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**SECTION: INTERNATIONAL BUSINESS, EUROPEAN
INTEGRATION, FOREIGN LANGUAGES AND BUSINESS
ENVIRONMENT**

***SUB-SECTION: EU SUSTAINABLE ECONOMIC DEVELOPMENT AND
COMPETITIVENESS***

CSR: FOCUS ON EMPLOYEES. ITALIAN CASES.

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Abstract: *The aim of the paper is to analyze the Corporate Social Responsibility's (CSR) influence on employees considering the fact that employees are primary stakeholders who directly contribute to the success of the company. CSR relates to employees helps to motivate the employees themselves. Job quality should be a key objective of any employer because the happy employees can create happy customers, which produce good business results. Research clearly indicates, with the help of statistical data and with the case study methodology, that committing to CSR boosts the morale and commitment of workers in a positive way. Employees who are satisfied with the organization's commitment to social and environmental responsibilities demonstrate more commitment, engagement and productivity. A conceptual framework is proposed based on literature. The author predominantly uses methods of qualitative research. In the research the case study methodology, which has been developed within the social sciences, is used. The paper starts with a concise introduction of CSR. In the first part the potential impact of CSR on employees is explained, considering why CSR may represent a special opportunity to positively influence employees' and prospective employees' perceptions of companies. In the second part the research considers three Italian companies that have distinguished themselves for their CSR strategy for employees: Luxottica, Brunello Cucinelli and Ferrero. A growing number of studies have been done regarding the benefits of CSR. However, most are concerned with the external view of shareholders and customer perspective. CSR research on the employee level is not well developed now. In order to better understand its effect on the employees, this study explore the impact of employees' perception of CSR on subsequent work attitudes and behaviors. CSR has a significant effect and it could improve employees' attitudes and behaviors, contribute to corporations' success, and achieve a win-win situation. The main contribution of the research is to explore the impact of an organization's CSR activities internally on employee engagement.*

Key words: Corporate Social Responsibility; employees; work; reputation

JEL classification: M14; M54

1. Introduction

In the past companies often thought to business and society in opposition (Friedman, 1970), but in these days external pressures for CSR continue to grow and numerous organizations monitor, rank, and report social performance (Gazzola, 2012). Sometimes the legal, business and reputation risks are great for companies engaging in practices deemed unacceptable.

The social responsibility of the firm defines a transparent corporate behavior based on ethical values and on the respect of coworkers, of society and of the environment (Waddock and McIntosh, 2009). Companies should recognize the importance of CSR and need to consider concepts like: moral and ethical programs, ethical behavior, social responsibility, equity and also try to implement these concepts in their organizational culture (Nunes and Simescu, 2010).

Now companies understand the enormous potential of business to contribute to social progress (Vlad, 2012) and they understand they depend on healthy and well-functioning societies to thrive (Ditlev-Simonsen and Gottschalk, 2011).

The institutional goals of businesses has to consider the following elements (Masini, 1978):

1. Satisfaction of economic (salaries, etc.) and non-economic (conditions of individual development) needs of the workers involved in the development of the company with their overall personality;
2. Meeting the expectations, especially economic, of the shareholders (in family businesses non-economic expectations are also important).
3. Active participation in the economic and social development of the country or countries in which the company operates.

This interconnection between private purposes and social role reflects the convergence in the company of multiple interests referring to external subjects: they are economic non-institutional interests and non-economic institutional interests. The common goal for the company is the production of remuneration for participating in the community which is the company (shareholders and employees). External interests that are identified as priorities, affect directly the sustainability of the entrepreneurial project. Other external interests, not priority, are those to which the business must make socially responsible behaviors. It's possible to identify three levels of interest: the institutional interests, the interests of stakeholders and the general interests of social communities in which the company refers to.

