IMPLICATIONS OF THE REGIONALIZATION PHENOMENON IN SOUTH-WEST OLTENIA

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Abstract
The analysis of the development degree and potential, as well as of the existent problems, emphasizes the following aspects, which have been taken into account in the reorganization process of the Romanian policies of regional development, within the European context. The process of creation and consolidation of competitive economic regional structures involves the existence and the surpassing of certain impediments. It is necessary the priority should be provided to those projects, which have a major importance for the economic development of the regions. Concrete and rapid measures should be taken, even for smaller sub-regional or even local projects. In order to efficiently help Romania’s process of accession to the European Union and to raise the level of our country close to the level of the Western European countries, it is necessary that the financial aid of the state and the European funds should be concentrated according to three directions. We estimate that the rhythm of the economic growth depends on the way in which the mobilization of the autochthonous potential of the country’s development succeeds as well as on the volume of the financial aid given to the development priorities established by the National Plan of Development. The processes that involve economic structural changes must be accompanied by measures of social protection.

Keywords: economic development, regional development, measures economic of social protection.

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1. The concept of regional development

The regional development is a concept that has in view the stimulation and the diversifying of the economic activity, the stimulation of the investments, the contribution to the reasonable use of the human resources and the improvement of life quality [1].

In order to implement the regional development politics, there have been created eight development regions that cover the whole Romanian territory. Each development region includes a number of counties. The development regions are not territorial administrative units; they are not juridical persons, as they are the result of a free agreement between the county council boards and the local council boards. The regional development politics represents a system of measures planned and promoted by the local and public administrative authorities, together with certain private, public or volunteer agents, in order to assure a dynamic and lasting economic growth through officially turning to good account the regional and local potential, in order to improve the life conditions. The main domains taken into account by the regional politics are: the development of the industrial units, the human resources market, the stimulation of the investments, the technology transfer, the development of small and middle business field, the improvement of the infrastructure, the quality of the environment, the rural development, health, education, culture [2].

The rural development has a distinctive place within the background of the regional politics and has the following aims: to diminish the poverty in the rural regions, to balance the economic opportunities and the disparities between the rural and the urban environment, to stimulate local initiatives and to preserve the spiritual and cultural patrimony.

The development region, constituted as a neighbour counties union, represents the implementation and evaluation background of the regional development politics. The development region is not an administrative territorial union and is not juridical person.

2. Sneak peek on regional development of Romania before and after 1989

Until 1945, Romania was confronted with economic and social discrepancies at the regional level during its entire state evolution [2]. While the industrial activity was concentrated in certain regions of the country, especially
where there were accessible mineral and energetic resources, other region are dominated by the agricultural and service activities.

**During the Communist government** guided the process of the implementation of the industrialization of the country according to a number main principles related to the new industrial units, such as: heir placing close to primary products sources or to the main urbane agglomerations, the maximum use of the available work force, especially in the underdeveloped areas, the turning to good account through and the processing of the local primary products; the support provided to the growth and the development of the new industrial platforms in urbane areas. Therefore in the poorest counties of the country, such as Bistrița Năsăud, Buzau, Ialomița, Olt, Salaj, Vaslui, there have been developed branches of heavy and light industry, machine building industry, chemistry, metallurgy, textile fabrics, ready made clothes fabrics [3]. In 1967, the leaders of the Romanian Communist Party initiated a new administrative territorial division, changing the 16 administrative regions with their respective departments, in 41 counties and the town of Bucharest. The ideological plenary session of the Central Committee of the Romanian Communist Party in 1971 and then the election of Nicolae Ceaușescu in 1974 as the president of the country led to the excessive centralization of the economic and cultural political decisions, with their respective consequences for the entire country [4]. Every congress or ideological plenary session of the unique party stated that the aim was the harmonious development of all the areas. Every five - year – plan stipulated new economic, social and cultural units raised in each corner of the country, trying to get the announced harmonious development. In 1975, the political leader of the country defined in very precise terms, the aims of the territorial development within the industrialization process. These were expressed by the establishment of the minimal threshold of 10 thousand million lei annual production and the task at the level of each county. The plan made on the basis of the Unique National State Plan elaborated at the national level, also included, starting with 1976, the territorially profiled plan based from the imposing from a center of an economic development model. The result was a contradictory one: an exaggeration of the types of industrial units placed in the counties, but also the appearance of many towns which depended on one bigger or smaller industrial unit which usually belonged to heavy industry, chemistry, or machine building industry [4].

