Economics of agriculture SI – 2 UDK: 316.334.55:330.341.22 (497.11)

FEATURES AND SPECIFICITIES OF THE REGIONAL RURAL DEVELOPMENT IN THE REPUBLIC OF SERBIA

Srđan Nikezić¹, Milutin Matić²

Abstract

All rural areas in the Republic of Serbia, and overall life, work and development in our country, have a number of its characteristics and peculiarities. It is primarily expressed in the great wealth of natural and human resources, and through various economic activities, with significant material and cultural goods and more, with distinct characteristics, trends and diversity in some areas or regions in our country.

In addition, it should be noted that in Serbia in all areas, including the rural, there is enormous potential for a better life and work, as well as for the overall development and progress. However, due to various factors, and most often personal, peripheral and irrelevant, it's mostly been implemented or are now doing. For this reason, among others, and today there are significant disparities and imbalances in economic, technological, social, cultural and other levels of organization and development between different parts of Serbia - from north to south and from west to east of the country, which certainly can and must mitigate or overcome in a different environment and circumstances, which the authors wish to point out in this paper. **Key words :** Rural development, Serbia, population, area, regions, resources, strategy

Introduction

Rural areas in Serbia are defined as the space whose main physical and geographic characteristics are use of the land for growing and producing agricultural and forestry products. In this region, the majority of natural resources with rich ecosystems and biodiversity, significant human resources, various economic activities, significant natural, material and cultural goods, historical heritage are concentrated.

Rural areas in Serbia are defined according to OECD criteria, with population

¹ PhD., Assistant Professor Srđan Nikezić, Faculty of Science, Kragujevac, Radoja Domanovića 12, tel. 064/580-48-10, e-mail: srdjan_nikezic@yahoo.com

² M.Sc. Milutin Matić, Administrative District of Šumadija, Kragujevac, Save Kovačevića 7, tel. 064/14-12-871, e-mail: <u>maticmilutinkg@yahoo.com</u>

density of 63 people per km², with the criterion for establishing rural areas in EU – population less than 150 inhabitants per km². According to this definition, rural area in Serbia is spread on 75 - 85 % of the total territory, and at least 130 municipalities are characterized as rural areas, which include 3,904 settlements, noting that in our country (excluding Kosovo), there are 20 cities and 165 municipalities, which have 4706 villages.

According to the opinion of Prof. Dr. Natalija Lj. Bogdanov, rural areas are characterized by a high degree of differentiation in the aspect of natural, infrastructure and other conditions for agricultural production and development of other economic activities, proximity of the market and conditions for market placement of products, as well as in terms of the size and morphology of the settlement etc. This differentiality is also shown in the plan of economic and social growth, demographic characteristics and trends, cultural and other characteristics, which has a particularly strong impact to the economic efficiency and quality of life.³

All rural areas in Serbia, as well as overall living, work and development in them, have a series of their own characteristics and specificities, about which we will try to say something in this paper.

Classification and regionalization of rural areas in Serbia

In the literature from the second half of XX century, the whole rural area of Serbia was generally classified into three areas: lowland, hilly-highland and mountain area.

A more complete division of the territory of Serbia was provided by Prof. Dr. Petar Marković (1994), who has defined four agricultural »macro regions«, and those are the following:

- 1. Lowland up to 200 m above see level;
- 2. Lowland-hilly from 200 to 500 m above the see level;
- 3. Hilly-highland from 500 to 1000 m above the sea level;
- 4. Mountain more than 1000 m above the sea level;

In the classification of agricultural areas in Serbia, Dušan Radmanović (1995) lists the following five rural areas:

- 1. Lowland (plain) up to 200 m above the sea level;
- 2. Hilly from 200 to 300 m above the sea level;
- 3. Highland from 300 to 600 m above the sea level;
- 4. Pre-mountain from 600 to 800 m above the sea level;
- 5. Mountain more than 800 m above sea level.⁴

Thus, according to this classification, the lowland includes 67, hilly area 7, highland 39, pre-mountain 32 and monutain area includes 76 municipalities in Serbia.

