

ROMANIA IN “TRANSITION”: COORDINATES FOR MANAGEMENT OF THE INTERNATIONAL-NATIONAL-REGIONAL DETERMINATION IN ECONOMICAL DEVELOPMENT

Eugen IORDĂNESCU
“Lucian Blaga” University of Sibiu, Romania

The last decades revealed two apparently contradictory European macro-tendencies.

On the one hand, an increasing number of national sovereign and independent states evolved on the way of economical and political integration, forming firstly the Europe of the 6 states, than the Europe of the 9s and in 1995 the Europe of the 15 states. After the events of 1989, marking the failure of the socialist system, the European ex-communist states adopted integration-oriented policies as well, finalized by official adherence requests addressed to the European Union. The process of passing to a unique European currency in 2002 provides another prove about how extremely advanced is the integration stage of the EU member states. The most important effects of this process – in fact a part of the general globalization process – are reflected at economical and political level. By the economical point of view the unique European market as well as the European currency radically changes the general rules of the competition, designing a new future for the actors of economical stage. By the political point of view, the integration process substantially modifies the meaning of some fundamental concepts, as national independence and sovereignty. By the end of this decade, the European states integration process as well as the process of building a united Europe will be surely ended, marking an essential point for the further evolution of the old continent's states.

On the other hand, more individuals, communities or organizations fear of the threaten raised by the enhanced decision's centralization and by the power transference to the over-national instances – located far away from ordinary people by the physical point of view, but also as interests and finalities. All these generated a powerful movement of drawing the political and economical politics near to the ordinary citizen. The movement was as efficient as the integration processes led to an accentuated decrease of the national character of the EU member states. The communities' pressure sensitively increased after the signing of Maastricht Treaty in 1991 and resulted in the Committee of Regions (CoR), constituted in 1994. The new committee completes the communitarian triad Council – Commission – Parliament with a new pole of power, this time with a declared under – national character. Thus, the local and regional representatives from the whole Union became a part of the trans-national (or over-national) decision process, as regional and local interests led them. One of the declared Committee's goals refers to the enhancement of economical and social cohesion between the member states. The initiation of this institution dovetailed with the opening of a debate about subsidiarity. CoR is designed to assure the direct connection between local and regional entities and the Union's official institutions triad, with the declared goal of drawing the European decision as near as possible to the citizens of the Union. The elected CoR's members do **not** live or work in Brussels (as the others employees of UE), but they remain in the regions they are representing.

The movement for concentrating the decision by integration and the one for drawing the decision near to the citizen by regionalizing, both had a main common effect: **the significant reduction of national authority implication in economical development** and also centering the economical problems at an over-national level – in the case of long-term policies – and at a regional level – when about their effective implementation. As a result, the economical growth and development in the EU member states are more and more generated and managed at **regional level** in the last decade.

In fact, Romania's integration in the European Union requires a structural alignment at the level of communitarian aquis in the area of regional politics and of structural instruments coordination. The general compatibility conditions will constitute the subject of the negotiation of the 21st chapter: “Regional politics and the coordination of structural instruments”. The document about the expanding policy, released by the European Commission and approved by the European Council of Nisa in December 2000, presents the Chapter 21st “Regional politics and the coordination of structural instruments” as a priority, together with some other chapters with financial implications. (Chapter 7, “Agriculture” and Chapter 29 “Financial and budget stipulations”). The main aspects of this chapter approached during the negotiations are the administrative and programming capacity as well as the eligibility.

The aquis contained by Chapter 21st does not define the way the specific structures for the management of Structural and Cohesion Funds could be created, letting the responsibility for this task to the member states. Also, there are differences between the administrative structures, which should be created in the small candidate countries and those of the big candidate countries, with and accentuated regionalizing. In order to have access to the funds, the candidate countries should have the adequate system, implemented by the adhering date. The Structural Funds – **meaning the essential instruments needed for financing the regional economic**

development - are ruled by a general settling (CE directive 1260/1999) and also by a series of decisions and settlings regarding implementation, which do not require to be transposed into a national legislation. At the adhering date, all the candidate countries will have to satisfy some requires, considered as **essential**:

- The candidate countries should have an appropriate legal frame, which may permit the implementation of the specific field's regulations.
- The candidate countries should agree with the Commission about the classification of NUTS for the implementation of the Structural Funds.
- The candidate countries should:
 - Prepare a developing plan, in accordance with the Council settling 1260/1999
 - Have the adequate procedures for a multi-annual programming of the budgetary expenses
 - Assure the implementation of the partnership principle at different levels of programming, financing, screening and evaluation of the assistance given by the Structural Funds.
 - Meet the specific requirements of monitoring and evaluating, especially regarding the ex-ante evaluation of the national developing plan.
- The candidate countries should, obviously, define the tasks and responsibilities of all the organisms and institutions involved in the preparation and implementation of the Structural Funds, as well as of the Cohesion Funds, and to assure an efficient inter-ministerial coordination.
- All the candidates should respect the stipulations regarding the specific control of Structural and Cohesion Funds and to provide information about their capacity of co-financing and level of public expenditures (or the equivalent of the structural actions).

Particularly, Romania has to improve its level of information for the integrate programming of the regional development and to develop administrative structures and appropriate strategies for the financial and budgetary development. The Chapter 21st requirements, even if theoretically negotiable, are practically imposed in order to offer the access to the structural and cohesion funds. All the requirements are normal for any of the EU member states of the moment by many reasons:

1. their economies have slowly and naturally developed after the second World War and they are based on economical entities competitive at European and world level.
2. they are states with a long practice of democracy, where the mechanisms for cooperation and partnership fully developed.
3. the society as a whole is stable and is based on the principle of solidarity, where there are no special financial problems raised in the daily life for the majority of the citizens. There are important economic resources, which are collected and re-distributed at regional and communitarian level.
4. the principle of subsidiarity really functions and the national – regional – local terms has been already clarified.