In 1980, the 10 thousand million lei annual industrial production was changed, being related to the extent of each county. The consequence of the industrial process was the creation of the base of industrial production in each county of the country. The motivation and the purpose were to completely use the potential of work resources and to diminish the differences between the counties [5].

They got worse during the 80s and were amplified after 1990. The unfavorable results are, in fact, felt to this very day when all the counties of the country are confronted with problems of economic and especially industrial reorganization.

After 1989, there has been imposed and here have been taken important steps in the foundation of a new vision and a new policy of the regional development. The regional development policies in Romania is now a main part of the Government Program. It is defined according to the new concept developed by the European Union, as being a stage of the process of accession to the European structures. The collapse of the whole economic system of the country and its decline after 1989 made the problem of the territorial priorities, which is the main preoccupation of a regional development policy, be rather difficult to support. In addition to the traditionally underdeveloped areas, there have appeared the industrially declining areas, which now raise serious problems because of the high unemployment caused by the reorganization [5].

During this period, the precipice between the elites, especially between the so-called intellectuals and the rest of the population had not ceased to get deeper, giving the feeling of an indifference syndrome. The opportunist, who took over the power in December 1989, received nothing but a weak rhetorical vehemence from the majority of the intellectuals. After the civil mini-war in June 1990, a great part of the leaders of the students or of the young intellectuals who really mattered left Romania for some years or for good. Behind them, the two Romania-s, or, more exactly, the two Romanian populations, the somewhat modernized one in the cities and the one of the peripheries and villages, often changed into another kind of sordid peripheries, were to split more and more openly. This split is mainly at the origin of stress, and poisoning, often accompanied by extremely trivial accents, which still dominate the breathing air, especially in the Capital.

Taking into account the existent tendencies, one can try to give an interpretation of those forces, which will influence the level of the regional disparities in Romania. On one hand, those counties that were affected by a massive industrialization during the 70s and the 80s may suffer the consequences of the returning to an economy based on the business management. On the other hand, the forces of the market tend to recreate the regional disparities, when they are not under control. Romania is affected especially by the consequences of the center-periphery model of development, which prevails in the European Union. The process of the economic reorganization represents another factor that will have a great impact on the perspectives of the regional and especially under-regional development in the years to come.

The zones with economic and social problems can be classified in three main categories: traditionally under-developed zones, zones that experience a severe industrial decline and zones with a fragile economic structure. In many respects, these categories are similar to those that are provided with structural aid in the European Union.
The traditionally under-developed zones are characterized by a combination between a high proportion of structural unemployment and great shares of the workforce in agriculture. These two factors are significantly connected with a ratio of infantile mortality higher than the national average and a tendency of the population’s migration to other regions in order to find jobs. The under-development of the zones is emphasized by the indices of the basic infrastructure (for instance, the density of the railways) and of the level of the direct investments per inhabitant (index that approximates the impact of the market forces on the local economy). These indices are much lower than the national average. We estimate that Romania does not have traditionally under-developed zones, after the politics of forced industrialization promoted during the communist regime [7].

The zones that experience an industrial decline are those for which the transitory process led to the loss of a great number of jobs, especially in the processing and mining industry. The development perspectives of these zones are substantially different from the traditionally under-developed zones, because the level of the infrastructure is relatively satisfying and the structures of the market economy started to work. Excepting Bucharest and the western counties of the country, almost all the other zones experience an industrial decline. Among the most important industrially declining zones are that of the following counties: Botosani and Suceava, Braila and Buzau, Calarasi and Giurgiu, Dambovita and Teleorman, Dolj, Gorj and Olt, Maramures and Cluj, as well as Brasov [8].

The structurally fragile zones are those in which a great part of the labor force is still employed in metallurgy, chemistry and mining industry, which generate economical losses. The main part of the population that still works in industry also depends on one industrial sector and, as a rule, on one great enterprise. These zones have many features in common with the industrially declining zones, including the potential of the potential of the short-term reinforcement, but they also undertake the risk of social tensions. Such zones are especially in the following counties: Neamt, Galati, Prahova, Satu Mare.

During the 25 years of transition, the regional development politics have been based on certain national programs, created and promoted by the Government, in order to help certain disadvantaged zones. The results were not encouraging, because of the unsatisfying financial resources, the absence of a legal and institutional background for these changes and also because of the unitary view on the regional development. We consider that, during the last three years, important steps have been taken in the implementation of the principles and the aims of the regional development and also in the creation of the legal and institutional background of the regional policies.