Employees are primary stakeholders who directly contribute to the success of the company and company behaves responsibly depends on the aggregate of individual employees' day-to-day commitment, decisions and actions. Employees are motivated by CSR. The integration of social, environmental, and economic improvement through CSR makes workplaces enjoyable (Nanderam, 2013). That's why the companies need much more emphasis and training focused on employee social responsibility and on employee engagement.

Employee engagement is one of the toughest and often most important elements of CSR efforts. The level of employee involvement and ownership is critical to the success of CSR in the company. Employees bridge the gap between the company's CSR goals and the realization of those goals. Companies are increasingly relying on employee engagement as a means of competitive advantage. Desirable behavioral outcomes associated with employee engagement are strongly correlated with affective commitment.

Studies show that when companies implement CSR successfully, the result is positive employee relations with respect to recruitment, morale, retention, and productivity. The paper shows which link CSR initiatives, and employee commitment. These alliances promote an affective employee-employer connection as they reinforce a work culture that values social responsibility as well as provide opportunities for skills development.

2. Literature review

In 1985 Tajfel and Turner presented a framework which explained individuals' need to classify oneself and others into social groups. They reveal that the relationship between CSR and employee engagement could be explained through the Social Identity Theory. According to this theory, individuals derive part of the identity from the group(s) to which they belong (Tajfel and Turner 1985).

The relationships between companies and stakeholders and the conditions under which this relationship can evolve are studied by Collier and Esteban (2007). They stated that unless companies manage to gain employees' willingness to collaborate towards a social responsible business profile, they will be unable to achieve their goals.

According to Greenwood (2007) the companies to achieve their goals require the development and maintenance of stable relationships between the company and the employees via the routes of communication, identification, dialogue and exchange processes, or even a combination of them.

Donaldson and Preston (1995) and Freeman (1984) consider that CSR relates to employees, one of a corporation's main stakeholder groups, helps to motivate the employees themselves.

As Lindgreen and Swaen (2010) stated, when companies invest strong relationships with their stakeholders, both parties are more likely to work towards the achievement of common goals. The theory also proposes that a membership can describe employee behaviors, perceptions or even thoughts and feelings. An employee may feel attached to the organizational membership and experience organizational success or failure as part of their personal achievement.

Bryman and Bell, 2007 define the relationship between CSR and employee engagement like a set of techniques which takes people's experiences and their verbal expression seriously, while checking their value, meaningfulness and applicability. Hence, qualitative research focuses on individuals' perceptions regarding social phenomena.

According to Buckingham and Coffman (1999) and Gibbons (2006) companies increase relying on employee engagement as a means of competitive success.

Greenwood (2007) and Jamali (2008) underline the employee engagement imperative and they also recognize the strategic value of relationships with external stakeholders, such as local nonprofit community organizations, as a means of securing competitive success. CSR initiatives, cross-sector alliances in particular, may provide an innovative approach for supporting business success as they can be used to simultaneously address employee engagement challenges as well as address the collective voice of varied external stakeholders.

The stakeholder engagement between managerial action and communication is analyzed in Gazzola (2013) where the dialogue and the communication with stakeholder become the key tool for strategic change and the opportunities for an economic development and growth that respects society,

3. Methodology

This study is focused on the CSR and its influence on employees.

This study has three research objectives:

4. To understand how CSR contribute to the success of the company;
5. To identify the motivations which lie behind the development of CSR initiatives;
6. To examine the impact of the CSR practices adopted by companies, on employee companies' engagement.

The research design predominantly employs the qualitative methods. The authors describe and synthesize, with the use of statistical data, the dynamics and the evolution of employee motivation.

