyclopedia*, vol II, PAS, Publishing House, 1938,p.141).

Much later, in 1937, through the *Law for the encouraging and organizing agriculture*, the land fusion was made lawful in broad lines, by founding “communities for consolidation and farm guide” with the following goals:

- To stop the process of agricultural land fragmentation (Due to the fact that the land areas were too fragmented, becoming non profitable, it was foreseen that those under two hectares should not be able to be fragmented at their turn by sale or succession. These areas were representing, at the country’s level over 60% of the total of agricultural ownerships (after Ciulei, Constantin, General Inspector, *Measures regarding to the land ownerships’ consolidation*, ASAFSA, file 12/1937).
- To intensify and cultivate the weakly productive or abandoned lands (moors, salty soils, floods, puddles) (It was appreciated that, at least 20% of the area of the whole arable or over 4500 thousand hectares were occupied with not cultivated lands or with weak or inconstant productions, because of the moors, salty soils and the damages brought by the waters (Mihalcea, Alexandru, *Forms of association and cooperation in Arad’s Agriculture- past and present*, SIRAR, Arad branch, 1998, p.3);
- To develop the reform works of land amelioration (irrigations, dryings, drainage, soil erosion fight, etc).

Regarding to the foundation of these communities, the law established a set of minimum conditions to fulfill for them. The first condition was referring to the founders members, who should have been 40 peasants, of a good material state (leaders) and within the very commune. The second condition had in view that "at least 66% from the owners' number with less than 10 ha of ownership, not consolidated under one single body, and owning together at least 51% from the total area of these categories of ownership, are deciding to consolidate their ownership, their decision being mandatory for all the owners in the respective plot (*The Law regarding the organization and encouragement of agriculture* O.J. 67/22 March 1937, art. 9, line 9). The third condition was that "the decision for consolidation was valid also if the number of the owners was of at least 51% and their ownership of at least 66% (*The Law regarding the organization and encouragement of agriculture*, O.J. 67/22 March 1937, art.9, line 10).

In order to make this law applicable, and in its base, the Ministry of Agriculture and Estates, through the Cadastre Division, together with the two specialized Offices – for land fusion and for agricultural improvements - together with the Central of Cooperatives for guidance and control have draw up the status project for the communities for agricultural land fusion and improvement, project which had 7 chapters and 74 articles. Afterwards, for three years, the management and functioning of the communities from over 30 communes of the country were studied. They reached the conclusion that these communities must continue their activity, and to give an impulse, it was asked, through the Ministry of Internal Affairs, that the prefects and the County Agricultural Chambers, to designate one commune, each per county in which they could constitute, easier, the land fusion community, which, later, the Government would support.

But the historical events which followed, respectively the Second World War and the Soviet domination, have impeded upon the application of the Law.

- *In the communist period*, the land fusion was the result of two actions of economic policy: the statalization and collectivization, as vectors to impose the totalitarian state power. There were adopted land fusion principles and rules (See The Decree no.280/1995 and the Government Decision 1240/1955 both referring to the organization and the execution of the land evidence, with the main purpose of serving to the agricultural land consolidation in the action of agriculture's collectivization; Law 12/1968, regarding the appreciation, consolidation and use of agricultural lands), original and special through their anti-democratic contents, opposed to those promoted in the previous periods in Romania and especially in the Western European countries. Through the forced overtaking of the lands from their lawful owners, it was possible the land fusion of them into very big bodies, for thousands and tenth of thousands of

hectares, action that generated another major drawback in the plan of the efficient manifestation of the decisional act.

However, in organizational plan, the gains were evident, because the new configuration of the agricultural farms, on soles and bodies of lands of big sizes, made possible the application of some rational crop rotations, as well the use, at maximum performance, of the mechanization, of the land amelioration system, as well the application of chemical fertilizers, the use of selected seeds, the knowledge and results of the scientific researches. As result the trend of yields per hectare and per animal capita were constantly increasing, with some small oscillations, from one period to another.

- *In the post-communist period*, through the acknowledgement of the private ownership right upon the agricultural land areas, the picture of the ownership and production structures in the Romanian agriculture, was re-configured, approximately, on the same coordinates of the period after the Second World War.

The experience of some European ex-communist countries, reveals the fact that even under the conditions of land privatization, it was possible to keep the agricultural cooperative units, or state “communist” ones, as types of agricultural farms, and not as ownership type (his confusion has caused many drawbacks in the Romanian reforms) where there already had been consolidated big areas of agricultural land. For instance, in Germany’s case, after the re-union, the state” consequent to the legislation of agricultural production concentration {...} did not pulverize the ex-agricultural production cooperatives and state agricultural enterprises into small family farms of 5-10-20 ha, did not liquidate physically the big agricultural farm, but through a juridical transformation, reestablished the ownership common right upon land, buildings, machines into private farms. And other ex-socialist countries have also maintained in a share of 70-80% the big farms of cooperative type, in sizes of 500 to 1500 and 3000 ha (Timariu, Gh., “*The experience of the Re-united Germany shows us the way for the Romanian agriculture reconstruction*”, Romania’s Agriculture, no. 48 (621), year XIII, 2002).

