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## Introduction

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The European economy is undergoing a profound process of adaptation to the new realities and constraints imposed by transformations in the overall global economy, and implicitly by the expanding phenomena of globalization and the deep integration of markets. Against this background, European agriculture faces a series of new challenges of increased amplitude, which must be overcome through profound changes in existing economic and social paradigms, by identifying optimal ways out of the crisis, as well as by regaining competitive advantages and the confirmation of a leading role in a market that is constantly being transformed. The development of the national agricultural sector under the auspices and rigours imposed by the Common Agricultural Policy (CAP) has led to a sustained increase in the level of sectoral competitiveness but also to numerous economic advantages for the rural population.

Recent developments in the agricultural sector and the agrarian economy generally point to the existence of potential imbalances, with strong anchors in the perturbations caused not only by the manifestation of a surplus of agricultural production and an increased pressure on price evolution but also by the accentuation of politically motivated interdictions or limitations and financial incentives.

The social effects generated by the influence of the agricultural sector on the creation of added value and the significant share of the agricultural rural population are complex and require a multidimensional approach. Hence, the role of agriculture in the economy as a whole must be analysed not only from the perspective of exploiting the existing agricultural and rural potential, or from the perspective of agricultural producers, but including the entire system of relations and determinations generated by this economic branch.

Agriculture is increasingly showing its multifunctional character, emphasizing its role and importance in the rural economy. The important transformations that marked the evolution of the agri-food and agricultural sector, amid diversification

of production relations and the globalization and integration of markets, as well as the requirements of ensuring convergence with the European agricultural model and compatibility with the functioning mechanism of the CAP, have required a reconsideration of the role and place of this sector within the national economy as a whole.

The evolution of European agriculture is closely linked to the evolution of the CAP, which, while retaining to a certain extent its initial objectives, along with lengthy reforms, has had to adapt to the new realities and to develop a mechanism in order to capitalize on the economic and social potential of rural areas and agriculture. From this perspective, the CAP has established and developed over time a valid European agri-food model inseparable from the evolution of this sectoral policy. Against this background, the European agri-food model has thus had to go through and adapt to all the requirements imposed by CAP reforms, from the reform of instruments and management systems, funding and budgets, and rural development to opening up to third countries and new market mechanisms.

The CAP is therefore designed to support the development of a genuine and original European agriculture model, determined by the existence of a significant number of family farms with a substantial influence and traditional features, and of cooperatives and agricultural societies, which show a willingness to cooperate in agriculture. At the same time, the CAP needs to undertake a functional distribution of sectoral effects and to mobilize existing rural community resources, helping to reduce the wide imbalances and inequalities that occur between rural and urban areas, in terms of both income and socio-economic importance.

Based on its structure of two pillars, the CAP addresses certain dimensions with a fundamental impact, from both the economic and the sectoral perspective, through the mechanisms developed in Pillar I, as well as the development of rural communities and the promotion of rural development, encouraged through the specific measures of Pillar II. The philosophy of building and operating the CAP must pivot around the two traditional principles, namely the principle of community preference and the principle regarding balanced food sovereignty from a territorial perspective, which guarantee both a sustainable supply of food to citizens and functionality at the optimal level of European agriculture.

Direct payments made under the CAP not only provide financial provisions and farm income support but inherently stimulate the development and re-engineering of agriculture, thus emphasizing the sectoral importance of this particular policy. Considering the cumulative effects of the agricultural policy measures determined by the rural development payments under the second pillar, the CAP contributes directly to supporting vulnerable regions and sectors and to reducing regional inequalities by promoting economic, social and environmental programmes, with an impact on rural communities.

Addressing a subject like the paradigm changes of agriculture in general, and of Romanian agriculture in particular, in the context of convergence with the European agricultural model is motivated by the fact that agriculture is still a determinant economic sector in contemporary economies with multiple influences and reverberations at various levels.

The agricultural sector is undergoing a broad and continuous process of linking to the changes in the European agricultural model, both at the level of CAP philosophy and paradigm modifications, and at the level of rural communities. Agriculture, although at the confluence of traditional and modern methods in contemporary economies, performs multiple functions with trans-sectoral effects.

To obtain comparable and long-lasting results, analysis of the paradigm shift in Romanian agriculture needs to be done in a proper, balanced manner, taking into account the possible transformations of the sectoral paradigm. Thus, it becomes important in this context to understand how agriculture, agricultural research as a whole, agri-food production, the structures of agricultural production and sustainability of rural communities can be improved at different levels in contemporary economies. In the field of agri-food production systems, agricultural production structures, food economy and sustainable rural development, an integrated approach is required, providing solutions for increasing the capitalization of the national agricultural potential but also for improving sectoral competitiveness.

The main objective of this book is an in-depth analysis of the agricultural paradigm transformations in the context of convergence with the European agricultural model, and the influences they impose on the process of sectoral development, while emphasizing their contribution to the redefinition of rural agricultural communities and economy.

Therefore, this book presents a synthesis of the evolution of the European agricultural policy and the transformation of the European agricultural sector in the context of modification of the paradigm of the agricultural model. At the same time, it addresses three fundamental themes, closely connected to the contemporary exigencies and challenges of the agri-food economy and rural space, as well as to the current research trends in the field. The current evolution of the European economy indicates that, in the near future, research in the field of agri-food economy and agri-food production, agricultural production systems and structures must be designed, adapted and developed to respond to the great challenge that the contemporary world is facing – the lack of sustainability of agri-food production systems and the food crisis.

This book aims to contribute to development of the theoretical framework specific to the field of research by presenting and critically analysing the specialized empirical literature as well as recent methods, tools and achievements in the field of agricultural economy research, and the systems and structures of agricultural production, as well as highlighting the complementary connections that this field develops.

In the sections dedicated to the dimensions, themes and approached research directions, the main transformations of the Romanian agriculture are highlighted in terms of integration and globalization of the markets, the influence of paradigm changes in the use of land, and the competitiveness of the national agricultural products in the community space, as well as the convergence of the Romanian agricultural model with the European model.

This book also attempts to present from a multidimensional perspective the role of the CAP and sectoral agricultural policies on the development of national agriculture, bringing to the fore the need to refine specific sectoral

policies and adapt them to the realities required by the modification of fundamental economic paradigms.

Highlighting the impact of the CAP on the evolution of Romanian agriculture and its convergence with the European agricultural model is a topic of great relevance in the context of transformations and reforms of the European agricultural sectoral policy. The need to carry out such an analysis is also imposed by the need to raise awareness regarding the role of the CAP in shaping the national agricultural sector and complying with the requirements of a functional market economy in Romania.

Starting from the above-described arguments, this book aims to join and complete the field studies through a general-to-specific approach, reviewing both the evolution and the transformations of the CAP throughout its history, while providing in the final part an econometric study on the possibility of convergence of a national agricultural sector, with a significant influence in ensuring sustainable economic growth, such as that of Romania.