In the research the case study methodology which has developed within the social sciences is used. Such methodology is applied not only in the social sciences, such as psychology, sociology, anthropology, and economics, but also in practice-oriented fields such as environmental studies, social work, education, and business studies. Case study research excels at bringing to an understanding of a complex issue or object and can extend experience and add strength to what is already known through previous research. Case studies emphasize detailed contextual analysis of a limited number of events or conditions and their relationships. The research adopts the view of the

business case illustrated by the syncretic model (Berger et al., 2007) because it recognizes direct and indirect relationships between CSR and firm performance (Gazzola and Mella, 2006). This view allows the firm to value and appreciate the complex relationship between CSR and employees. Such appreciation may enable the firm to identify and exploit new opportunities (Carroll and Shabana, 2010). The main contribution of this line of research is to explain the important relation between the CSR and employees engagement.

4. CSR and work

Job quality should be a key objective of any employer. “Happy employees create happy customers which produce business results”. (Government of Canada, 2012)

The first step in understanding the potential impact of CSR on employees is to consider why CSR may represent a special opportunity to positively influence employees’ and prospective employees’ perceptions of firms (Bauman and Skitka, 2012).

The survey conducted by Rutgers, the State University of New Jersey, prepared for the nonprofit Net Impact, provides a revealing picture of what students and professionals most value in a job, and demonstrates how opportunities to make a positive impact at work are linked to job satisfaction (Net impact, 2012).

Most people, of statistically-significant sample of 1,726 individuals divided in students and professionals, say that having a job that makes a social impact on the world is an important life goal (Fig. 1). Students say it is more important than having children, a prestigious career, being wealthy, or being a community leader—ranking only below financial security and marriage. Professionals show similar prioritization, with having children rising higher on their list of goals.

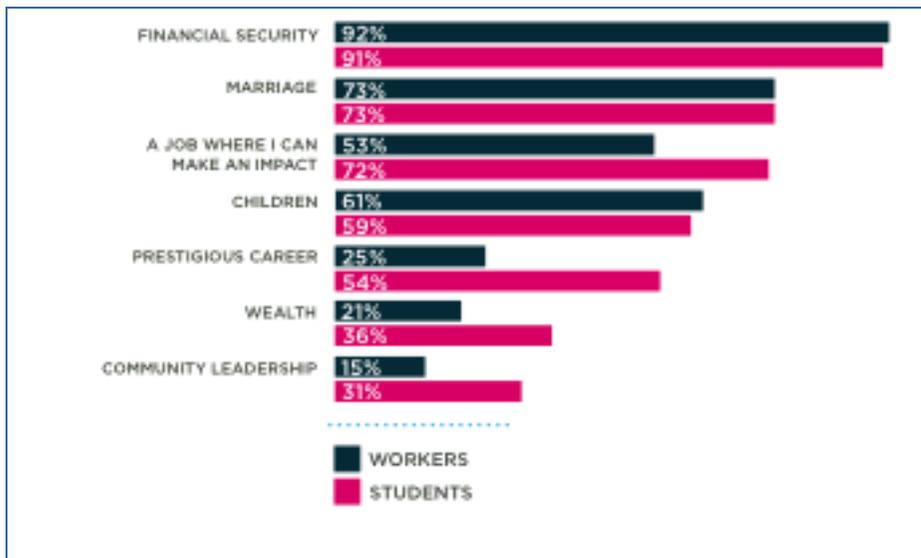


Figure 1: The following are very important and essential in my happiness

Source: Source: Net impact, 2012

In the Figure 1, 53 percent of workers said that “a job where I can make an impact” was important to their happiness, and 72 percent of students about to enter the workforce agreed. Most would even take a pay cut to achieve that goal (Anderson, 2012). In the survey also they ask what is very important or essential in the ideal job and 38% of the workers and 50% of the students answer: employer prioritizes the CSR (Fig. 2)