In the post communist Romania, land management was supported by the first law for the agriculture reformation, respectively the Law 18/1991, which foresees that the “de-limitation of the territory of the new land -ownerships, resulted from the application of this law, is done on the basis of some management and parceling projects, made by the specialty bodies” (art.44) (Law 18/1991 *regarding the Land Fund*, O.J. no.37/1991). But, in fact, this article has practically been annulled; when in another article within the same law, the re-constitution of the ownership right was established generally, on the old placements (art.13).

The land management action is more clearly outlined in the 166/2002 Law (Law 166/2002 *regarding agricultural farms*, O.J. no.256/2002), regarding the agricultural farms, which foresees that the territory management of the agricultural farms request the necessary frame for the good development of the production processes, by establishing the categories of use of the lands, the lands exchange, rectifications of boundaries, the placement and sizing of the farms, plots and parcels. The purpose for the development of such activities has in view the followings:

- a. the reduction of the dispersion of the not economical use categories situated on small, isolated, intercalated parcels;
- b. the correction of the non rational placement of some use categories towards the ensemble of the territorial elements, relief, production centers, ways of communication, drainage channels, irrigation channels;
- c. the increase of the area of the superior use categories, especially the arable one;
- d. the creation of some compact areas, on each use category, of economic sizes within each of the agricultural farm;
- e. the putting into value of the weakly productive land areas for agriculture;
- f. the permanent correlation of the local economic and social conditions with the ecological ones;
- g. the application of the scientific research results in the domain.

Upon these objectives there is to be imposed a minimum attention. First, it is remarked the extremely general character, without us being specified the degree of responsibility of the factors involved: state, administrative units, economic agents, peasant households. Secondly, we lack the equations through which there are put into work the technical, juridical and economic instruments, so necessary for the consolidation, for its proper functioning. Thirdly, and the last, all the objectives settled by the law, give way to understanding that, from reasons, which are beyond us, the law maker did not know, or did not want to take things to their final, because in the formulation in cause, the consolidation actions are without contents, in other words, they are dead actions.

In Western Europe, the land fusion process is more than a century old, and at it than at has been worked on it continuously and with a special attention; in the European countries as Germany, Austria, Denmark, Norway, France, Switzerland, the consolidation has registered high quota, even from the first half of the last century.

We have to stress out that, after the Second World War, in all countries of the Western Europe special programs were elaborated for the land management,

with precise objectives referring to: increasing agricultural production, for the efficiency of the labor in agriculture, the land renovation for the mechanization use in the production processes, the continuous growth of the size of agricultural farms in order to let the results of the technical and scientific revolution be a support of the process of increasing the civilization degree in the villages.

Conclusions

The economic theory recognizes the necessity of land fusion, as an important action of agrarian policy, through which the land ownership in the peasant households should be accomplished, but in a legislative plan, there is no own disposition, which could norm it, as it was done with the other actions which have in view the movement of the land ownership, as are buying, sale, leasing, association and cooperation.

From this reason, all efforts in the last period, made for the parcels land fusion, have pertained exclusively to the farmers, and they were done through the actions mentioned above.

The involvement of the public power was minimum and as a rule in another direction than it should have been. All the legislative mentioning, from 1990 until present, are subscribing the consolidation to the actions of territory management and reorganization, which is positioning the administrative decision on a plan superior to the free circulation{which many times it excludes it}, based on the natural value and the economic one of lands.

It is concerning that through Romania's integration in the European Union, as effect of the application of the mechanisms and instruments for supporting the agricultural market, especially the scheme of direct payments, it is estimated that the process of consolidating the agricultural lands will be slowed down or even stopped. The granting of direct payments will lead both to increase of lands prices, and to the increase of the lease quantum, and the Romanian farmers, especially the old ones, will not be interested anymore to give the lands through sale purchase or lease to some young farmers, capable to develop performing agricultural activities.

It is beyond any discussion, the performance in agriculture reclaims the errors correction and the coming back to normality, which as for the consolidation of parcels is reclaiming: own law, public support funds, strategies and plans which should take into account the management and re-organization of the territory, local stock exchanges to intermediate the exchange of parcels between owners, the respecting of the democratic principle of free will, the natural and economic assessment of the parcels, the cadastre works and the inscribing of the results into the land books.

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Примљено: 23.10.2009.

Одобрено: 26.03.2010.