The principles that the elaboration and implementation of the regional development are based on, are: the decentralization of the decision making process, from the central/governmental level to that of the regional communities; the partnership of all the agents involved in the regional development field; the planning, considered a process of using the resources (by programs and projects) in order to achieve the established aims; the co-financing, representing the financial contributions of diverse agents involved in the accomplishment of the regional development programs and projects [14].

The basic aims of the regional development politics are: the diminution of the existent regional discrepancies, by laying stress on the stimulation of the balanced development and on the reinforcement of the disadvantaged zones (with a delayed development); the prevention of new discrepancies; the accomplishment of the criteria of accession to the structures of the European Union and of the accession to the financial means of assistance for the countries that are members of the European Union (the structural and cohesion funds); the correlation with the governmental sector politics of development; the stimulation of the internal and international inter-regional co-operation, which contributes to the economic development according to the legal stipulations and to the international agreements concluded by Romania [15].

3. Implications of the regionalization phenomenon in South-West Oltenia

The analysis of the development degree and potential, as well as of the existent problems, emphasizes the following aspects, which have been taken into account in the reorganization process of the Romanian policies of regional development, within the European context. The process of creation and consolidation of competitive economic regional structures involves the existence and the surpassing of certain impediments. It is necessary the priority should be provided to those projects, which have a major importance for the economic development of the regions. Concrete and rapid measures should be taken, even for smaller sub-regional or even local projects In order to efficiently help Romania’s process of accession to the European Union and to raise the level of our country close to the level of the Western European countries, it is necessary that the financial aid of the state and the European funds should be concentrated according to three directions [16]. We estimate that the rhythm of the economic growth depends on the way in which the mobilization of the autochthonous potential of the country’s development succeeds as well as on the volume of the financial aid given to the development priorities established by the National Plan of Development. The processes that involve economic structural changes must be accompanied by measures of social protection [16].

The regional development growth is fundamentally helped by the private sector. Because of that, the straightening of the competitive capacity of the private sector must be regarded as an essential priority during these years. The creation of new jobs and the obtainment of greater profits also depends on the way in which the firms and
the enterprisers get good results at the regional, national and international level, on the way in which they succeed in conquering positions on the neighbour markets or to conquer again their own markets. In order to achieve these the consolidation of the existent viable enterprises and the creation of new ones are necessary.

An efficient financial aid must lead to the diminution of the drawbacks diagnosed in the productive capacity specific to the private sector. The drawbacks regarding the endowment with capital is reflected in the weak results, which have been obtained, and very often in the own reduced investments. Because of that the perspective of helping the investments, especially those made by private enterprisers, plays an important part in the process of reinforcing the Romanian economy at national and regional level. It is necessary to help those investments from which an important contribution to the employment of the labour force and the mobilization of the potential of the regional development are expected. The financial aid must have in view especially the straightening of the capital in agriculture, industry, and the adjoining services. A development strategy meant to reinforce the industrial basis must take into account the specific industrial regional traditions. The industrial profile must have specific aspects. In each region are to be developed those industrial sectors for which the best relative advantages are provided. The small and middle business has a positive role in the increase of the offer of assets and services [17].

The transition to the informational and knowledge represents one of the most important challenges to the Romanian economy and society.

In order to take advantages of the informational society it is necessary to stimulate the introduction on a large scale of the possibilities offered by the information society, as well as the use these possibilities in diverse domains, including at the regional and local level. A well-constructed and efficient network of telecommunications is necessary to the transition to the informational society and to the development of the telecommunications services [17].

The economic infrastructure represents an essential condition for the development process and it requires important investments. Among the important components of the economic infrastructure which requires financial support are the access to the industrial and services area made by easy and coherent connection to the transport network; the rehabilitation and reinforcement of the abandoned industrial areas on which mining, industrial and military activities took place; the reconstruction of the disadvantageous tronsons and the development of a new infrastructure for the modern industrial activities. The improvement of the tourist infrastructure is necessary in the zones with tourist’s potential. A special attention will be paid to the offer, which makes a contribution to the prolongation of the clients’ trip and to the improvement of the degrees of the accommodation capacity.

The development and the effective use of the research infrastructure and of the technology transfer are important premises for the national economic development. A modern and strong infrastructure of science and research is necessary, as well as an infrastructure for the professional qualification and improvement. The volume of the provided help must have in view specific regional circumstances as well as the conditions of economic efficiency of the already existing companies.