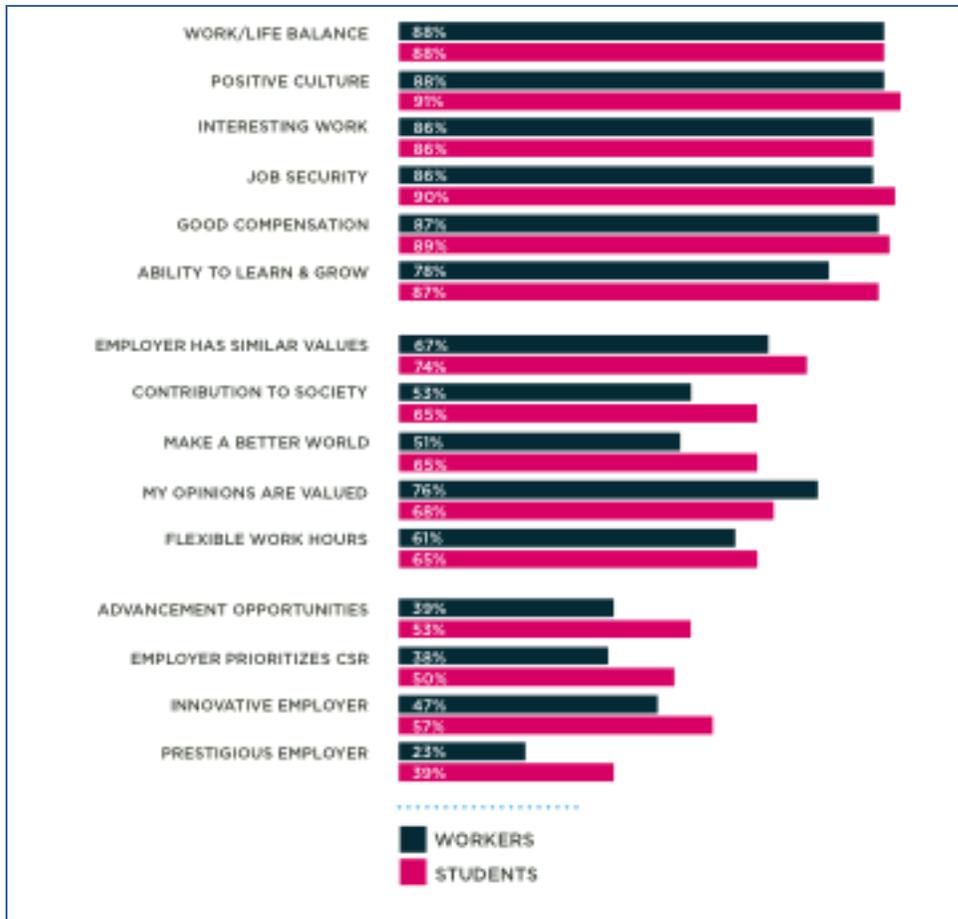


Figure 2: The following are very important or essential to my ideal job
Source: Net impact, 2012

Another research, conducted by the Kenexa Research Institute (KRI), evaluated UK workers' perceptions of their organizations with regard to corporate social responsibility. The research shows that a strategic corporate initiative of CSR that has been receiving an increased amount of attention, provides more benefits to an organization than simply reducing costs by recycling and giving back to the community. Results in the United Kingdom indicate that an organization's CSR efforts also positively affect an employee's personal outlook of the future, satisfaction with their job and confidence in the company's future (KRI, 2007).

A socially and environmentally ethical approach ensures a company's ability to thrive in the long-term by protecting its reputation, its license to operate, its supply chain, its relationships with partners and its ability to recruit talent (Colombo and Gazzola, 2012). In order to satisfy, attract, and engage top talent, employers would be well advised to place a greater emphasis on connecting jobs to social and environmental impact.

The role that CSR plays in enhancing a company's reputation among its own employees, subsequently boosting their motivation and engagement, is perhaps underrated, which is particularly problematic for companies that are inconsistent in their approach to implementing CSR initiatives.

