

Questioning Rural Development in an Enlarged Europe. The Case of Romania.

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Short abstract:

The paper provides a qualitative and comparative analysis of the implications that the Europeanisation of the rural development policy generates in 8 of the New Member States, with a view to anticipate the positive and negative effects that are likely to occur with respect to Romania's implementation of the policy from 2007. The analysis relies on three axes derived from the current policy instruments: (1) the design of the current rural development menu and its *goodness of fit*, (2) the rural budgetary architecture, and (3) the absorption capacity of the rural development funds. Yet, in order to ensure a complete perspective, the previous SAPARD experience as well as the future developments of the rural development policy resulting from Commission's proposals for 2007-2013 will be considered.

Long abstract:

Although no single definition exists, Europeanisation can be perceived either as an extension of EU policy mechanisms at the national level (*top-down approach*) or as the "emergence and development at the European level of distinct structures of governance" (*bottom-up approach*). For Candidate Countries the concept can acquire a particular meaning, in the sense that EU policy instruments are being partly exported outside Community borders through the accession criteria and the pre-accession support and are producing effects even before the achievement of full membership.

Several arguments can be laid down to support the assertion that setting the European objectives for the Central and Eastern European countries to follow sped up the process of restructuring and transforming them into market economies. Yet, in some cases (such as the rural development policy), downloading the European model both pre- and post-accession – even if adjusted to meet some specific needs of the acceding countries – might also lead to mixed results.

In this context, the paper aims to:

1. Comment upon some challenging issues of the EU rural development policy which might lead to implementation shortcomings in the New Member States;
2. Analyse the way in which the New Members respond to these challenges;
3. Anticipate the positive and negative effects that are likely to occur with respect to Romania's implementation of EU rural development policy starting from 2007.

The paper relies on a comparative approach. On one hand the rural experience of 8 New Member States (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia) will serve as a basis for weighing possible outcomes for Romania after it joins the EU. On the other hand

three distinct periods of time will be envisaged in order to follow the evolution of these countries' responses. The main focus will be placed on the current period (2004-2006) for which EU policy instruments and country options (articulated in their rural development programming documents) will be analysed. Yet, in order to ensure a complete perspective, the previous SAPARD experience as well as the future developments of the rural development policy resulting from Commission's proposals for 2007-2013 will be considered.

This paper attempts an original approach on the current Europeanization effects on the 8 New Member States to be then used as an asset for Romania by:

- Questioning the design of the current rural development menu and its *goodness of fit*

The current rural development menu is rather a result of historic accumulations with measures differing both in terms of the functions they perform and of administrative issues attached (eligibility criteria or value of EU support). The lack of correlation between the two dimensions, as well as the lack of correlation between the measure content and the existing financial instruments may undermine the setting of rural priorities in the EU Member States. Moreover, the 8 newcomers are facing an extra burden resulting from their lesser experience in rural development programming. Thus the major dilemma the countries must solve is either targeting support to measures performing the desired function (in relation to domestic rural needs – *if* such relation is satisfactory) or focusing on the most appealing measures in terms of accessibility.
- Questioning the budgetary architecture designed for rural development measures

Currently the EU rural development measures are financed via an intricate system consisting in two distinct sections of the EAGGF (with separate financial management rules) and four types of programming documents. As no correlation can be found between the measure content and the budgetary architecture, there is a high risk of fragmenting the rural development approach in all EU countries. Moreover, although the scheme is simplified for the New Member States, they are facing a *de facto* limitation of access to the bulk of EU rural development measures. As these countries are almost entirely made up of Objective 1 regions, all the measures except for 9 can only be funded through the EAGGF-Guidance with several disadvantages connected.
- Questioning some absorption capacity issues related to rural development funds

Although it lacks transparency and it makes analysis difficult, the absorption capacity problem should not be ignored. Two of its major dimensions – administrative and financial – are crucial for an approach related to New Member States. Their policy choices are thus going to be assessed in relation to this factor as well.

Using a qualitative and comparative analysis of the impact of the European rural development policy in the New Member States, the paper is expected to draw a realistic line in order to single out the major risks attached to the potential benefits both for the 8 newcomers and for Romania after its accession to the EU.

Key words: Europeanisation, rural development policy, enlargement

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