The lasting economic development also requires the including of the protection of the environment in the regional strategies of economic development. Within the mentioned drawbacks of the infrastructure, a careful protection of the environment is required, as well as the elimination of the caused damages. One of the essential elements of the national development strategy is the intensification of the activities meant to improve the quality of the air, to diminish the emissions and lead to reasonable use of the energy. At the same time, the revaluation of the increase potentials resulted from these activities is necessary [18].

The essential priority of the strategy of the development of the human resources must be directed to active employment politics, to the creation of new jobs. The human resources and employment policies must make a contribution to the surpassing of the present difficulties that the regions are confronted with. In addition to the jobs offered by the enterprises, especially by the private ones, other possibilities of the employment of the work force must be developed by the initiation of active employment policies.

Romania is confronted with major problems at macro and micro-economic scale, which negatively influences the country’s capacity to reinforce the economic activities. At macro-economic scale there is a restrained basis of competitive industries with insufficient capital as well as a delayed constitution of modern services. As far as the firms are concerned, there are big financial and management problems. The economic development is stopped by the insufficient infrastructure, which is not adapted to the activities of the efficient economy [18].

The essential premises for the positive economic evolution for the established development regions are: the increasing of the importance of the private sector, the development of the potential of the competitive economic branches, the improvement of qualification and improvement of the human resources, the adopting of a competitive management, the development of the civil society.

Romania’s National Plan of Development has in view the best use of the human, material and financial resources in order for the acceleration and the improvement of activities in the domains relevant for the regional development.

According to the requests of the present stage, Romania’s politics of development follows, has the following axes of development [18]:

- The improvement of the economic regional structure;
The main priorities and measures of development of the Region South West, selected from the strategies of regional development, integrated in the structure of the priority aims and of the measures integrated in the National Plan of Development of Romania, are the following:

- The development of the SME by the technological transfer for the SME, the creation of new productive SME, business services and research centers for the development of the activities of the SME;
- The development of the touristic infrastructure for direct investments in touristic activities and in the protection of the cultural values and of the natural zones with an interesting tourism, the promoting of the agricultural and cultural tourism, of the marketing of the regional level, of courses for people who works in tourism;
- The development of the human resources by the organization of qualification courses for unemployed people and other categories of unemployed people, for the qualification of young people and women in the jobs requested on the work market, as well as for the development of the managerial and entrepreneurial capacities;
- The development of the infrastructure, of the network of running water, telecommunications and electricity in the rural zones, the support provided to the buildings;
- The protection and the effectuation of investments in new technologies for the environment protection and for the saving of energy, the organization of actions for the awareness regarding the environment, the monitoring of the risks regarding the environment;
- The stimulation of foreign investments by ad hoc marketing actions and by promoting the advantages provided by the legislation of the disadvantaged and free zones.

As far as the interregional cooperation is concerned, we consider that there must exist two ways of tackling this problem: the implementation of punctual and even complementary cooperation based on reciprocity, between any county of a region and other counties of the country, following the priorities of the development of these regions; the initiation of relations of co-operation between the development region regarded as a unitary whole, through projects of different degrees of complexity and of regional relevance. It is necessary that the respective regions should define their priorities, eventually within county strategies, which will allow the inter-connection and the harmonization of the various programs of development.

4. Conclusions:

We suspect how discouraging the image fugitively described above may be for some readers. Many people may ask, as the majority of the Romanians who chose and continue to choose the exile as the final solution do, if it makes any sense and if there is something which can be done for a country so seriously affected by communism and by the nationalist propaganda, like Romania [19].

We must admit that many ways seemed barred and compromised to me, dozens of years from now on, because the abolishing of any viable hierarchy of values in a society can generate nothing but instability, disorientation and chaos.

In the case of a country like Romania a last way of salvation still remains and it is exactly its European character from and in the depths of this country, its intimate attachment to Europe, starting even with a language and with a certain cultural development of this nation. Large geographical regions in the nowadays Romania were among the most active centres of Latinity in the Middle Ages and under a full Hungarian, Austrian and Turkish influence. The elites of those times, no matter what their origin was, starting with the religious elites, kept bridges of very intense cultural communication with the West. The alliances and marriages of the Romanian princes or aristocrats to representatives of noble families of the West confirmed this affinity during the modern period. The majority of the young people of these elites were educated, according to the tradition, in the Universities of Paris, Vienna and Berlin [19].