In a study of workplaces, in more than 140 countries, from 2011 through 2012, Gallup

(2013a) estimated that only 13% of employees worldwide are classified as “engaged”. It is apparent from these findings that employees with a low morale can make a significantly negative impact on the profitability of a business. Employees who are engaged contribute to a reduction in staff turnover, and ultimately, a boost in profitability. It is possible to compare the data with the study of the American workplace from 2010 through 2012. In 2012 in USA 30% of workers was engaged, 52% of workers are not engaged, and worse, another 18% are actively disengaged in their work. Gallup (2013b) estimates that these actively disengaged employees cost the U.S. between \$450 billion to \$550 billion each year in lost productivity. They are more likely to steal from their companies, negatively influence their coworkers, miss workdays, and drive customers away.

To better understand how CSR influence the employees in the next sections 5, 6, and 7, we analyzed three Italian companies where CSR is particularly consequential for employees.

5. Luxottica: everyone feels part of the organization

Luxottica produces and distributes sun glasses and prescription eyewear of high technical and stylistic quality to improve the well-being and satisfaction of its customers and at the same time create value for employees and the communities in which the Group operates.

The Social responsibility is the main lever with which Luxottica Group is committed to sustainable development of their business. It has shown a great interest in people and this interest has declined in a vast corporate welfare program, characterized by a strong attachment to the land and the desire for involvement of workers and union representatives.

Luxottica has created a new system of industrial relations that seeks the reinforcement of the productive system, the improvement of all workers actual wages and foresees the promotion of services in favor of the workers themselves.

Luxottica gives primary importance to the human aspects of organizational life, the quality of the relationships between people, the satisfaction of their needs and the fulfillment of their aspirations. The basic idea is that all these aspects affect the daily operation of the company performance and therefore on the market performance.

The company has focused primarily on "involvement" with the conviction that the organization has to make everyone feel part of it like belonging to a large family in which the contribution of the individual is precious for the good of all. All these concepts revolves around an idea which is the sense of identification, the will of commitment and personal adherence of the employees' to the activities and the objectives of the firm constitute, more so in the uncertainty of today's market scenario. They are vital resources for business competitiveness.

On this front the efforts of the group are certainly important, as confirmed on the occasion of 50th anniversary, the allocation of bonus shares of the company to the employees of Italian factories in recognition of their contribution to business success.

Luxottica listened to the needs of its staff and distributed goods and services not only to the most deserving but to everyone in the company. Agreements have been reached with the retail chains to purchase primary goods; with preventive diagnostic medical centers, dental care, pediatric and specialists; support for the means of transport; interventions for school education; scholarships and career guidance. All this was carried out by Luxottica in constant agreement and cooperation with trade unions and the territory (www.luxottica.com).

The belief of the firm is that each one could help retrieve this value that had been lost, by paying attention to "how" one works meaning one's daily habit, respecting the rules that guide the process, the caring of the workplace and the tools that are used by everybody, an example that can be given to others. If all pursue this behavior it then becomes a habit and therefore it is possible to measure the recovery in value, monitor and activate the circle that creates value and convey it to the people. The project, therefore, can be self-financing with the resources that are saved by the reduction of waste. (Salomoni, 2011)

The concept of "quality" is joined to "welfare" with the desire to create a virtuous cycle: quality of life (if you feel part of a family, you work better and you are more stimulated), the quality of process (because process is made by the people), product quality, reducing of waste. At the base there is a strong emphasis on meritocracy and fairness to all employees. To give substance to the project there are four principles: work organization, prevention, communication and collegiality.

Consequently the invisible assets represented by the sense of belonging and loyalty of human resources should be appropriately encouraged, but that they are also able to create a virtuous link between employee involvement and a series of indicators related to the provision organization such as the reduction of absenteeism and the increase of the orientation to quality work.

6. Brunello Cucinelli: the humanistic factory

Brunello Cucinelli is the President and Managing Director of Brunello Cucinelli SpA, a company famous the world over for its production of cashmere apparel, which are exported throughout Europe and to the United States, Japan, Russia, and the Far East. Brunello Cucinelli SpA carries on operations in the world's principal cities with 1.000 points of sale in multibrand stores and around 80 monobrand boutiques, over 750 employees, and a turnover of which three quarters come from international markets.