Depending on various natural conditions for agricultural production and the existing

³ Prof. dr Natalija Lj. Bogdanov, "Mala ruralna domaćinstva u Srbiji i ruralna nepoljoprivredna ekonomija", UDNAP, Beograd 2007., pp. 24

⁴ Ibid pp. 26

specificities of socio-economic development, the authors of the monograph *»Mountain area in Serbia and bases of agricultural development«* also list the following *»rural regionalization«*:

- 1. Region of Vojvodina the most developed agriculturally with a complex croplvestock production;
- 2. Region of the Great Morava the basins of Great Morava, Mlava and Pek, which is characterized by mixed agricultural production;
- 3. North-West region it includes Mačva, Pocerina, Kolubara and Podgorin;
- 4. East region includes the basins of the South Morava and Timok with Podunavlje, upostream to Golubac;
- 5. South-West region includes an extremely mountainious area of South-West Serbia, which is not exactly the best one for agricultural production;
- 6. Belgrade region includes the area around Belgrade;
- Kosovo and Metohija region a significant hilly-mountainous area, with two vast plains – Kosovo and Metohija.⁵

However, the authors of this paper believe that such a »rural regionalization« is not complete and that certain corrections, adjusments and additions that refer to the areas that were not included are necessary in this case, for example:

- 1. Šumada region in its already known borders surrounded by the rivers Kolubara, Dičina, West and Great Morava, Dunav and Sava;
- 2. Raška region within borders of today's Raška district (or the regions of Kopaonik and Pešter);
- 3. Separation of the Eastern region into East Krajina and South Serbia (Nišava, Toplica, Jablanica and Pčinja);
- 4. Zlatibor region (or Zlatigora region) within borders of today's Zlatibor district.

Some authors, such as Branislav Gulan, point out the following regional division: »In the economic structure of Serbia, two types of regions are clearly distinguished: urban-industrial and agro-rural«.⁶

Of course, all those regional units in the rural area of Serbia (smaller or bigger), with the appropriate clasifications and categorizations, should be coherent and in accordance with the basic EUROSTAT clasifications and standards (NUTS 2 i NUTS 3), which exist in almost all the countries of Europe. As for the Republic of Serbia, there are still many misunderstandings, fumblings and obstructions, although there was a new (amended Law from 2009) Law on Regional Development adopted in 2010, which anticipates five statistical regions: Vojvodina region, Belgrade region, Šumadija

⁵ Isto, str. 23

⁶ Branislav Gulan: »Possibilities and perspectives of rural development in the area of large minings«, 2008, original work at the International Scientific Meeting at this subject in the spa Vrujci, Serbian Chamber of Commerce, Belgrade

⁵³⁶

and West Serbia region, South and East Serbia region, Kosovo and Metohija region.⁷ In addition to the expressed common features that characterize them and place them under one »district or regional rural cap«, the majority of areas have more common problems, such as:

»Problems of regional development of the Republic of Serbia consist of the disproportions between development levels of individual areas, underdevelopment of a large number of municipalities, structural incompatibilities, institutional problems, unfavourable demographic movements and numerous material limitations, etc. Regional disproportions in development level in the Republic of Serbia, meaured by achieved national income per capita (excluding Belgrade municipalities) are the highest in Europe and they are increasing each year, so that the ratio of the most and the least developed municipality is increased from 1:19 in 2000, to 1:27 in 2005 (source: Central Bureau of Statistics, »Municipalities in Serbia«, Belgrade 2006).«⁸ in this case, the example of Belgrade is cited, in which 21% of total population today lives (on 4% of the territory), where 29,7% of working population is employed and which participates in creation of national income of the Republic of Serbia with 33,7%, which is much more than other regions in our country.⁹

Classification and typology of the rural area in Europe

In Europe, and especially the member countries of European Union, there are clear and precise criteria for classification and typology of their rural area. In that way, according to the definition of rurality, OECD distinguihes two hierarchical levels of territorial units: local and regional.

