

Regional Dynamics and Rural Development in Romania's South-East Region 2

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ARTICLE INFO	ABSTRACT
<i>Article history:</i> Accepted May 2025 Available online June 2025	This article explores the socio-economic dynamics and structural conditions shaping rural development in South-East Region 2 of Romania. Comprising six counties (Brăila, Buzău, Constanța, Galați, Tulcea, and Vrancea), the region exhibits significant disparities in development, infrastructure, and access to skilled labor. The analysis highlights the fundamental pillars of rural development: human capital, infrastructure, local governance, and access to financing. It also discusses current challenges such as population decline, youth migration, and limited institutional capacity. Based on these findings, the paper proposes strategic directions for revitalizing rural areas through the development of local economies, vocational education, and integrated funding mechanisms. Emphasis is placed on aligning public investment with real community needs, strengthening partnerships, and promoting sustainable, locally adapted development models.
<i>Keywords:</i> rural, partnerships, labor force, development	

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1. Introduction

Romania's South-East Region 2 is a geographic and socio-economic space marked by the contrast between significant development potential and persistent realities of rural underdevelopment. Comprising the counties of Brăila, Buzău, Constanța, Galați, Tulcea, and Vrancea, the region is characterized by territorial heterogeneity, featuring dynamic urban centres alongside vast rural areas facing demographic decline, intensified migration, inadequate infrastructure, and a steadily shrinking pool of skilled labor.

Rural development in this context cannot be addressed in isolation but must be integrated into an analysis of broader regional dynamics, involving profound economic, institutional, and social transformations. Recent developments at the European level — including the European Green Deal, the digital transition, and new cohesion policy frameworks — outline a complex landscape in which less-developed regions must rethink their development strategies to avoid deepening existing disparities.

The aim of this article is to identify the true foundations for sustainable rural development in South-East Region 2, starting from a regional dynamic analysis: territorial profile, human capital, institutional capacity, and financing opportunities. The paper proposes an integrated approach, in which the development of a skilled labor force becomes an essential condition for revitalizing local economies and reducing territorial inequalities.

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2. Literature Review

Contemporary literature emphasizes the importance of territorial balance as a key factor for social stability and sustainable economic growth. According to Barca (Barca, 2009), the place-based approach in cohesion policy requires development interventions tailored to local characteristics. Myrdal (Myrdal, 1957) and Krugman (Krugman, 1991) describe the centripetal forces of development, whereby more advanced regions continue to attract resources, reinforcing territorial disparities.

As noted by Van der Ploeg and Long (Van der Ploeg, 1994), rural development should be seen not only as agricultural modernization but also as a complex process of economic diversification and social revitalization. OECD studies (OECD, 2016) highlight the role of infrastructure, social capital, and innovation as key enablers of rural regeneration. In the Eastern European context, rural development is closely tied to land reform, migration, and local institutional capacity (Davidova, 2014).

Becker's human capital theory (Becker, 1964) remains fundamental in explaining the role of education and training in driving economic growth. In rural areas, the lack of basic skills and access to quality vocational education remains a significant barrier to development. Recent studies (ESPON, 2021) emphasize the need for a better alignment between vocational training and actual labor market demands, particularly in peripheral regions.

Research on rural development policies shows that European funding has a positive impact only when accompanied by administrative capacity and community engagement. Evidence from Poland and Lithuania suggests that integrated approaches — combining infrastructure, education, and rural entrepreneurship — are more effective than isolated sectoral interventions.

This review highlights that rural development is a multidimensional process shaped by local factors, targeted public policies, and sustainable investment in people and communities. The next section will analyse how these theoretical foundations apply to the reality of South-East Region 2 of Romania.

3. Results

The analysis of rural development programs implemented in Romania's South-East Region 2 reveals several concrete initiatives that address structural challenges related to workforce qualification and local economic growth.

Table 1. Representative Projects in South-East Region 2

County	Representative Project	Funding Source	Results Achieved	County
Brăila	Future for NEET Youth – training and entrepreneurship (Asociația Noul Val)	FSE+, POCU	Increased youth employment, rural business creation	Brăila
Buzău	Vocational training in the agri-food sector (GAL Colinele Buzăului Project)	FEADR (via Local Action Group)	Training in locally demanded occupations (baker, beekeeper, processor)	Buzău

County	Representative Project	Funding Source	Results Achieved	County
Constanța	Center of Excellence in Tourism and Services (POCU-funded)	POCU – Education and Skills	Boosted attractiveness of local tourism, service sector jobs	Constanța
Galați	Digital skills training for NEET youth – AJOFM Galați & partners project	POCU / AJOFM	Improved digital competencies, support for employment	Galați
Tulcea	Fish processing training – Danube Delta Cooperative (FEAMPA)	FEAMPA (Fisheries and Aquaculture)	Preserved traditional jobs, added local value	Tulcea
Vrancea	Retraining courses for forestry and agricultural workers (PNDR – GAL Valea Râmnicului)	FEADR – Sub measure 6.4 and Local Action Groups	Reduced dependency on primary agriculture, economic diversification	Vrancea

Source: author, data processing based on (ADRSE, 2025)

The table above summarizes five relevant projects carried out in the counties of Brăila and Tulcea, with significant impact in areas such as vocational training, NEET youth inclusion, rural entrepreneurship, and connectivity infrastructure.