His entrepreneurial story began in 1978, at the age of 25, when he opened a small 40m² workshop. Throughout the 1980s the business grew and developed.

Now the Brunello Cucinelli brand is at the top of the luxury pyramid for the cashmere of Italian quality. It is internationally recognized as one of the prime examples of "absolute luxury". It combines superb Italian manufacturing with an ability to be innovative and to set trends while preserving distinctive taste and style focusing on a luxurious casual-chic total look.

The ethical, humanist-inspired entrepreneurial model places people at the center of the production process. It encourages the creativity of each worker and simultaneously develops within them a sense of profound participation in the group's success and goals. This commitment is shared on all levels of the company and with outside contractors and clients around the globe who are extremely loyal and who trust the company (www.brunellocucinelli.com).

Brunello Cucinelli has created a strategic competitive advantage through nurturing a human advantage.

Brunello places paramount importance on the essence of humanity stating; "Quality of life is essential. Work becomes more humane if man is placed at its center."• To deliver on this he didn't just set up favorable human resource policies and practices but invested in this philosophy in a major way by buying and restoring an entire town to provide his employees with an aspiring and inspiring lifestyle.

In the late 1980's he bought a medieval hamlet Solomeo in Umbria and restored the town into an artisan factory village where employees live and work including Brunello himself. The town includes a thirteenth-century castle, church, medieval houses, farmhouse and villa. Old buildings have been transformed into artisan workshops,

warehouses, dining areas, town squares and an outdoor theater, each with a plaque containing a philosophical maxim

Brunello built what he calls a “humanistic factory”• where “employees are treated as preciously as the clothes they create”• . With an emphasis on craftsmanship, creativity, pride in one’s work and perfection, there is no traditional hierarchy and no distinction between management and non-management. Employees earn higher than average wages, do not punch time cards and each employee has a key to the workplace .

His notion of "the humanistic firm" is based on the following business model: a third of the profits go to employees (who are paid wages and salaries higher than the industry average), a third to the community, and a third is retained as entrepreneurial profit on the investment made. This approach has paid off handsomely in market terms, since the company has managed to grow during the crisis. Earnings have grown in parallel with reputation. (Corbellini and Marafioti, 2011).

Cucinelli is an enterprise in which the orientation to CSR is part of the genetic heritage of the company from the beginning for the presence of a strongly leadership sensitive to social and environmental issues. (Cross, 2013).

7. Ferrero: “sharing value to creating value”

The Italian chocolate and confectionery manufacturer Ferrero, founded and managed by the Ferrero family has acknowledged social responsibility and put it into real practice since the business started. Having inherited the vision and culture of the ancestors, they have progressively formed the CSR value system (Mella, 2012) during the course of company development. They believe that good business is built on good values.

Ferrero’s CSR vision Sharing Values to Create Value has been deeply embedded in their mindset, and is also implemented into every aspect of the entire business operation.

From the very beginning, Ferrero's corporate spirit has been built on strong values, reflecting the Company's origins and history. According to these values, man is naturally at the heart of the Company.

In this context, Ferrero pursues an ambitious social policy aimed at the well-being of its employees. Two key principles guide this process: the constant objective of company growth, and the desire to further the development of its employees.

In recent years this social project has become effective in Ferrero France with the creation of a social organization at the service of the employees, and with the opening of a company nursery and a mini club on the premises to help with child-care issues (www.ferrero.it).

In Mexico, for example, Ferrero is setting up a college scholarship program, in Ecuador and in Argentina the employees are entitled to discounts in supermarkets, Ferrero Luxembourg has made five-a-side football and tennis courts available for the sportier people!

Reputation Institute (2013) recently released its 2013 CSR RepTrak® 100 study, ranking 100 global companies by their CSR reputation, based on a survey of 55,000 consumers worldwide. Ferrero is in the 30th place.