According to OECD typology, rural regions are divided into two groups: • predominantly rural regions – the regions in which more than 50% of the population lives in rural communities;

• significantly rural regions or transitional regions – the regions in which less than 15% of the population live in rural communities;

 \bullet predominantly urban regions – the regions in which less than 15% of population lives in rural communities. 10

In the definition of rurality, which is applied by EU, according to the document Agenda

⁷ M.A. Milutin Matić, one of the authors, has been, among the others, dealing with issues of regionalization and decentalization of the Republic of Serbia for a long time, and he considers that it is necessary to constitutionally and practically define and form seven (eight) political regions in our country (according to the NUTS 2 standards): Vojvodina, Belgrade, Šumadija, West Serbia (Podrinje, Podgorina and Zlatigora), Raška (Kopaonik and Rasina), East Krajina and the Old (or South) Serbia (Ponišavlje, Jablanica and Pčinja), with Kosovo and Metohija as the eight region, which can be seen in other papers of his.

⁸ Branislav Gulan, Specified paper, pp. 5

⁹ Ibid, pp. 5

¹⁰ Prof. dr Natalija Lj. Bogdanov,Specified work, pp. 8

EP 2010 (57) SI – 2 (534-542)

2000, as stated by the Professor Bogdanov, rural areas are divided into:

• integrated rural areas – areas with the highest employment in secondary and tertiary sector, growing population and potential danger for the living environment, social and cultural heritage;

• transitional rural areas – areas that are relatively remote from urban centers with various mixtures of primary and secondary sector;

• remote rural areas – areas with low population density, very dependent on agriculture, isolated due to geographic characteristics in which only the most necessary services are provided.¹¹

According to EUROSTAT, rural regions can also be defined on the basis of the criterion that refers to the level of urbanization:

• densely populated areas – groups of municipalities, out of which each has population density greater than 500 inhabitants/km2 and total population greater than 50,000.

• medium populated areas – groups of municipalities, out of which each has the population density greater than 100 inhabitants/km2 (and which is not in a densely populated zone). Total population of the zone needs to be at least 50,000, or it needs to border a densely populated zone.

• sparsely populated zones – group of municipalities that are not classified in densely nor medium populated areas.

Rural area – a great potential of Serbia

In the rural area of Serbia, there were always great potentials, which were previously used according to the possible conditions and circumstances. Certainly, that can and will be used today, in order to follow global international trends again, with great possibilities for future significant reconstruction and development of the total rural area in our country. We state only a part of it:

a) From the total of 7,497,950 inhabitants, who live in the Republic of Serbia (excluding Kosovo and Metohija), about 3,272,000 inhabitants, i.e. 43,64% of total population live in villages. In Serbia, there is more than 4300 villages and 178 cities, about 778,000 listed, and 380,000 registered village households.

b) Serbia disposes with about 5,100,000 ha of agricultural land (0,68 ha per capita), which is above the standards of many European countries (Netherlands 0,06 ha, Germany 0,19 ha, Italy 0,20 ha, France 0,33 ha, Denmark 0,50 ha, Hungary 0,51 ha).

Unfortunately, in the previous few years, 500-600,000 ha of agricultural areas per year were always left fallow and unused.

v) In Serbia, there i about 400,000 tractors, 25,000 harvesters and more dozens of thousands machine tools. In addition, it has to be mentioned that this agricultural mechanization is older than two decades, on the average.

g) Agriculture participates in gross national income with about 21%, it employs

¹¹ Ibid, pp.9

more than 10%, and about 21% participates in the export.

Unfortunately, today our country is, according to the number of livestock, primarily cattle and sheep, at the same level as in 1910. At the moment, about 1.1 million head of the cattle is grown in Serbia, which is for 41% less than in 1990. The largest decline is in sheep-breeding, which has 2.5 million head of sheep in 1990, and today there is about 1.5 million of sheep in Serbia.