The project "Future for NEET Youth", implemented by the "Asociația Noul Val" in Brăila County, aimed to sustainably integrate young people into the labor market through vocational training and business start-up support. The outcomes include the creation of social enterprises and an increase in youth employment rates in rural areas.

Similarly, the project "Develop Yourself Professionally with Us!", carried out in partnership with the CDIMM Foundation Brăila, supported workforce adaptability by offering reskilling and upskilling courses for employees in vulnerable sectors.

At the institutional level, Brăila's County Employment Agency (AJOFM) and other local branches have delivered accredited training programs for the unemployed and inactive persons, contributing to professional reintegration and the reduction of unemployment in disadvantaged rural areas.

In Tulcea County, the fishermen's cooperative in the Danube Delta received European funding to train its members in fish processing and local product marketing. This intervention helped stabilize seasonal labor and strengthen the local economy through short supply chains.

Lastly, rural infrastructure modernization projects, funded through the South-East Regional Programme 2021–2027, have improved access to services, education, and markets—facilitating labor mobility and reducing isolation in rural communities.

These results show that, although somewhat fragmented, the existing initiatives provide a solid foundation for shaping sustainable rural development models centered on skilled labor and integrated investment.

4. Skilled Labor: A Strategic Resource for Rural Transformation in South-East Region

In the current dynamics of Romania's rural regions, skilled labor is no longer merely a factor supporting the economy—it has become a strategic resource essential to the structural transformation of rural communities.

The shortage of well-trained workers contributes to rural stagnation, creates bottlenecks in agriculture, the food industry, and local services, and fuels youth migration and the depopulation of villages.

In the current context of Romania's rural regions, skilled labor is no longer just a support factor for the economy—it has become a critical resource for the structural transformation of local communities. This is especially relevant in South-East Region 2, where the divide between urban and rural areas is deepening, and the lack of well-trained labor contributes to economic stagnation, accelerated migration, and the weakening of social cohesion.

Table 2. Socio-Economic Indicators by County – South-East Development Region of Romania

County	Rural Population (%)	Rural Unemployment (%)	Rural School Dropout Rate (%)	Participation in Vocational Training (%)	Absorption of Human Capital Funds (%)
Brăila	49.2	6.8	21.3	7.5	48.6
Buzău	57.8	5.2	17.5	8.3	55.2
Constanța	34.5	3.9	11.2	8.3	55.2
Galați	42.7	4.4	14.0	10.8	61.3
Tulcea	65.1	7.3	20.5	4.7	42.7
Vrancea	59.3	5.9	19.1	6.9	50.1

Source: author, data processing based on (Institutul National de Statistica, 2025)

The comparative analysis of socio-economic indicators across the six counties of Romania's South-East Region 2 reveals significant territorial disparities, both in terms of rural development and the capacity to mobilize human resources.

Counties such as Tulcea and Buzău stand out due to their high share of rural population (over 57%) but also record elevated levels of unemployment and school dropout. These structural vulnerabilities hinder participation in vocational training, perpetuating a vicious cycle of underdevelopment. Similarly, Brăila County faces both a high rural school dropout rate (21.3%) and low engagement in training programs (7.5%).

In contrast, Constanța and Galați counties demonstrate better outcomes in terms of vocational training participation (above 10%) and absorption of EU funds for human capital development (66.8% and 61.3%, respectively). These figures suggest a positive correlation between administrative capacity, access to education, and labor market integration.