Technically speaking, the problem of regionalizing the frames of economic development has been raised in Romania at the pressure of the European institutions, not as a natural result of the social and economical development. In Romania the term *regional* has more historical meaning, referring to the historical Romanian provinces or to the Hungarian minority movement for autonomy. The accordance with the European norms required Romania to constitute **regions of development**, without any constraint of making them administrative territorial units. The basic idea was to create a structure for managing a territory of about 2-3 millions inhabitants. The Romanian authorities and the public opinion have been very reticent to this proposal. The creation of the regions of development has been seen as a first step of a future process of de-structuring the national state, in its classic understanding. Such an attitude raised a big question mark over the continuation of the financing programs like PHARE in Romania, but also over our country accessibility to the pre-adhering funds: PHARE, ISPA and SAPARD.

Under external pressure, the Parliament voted the Law 151/ 5 July 1998, that tries to make a structural compromise between the ways of regional organizing in the big EU states and the Romanian reality. The law settles the institutional frame, the objectives, the competencies and the specific instruments of the regional development policy in Romania. The main objectives of the regional development policy in Romania are defined as:

- a) Decreasing of the existing regional lack of poises and prevention of new ones.
- b) Preparing an institutional frame in order to match the integration criteria for the European structures and to have access to the structural funds and the cohesion fund of the EU
- c) Correlating the governmental policies and activities for different sectors at regional level in order to have a sustainable socio-economic development.
- d) Stimulating the inter-regional, national and international cooperation, as well as the trans-frontally cooperation, including the euro-regions; participation of the development regions to the European structures

and organizations, which promote their economic and institutional development, with the goal of achieving common interest projects, accordingly to the treaties to which Romania belongs.

The regions of development are not administrative-territorial units and have not juridical autonomy. The regional development policy is implemented by 8 agencies for regional development, which are non-governmental organisms, not for profit, with public utility, and legally registered, acting in the specific field of regional development.

The regional development is defined as the sum of policies of public central and local administration, elaborated for enhancing the economical performances of some geographic areas constitutes as "regions of development" that benefit of the Government, EU and other national and international interested institutions support. The regions of development are areas corresponding to a group of counties voluntarily associated on a basis of an agreement signed by the presidents of the County Councils, and, in case, of the General Council of Bucharest. The regions constitute the frame for designing, implementing and evaluating the policies of regional development, as well as for providing the specific statistical data, accordingly to the European regulations emitted by the Eurostat for the second territorial classification level, NUTS 2, existing in the EU.

The problems raised by the accelerated lining to the regional development criteria in the EU are multiple and some of them **could become critical factors regarding the Romania adhering and its evolution as an EU member state.**

First of all, before being a national united state Romania has no historical evolution based on regions (or on their functional equivalent), like other states did have, such as Spain, Germany or France. The Romanian cultural and economical specific nature became manifest at the level of the former historical traditional provinces. They could not constitute development regions as the 50 years of cultural and economical egalitarianism destroyed the specific provincial structure and the network of relations and terms, which sustained it economically. The former historical provinces do not correspond to the surface and population criteria of the NUTS2 level. The years of socialist economy created powerful dependency connections between the county level (NUTS3) and the national level (NUTS1) and also competition or indifference relations between the horizontal levels of type 3 and 4. There is nothing more of the tradition of cooperation and also no practice or expertise in the field of problem management by objective-oriented methods. In that case, no matter what county would have been inside the 8 regions, the obtained entities would have remained artificial, with no past of economical cooperation or common problems.

Secondly, there is no multi-annual budget planning experience in Romania, at regional but also at local level. As the sources of budget composition are in majority collected at national level and they are than distributed by the central government, such to a planning instrument is given no pragmatic utility. Nevertheless, the successive years of economical diminution made the development and prognosis instruments almost futile, as long as the central and county authorities managed rather budgetary deficits than liquidities.

Third, the avoidance of building some administrative regional entities make the development policy of one region to become more a sum of some county policies being in a competition, rather than an articulated program for disparities reduction and sustainable development. The Regional Development Councils are practically a sum of the counties representatives, where everybody struggles for its own interests, common interests being rarely established or financed. Another reason is given by the maximum amount of the finances allocated for development, which barely permit the financial support of some costly regional impact projects.

Four, Romania and the Romanians are more spectators than actors in the European debate regarding the establishment of a new continental framework as a **Europe of the regions**. We are spectators much because of the fact that, in order to obtain the recognition as a EU member state, you should first show a high level of **conformity** to the rules established by the full members. Thus, some requests considered natural by the EU citizens could be perceived as impositions by the countries that are preparing to adhere and they could generate rejection effects with an important danger risk. A serious signal about this solutions importing is given by Argentina. Another one, in terms of a possible social rejection is given by some nationalist initiatives, like the Party "Big Romania", or populist (syndicates like BNS, which suit IMF for the unemployment rate and the low life standard in Romania). Imposing some actions or structures with a regional content may have clearly opposite effects than those expected by creating the CoR, pushing the citizens further instead of drawing them near to the EU decisions, making them rejecting the principles of solidarity and cohesion.

The Romania's alignment to the economical and communitarian standards of the EU requires, more than adopting some legislative elements, also the transposing of some European structures inside the country, an important attitude and competencies modification of the Romanian citizens in relation with the European values. By establishing such values every state should be able to bring some specific elements and to get through an action plan based on the national concrete situation. The implementation of some economical or structural solutions at a central level, in the conditions of not-anchoring them into the social and economical environment, could be an important risk factor for the Romania's performances as a future member state of the United Europe.

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