In addition, the other strategic sources and potentials that exist in the rural area of Serbia are especially important, such as:

- Agricultural land, with all its crops and yields, as well as other natural advantages,

- water and water resources (for e.g. more than 1.000 springs of hot and cold mineral and curative water, more than 160 thermo-mineral settled and exploited spas and health resorts, etc),

- Forests and other potentials related to forests and their environment (according to the official data, in Serbia there is about 29.50% of forest),

- Mineral wealth, wonders of nature, etc,

- Biodiversity, diverse flora and fauna, etc,
- Sources of alternative energy (wind, sun, water, bio-energy, etc),
- travel potentials and offers, and especially spa and rural tourism,
- Cultural and historical heritage, various material goods, infrastructure, etc,
- Atmospheric and climatic conditions,
- Tradition, knowledge, culture, human resources, etc.

The main features and trends in rural areas

In the Republic of Serbia, as main features and trends, primarily, the following can be considered:

- *Negative demographic trends* with strong migration movements from villages to towns, due to the so-called *agrarian exodus*, with the parallel faster growth and development of other sectors of economy, and especially the industry – until the great global changes in the end of the XX century (until the Fall of the Berlin Wall, symbolically).

- *Low diversification degree* of economic activities in rural areas of Serbia, which result in a series of problems in employment.

- *Agriculture* still remains the dominant activity in most rural areas, which are characterized by smaller agricultural households, *low productivity rate* and low income of the household.

- Unemployment rate in rural areas is rather high (21%).

- *Capacities of agricultural and food sector* related to the agriculture have declined dramatically during the 90s.

- Infrastructure in rural areas, both economic and social, is weak and underdeveloped.

- *GDP per capita in rural areas* is 74% from the national average and it is significantly below GDP per capita in urban areas.

- Rural population faces a high degree of poverty; about a million people in rural areas

- In terms of *environmental protection*, rural areas in Serbia are rich in ecosystems and biodiversity, which are marked as protected areas (national parks, protected areas), with relatively preserved environment, with great and constant threat of increased pollution.

The diversity of rural areas

Rural areas in Serbia today are different in many aspects – economic, social and demographic, the changes in population, economic structure, infrastructure, environmental conditions, availability of transport, with its special characteristics and peculiarities, etc. In that way, in accordance with this criteria, for example, we can distinguish four diverse types of rural areas:

<u>Region 1</u> – Highly productive agriculture and integrated economy – this region has favourable soil and climate conditions and quite an appropriate structure of agricultural production. This region possesses an adequately developed human potential, expressed entrepreneurship, sufficiently diversified industry sector and well-developed physical and economic infrastructure.

<u>Region 2</u> – Sectors of economy, typical for smaller urban areas with agriculture in which labour is intensively used – this region includes the surroundings of the urban centres and larger cities and their environment. Taking into account the proximity of these environments to the market with a large number of consumers, the structure of agricultural production in them is directed towards intensive agricultural production of fruit, vegetables and animal products.

<u>Region 3</u> – Branches of industry directed to the use of natural resources, mostly mountain areas – according to their geographic characteristics, this "region" is very heterogeneous. Its economic structure is based on the exploitation of rich natural resource – mining and agriculture. Unfavourable demographic trends are special characteristics of this area. This region includes the territory of Serbia, which has the highest rate of rural poverty and total unemployment.

<u>Region 4</u> – Great tourist capacities and bad agricultural structures – This ,,region"represents the part of Serbia which has the greatest potential for tourism and the highest participation rate of the tertiary sector in economic structure. Structure of agriculture is rather undeveloped and mostly based on the use of the existing and available natural resources etc.

There is much other diversity, which are not included in this paper.