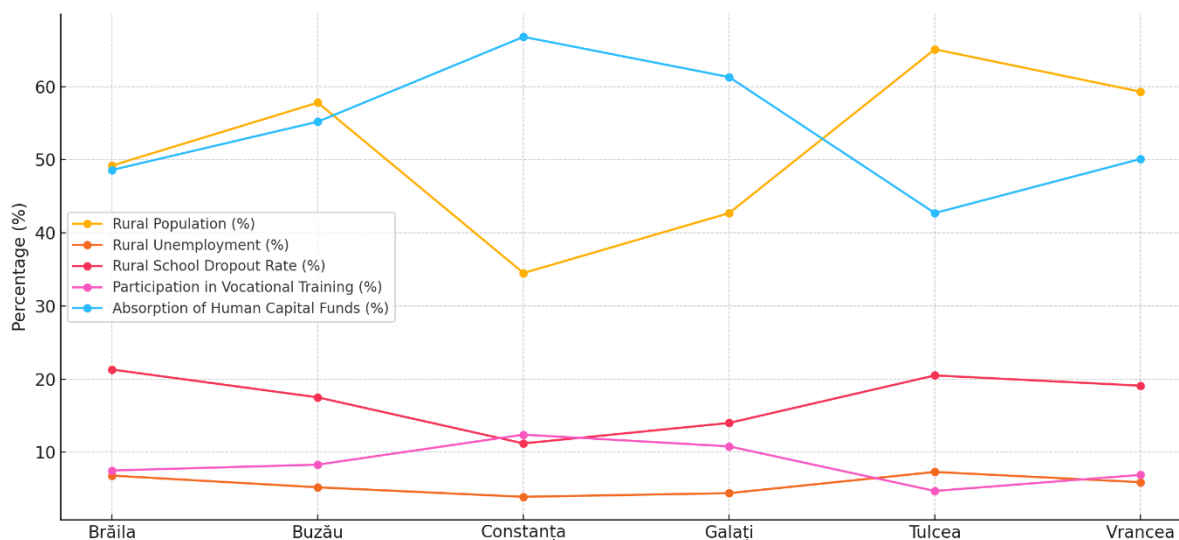


Figure 1. County level socio – economic indicators in Southeast Region

Source: Source: author, data processing based on (Institutul National de Statistica, 2025)

In conclusion, the data support the need for differentiated interventions by county, considering the level of urbanization, educational infrastructure, and local labor profiles. Brăila and Tulcea counties should be strategic priorities, with targeted efforts to expand vocational training centers tailored to local demand and reduce school dropout through early intervention.

In the counties of Brăila, Tulcea, and Vrancea, rural unemployment rates consistently exceed the national average, while the occupational structure is dominated by low-skilled or informal activities. Meanwhile, counties such as Constanța and Galați—which have attracted investments in tourism, agri-food processing, and logistics—face difficulties in recruiting qualified local labor. This mismatch between emerging economic demand and the existing educational offer underscores the urgent need for reform in rural vocational training.

Sustainable rural transformation in South-East Region 2 must place human capital development at its core. Building a workforce aligned with current demands—across sectors such as precision agriculture, food processing, renewable energy, construction, tourism, and digital services—is essential for revitalizing the region's economy and society.

Without coordinated strategic interventions—including educational infrastructure, employer partnerships, and training incentives—rural communities in this region risk remaining trapped in a vicious cycle of underdevelopment.

The rural economy of the region could be transformed through the expansion of short agri-food supply chains, renewable energy, sustainable tourism, and rural public services (such as healthcare, education, and digital infrastructure). This shift implies a new dynamic in the demand for skilled labor, with an emphasis on technical occupations and services tailored to local needs.

The rural labor market in South-East Region 2 is marked by significant imbalances, but also by promising developments. Workforce qualification is not merely a response to these changes—it can become a

true engine of rural economic transformation, provided that public policies are aligned with the actual needs of local communities.

5. Conclusions

The analysis of labor market dynamics and vocational training in South-East Region 2 of Romania reveals that skilled labor can no longer be viewed merely as a component of employment policies, but rather as a strategic pillar for sustainable territorial development.

In a region where over half of the population lives in rural areas, facing challenges such as population aging, youth migration, and low economic diversification, investment in human capital becomes essential. Such investment not only facilitates the social and professional inclusion of vulnerable groups but also contributes to enhancing local competitiveness.

The study highlights significant disparities between counties, both in terms of participation in vocational training and in the capacity to absorb European funds. While counties like Constanța and Galați benefit from more advanced infrastructure and attract investments in services and industry, counties such as Brăila, Tulcea, and Vrancea face a shortage of functioning training centres and a high prevalence of unskilled labor in agriculture and fishing.

The rural NEET youth population remains a high-risk group for exclusion, but also a critical target for transformation, provided they are offered relevant training, counselling, mobility, and support in accessing employment. Existing initiatives—whether POCU-funded projects, GAL-led partnerships, or AJOFM training programs—demonstrate that functional models exist, yet remain fragmented and insufficiently scaled.

Moreover, the region's rural economy is beginning to show signs of diversification, with new sectors emerging local agri-food processing, sustainable tourism, renewable energy, and rural digitalization. However, these sectors require a qualified workforce, which implies not only the provision of training but also the adaptation of educational offers to local economic realities.

In conclusion, sustainable development in South-East Region 2 requires an integrated approach, in which vocational education plays a dual role: as a tool for social inclusion and as an economic growth driver. Coordination among public authorities, educational institutions, the business sector, and local communities is essential to transform skilled labor from a structural vulnerability into a regional strategic asset.

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