The Romanian kings themselves had their origin in a Prussian princely family, related especially to the royal families of Great Britain, Denmark, Spain and Greece [19].

But the neighbourhood of the three big rival empires (the Habsburgic, the Ottoman and the Tsarist ones) did not allow for a long time an authentic irradiation of these cultural and already political close connections in the 20th century to the main part of the population who continued to live in the rural environment and to practice the agriculture in somewhat rudimentary technical condition. The middle social class had always been relatively restrained and deprived of a big financial relaxation, it was unable to detach itself in time from the nostalgia of the origins, and under the pressure of two extreme ideologies, the fascism- under the form of Garda de Fier - and the Bolshevism, and it was...
the first who got the finishing stroke. It was rapidly dragged during the 30s to the dead-end of those ideologies that it never got rid of completely, and, that’s the limit, it happened under the influence of important intellectuals and so it was the first to be sacrificed by the Soviet dictate on Romania [19].

Together with the physical extermination, during the 50s, of the former political class who was dominated itself by versatility and demagoguery, the systematic destruction of the private initiative and implicitly of the middle class, no matter how fragile it was, is the main explanation for the slow rhythm of the present process of changing the mentalities and the society. Nationalism, the dumb centralism and the grandeur of the repressive state apparatus, the perpetuation of the national socialist myth in new hybrid but efficient forms of social inoculation were based and continue to be based on this background of the absence of real traditions, aspirations and democratic claims of the civil society or even of the political class.

During the communist regime, this configuration had masked all along the system of post-patriarchal customs, the clients' parallel networks which provided, in fact, the framework of the power structure in Romania that was not far from the situation experienced by Albania, or even by Russia. The pro-modernist discourse, especially its institutional side, always obstructed and even suffocated those groups of influence that perpetuated a heterogeneous Romania that was not either rural or really modernist urban. Therefore, under the thin varnish or the adopted modern jargon, these people of decision or intellectuals moved to town, continued also after 1989 to behave and think in ethno-central modernization.

This inability, opacity or just lack of adequacy of the leaders of many parties and public institutions to the requests of the change mainly lead to the other errors, blunders and huge disparities, even in comparison with the other ex-communist States. In this fragment, we shall refer to the necessity and possibilities of formulating a re-grounding of the relations between the centre and the regions, between the East and the West, the North and the South, within the context of the present situation of the process of the regional development in Romania [20].

The continuation of the present division in development regions, in which the role of main engine seems to be played by those sui generis NGO’s, the ADR’s, but, in practice the greatest decision influence is that of the county boards, does not play a stimulating part to the advantage of the of the consolidation of the real decisional and financial autonomy of the respective region [21].

The determining influence continues to be frequently that of the clients' groups which gravitates round the party/parties which has the central power. It is difficult, if not impossible, to fundamentally analyses according to firm and transparent criteria, the destinations and the practical results of the regional development project, if we consider the essential point of view aimed at, the reach of a high degree of economic and social cohesion according to the country's adherence to EU and to the adequate preparation for the reasonable and productive future absorption of the structural funds.

The existence of a special ministry meant to coordinate the project and provide it with objectivity seems a noble idea, but we cannot be sure at all that monopolizing tendencies of corruption or simply of bad management may not occur.

The Government would continue to rather have the responsibility of marking the accents, from the perspective of the same above mentioned general model of development. The high degree of nationalisation, the travestied or not maintaining of many monopolies, especially in the field of the public services/transports, etc., the delay of the concession of their exploitation are factors that can seriously affect, together with the high level corruption, the process of the implementation of the development model (if it really existed), or even the diminishing of the present disparities from a region to another, or from a zone to another.

The Delegation of the European Commission in Romania should play a more important part in the stimulation of the process by establishing severe conditions. This cannot be only a broadcaster of the recommendations and exigencies from Brussels to Bucharest [24]. On the contrary, it should act more vigilantly for the middle term evaluation implemented projects of those that are in the course of implementation [25]. On the other hand, one may suppose that, until the moment when the regions enjoy a decision and even administrative-financial real autonomy, the concrete possibility of influencing the change of the relation between the regions for a more adequate use of the resources and funds will not come into being. The risk of the formation of “local satrapies” obviously exists, but the opportunity of the justification and obtainment of transparent use and administration of the funds would be greater in the case of a substantial transfer of prerogatives to the regions, of the strengthening of the participative democracy at local and regional level.

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