Rural development strategy of the Republic of Serbia for the period 2009-2013

Strategic and regulatory framework of the rural development, with defining a lot of questions from that domain, is indicated in several documents, primarily the

Regional Development Strategy for the period 2009 – 2013 and in National Strategy for Sustainable Development, as well as the Regional Plan and Law on Agriculture and Rural Development of the Republic of Serbia. Thus, the Regional Development Strategy contains *"Vision for rural Serbia"* until 2013, in which three *"sub-visions"* are presented: the first – for the agricultural sector, the second – for food industry and marketing and the third – for rural economy of the Serbia as a whole, and for this paper, the third one is important, which states the following:

- Existence of sustainable and strong community, with demographic balance, satisfactory income and sufficient possibilities for employment, in which the inhabitants are easily adapted to economic, social, political and ecological changes (live village)
- Living standards and quality of life is worth of a modern, democratic and developed Serbia (advanced/successful village)
- The largest possible number of agricultural households and family farms is retained in villages (agricultural sector in rural economy)
- Equal possibilities for all the inhabitants of rural areas, especially women and children, which will have the access to education, vocational training and lifelong learning (socially just village)
- Rural communities actively participate in the work of relevant bodies that make the decisions, in the society based on the principles of equality, gender equality and social justice (democratic village)
- Cultural identity of rural communities, as well as their principles, customs, tradition and »fellowship«, preserved and improved, strengthened and adapted to the new time and values (village with cultural identity)
- Natural environment, which represents the most significant value and wealth of the population rural areas, needs to be respected, protected and improved; growth of rural economy is based on the principles of sustainability (sustainable village)
- Strong social cohesion and specific policy measures contribute to the reduction of poverty and social exclusion (social component of the village).

Conclusion

According to the established European criteria, the Republic of Serbia is mainly rural country (75-85% of the total territory), with all its characteristics and specificities. The whole rural area in our country is expressed, primarily, in the large century-long abundance of natural and human resources, in diverse and significant economic activity of the population from all previous generations, in all of their previously acquired material and cultural resources and heritage, in the interesting history and rich tradition, with own values, moral, pride, spite, etc.

In rural, as well as all the other areas in Serbia, there certainly is significant material, spiritual and value basis, with good conditions for a much better life and work of all the inhabitants, as well as the faster overall development and progress of the state and

EP 2010 (57) SI – 2 (534-542)

society as a whole. However, due to diverse factors, most frequently irrelevant and non-essential, it was not acquired, in the same way as it is not acquired today. And now – at the beginning of XXI century, among other things, there are big disproportions, disparities and imbalances in development, and thus in the conditions for life and work in those areas, with all its difficulties and consequences. All of that needs to be changed and overcome. We need only different environment and circumstances, with full engagement of everyone – depending on the position, role and tasks.

Why don't we all do so?

References

- 1. Bogdanov LJ. Natalija, 2007., "Mala ruralna domaćinstva u Srbiji i ruralna nepoljoprivredna ekonomija", UDNAP, Beograd
- 2. Gulan Branislav, »Mogućnosti i perspektive ruralnog razvoja na području velikih kopova«, 2008., Privredna komora Srbije, Beograd
- 3. Hopić Senad, 2008., "*Ruralni razvoj u Republici Srbiji"*, Stalna konferencija gradova i opština, Beograd
- Nacionalna Strategija održivog razvoja, 2008., "Službeni glasnik RS", broj 57/08, Beograd
- 5. Nedeljković Mile, 2000., *"Zapisi iz Šumadije",* izdanje Centra za naučna istraživanja SANU i Univerziteta u Kragujevacu, Beograd
- 6. Radmanović Dušan, Nikolić Marija i Dlesk Mihajl, 2010., "*Planinsko područje Srbije i osnove razvoja poljoprivrede*", Institut za ekonomiku poljoprivrede, Beograd
- 7. *Strategija regionalnog razvoja za period 2007 2012.*, 2007., "Službeni glasnik RS", broj 21/07, Beograd
- 8. Zakon o poljoprivrednom i ruralnom razvoju, 2009., "Službeni glasnik RS, broj 71/09, Beograd
- 9. Zbornik radova "*Balkansko selo u promenama i regionalnom ruralnom razvoju"*, 1997., Zavod za sociologiju razvoja sela i Jugoslovensko udruženje za sociologiju sela i poljoprivrede, Beograd ("*I Vlasinski susreti"*)