Conclusion

In the paper we consider how CSR relates to employees and how corporate social responsibility may represent a special opportunity to influence employees’ general impression of the company.

Italy, in the CSR practices, follows the initiatives of the European Union. The European Commission, after proposing a new definition of CSR as "the responsibility of enterprises for their impacts on society" (EU, 2011), calls on companies to put in place a process for integrating social, environmental, ethical, human rights and consumers’

interests in their business operations and in their basic strategy, in close cooperation with their stakeholders. When all of these principles were present, they formed the basis of a focused, forward-thinking, corporate environment that clearly understands and realizes the business case for CSR: attracting and retaining talent; reducing environmental footprint and costs; innovating products and services; and enhancing reputation and goodwill with all stakeholders.

By addressing their social responsibility, enterprises can build long-term employee, consumer and citizen trust as a basis for sustainable business models. Higher levels of trust in turn help to create an environment in which enterprises can innovate and grow. CSR is very important for the overall growth and employee motivation of any organization. From this paper it becomes clear that companies must engage in CSR activities if they want to satisfy employees and keep them motivated towards organizational commitment (Chenoy, 2012).

By satisfying their need for a meaningful existence, employees should enjoy greater life-satisfaction and increase emotional well-being. In addition, when employees participate in programs that matter to them, it may strengthen their relationship with the company and help them rededicate themselves to their own work roles (Grant, 2008).

As public expectations are increasingly adding social and environmental values to the mix of how companies should behave, employee engagement in CSR plays a critical role in company competitiveness, reputation, innovation and execution. When employees are engaged in sustainability and CSR, it shapes their thinking and their behavior, enabling their companies to come up with new ways to solve current business problems and create new opportunities.

The three case studies show how these successful businesses base on CSR towards employees the key of their success. The integration of social, environmental, and economic improvement through CSR makes workplaces more attractive. The cases show that when companies implement CSR successfully, the result is positive employee relations with respect to recruitment, morale, retention, and productivity.

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TERMS OF TRADE EVOLUTION, CAUSES AND EFFECTS

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Abstract: Terms of trade are meant to show the ratio by which a country is different in the level and dynamics of revenues from the exchange made by different categories of products on the external markets. The level of recorded revenues from the commercialization of products and services varies from country to country, and there is rarely a mutually beneficial exchange situation from these operations. Trade efficiency analysis lies in the determination of the terms of trade. In the current paper, international developments are analyzed based on net terms of trade index used by UNCTAD. Statistical data are provided by the World Bank, where export and import price index and the volume of imports and exports by countries were considered. The classification of the countries has been done according to the geographical orientation and based on the purchasing power parity, thus creating two tables, the first table highlighting seven regions, and the second table with seven categories of states including OPEC and non-OPEC members. The terms of trade evolution are influenced by certain important factors in the production process of goods and services. Some of these factors are mentioned: labour productivity; changes in commodity prices; yet, only the last factor is examined in this paper. Based on World Bank commodity price data, the evolution of major energy inputs such as crude oil, gas, coal, and major industrial raw materials such as aluminium, copper, lead, nickel, tin, zinc, silver, gold, platinum and iron was analysed and interpreted. For Romania, the data on terms of trade evolution shows a dramatic situation. If terms of trade development presented a cyclical evolution, the economy as a whole would send an optimistic message. In contrast, the data presented in the following paper will show that our country has registered continuous depreciation of the terms of trade ratio, with a direct impact on external trade balance deficits, a rising external debt and a declining purchasing power for the population. The conclusions address some of the remedies that our country needs in order to improve.

Keywords: terms of trade, efficiency, production, commodities, price, economic development

JEL classification: F10

Introduction

Terms of trade is designed to present the ratio in which a state is compared with another state in terms of trade revenues. According to Iancu (1983), terms of trade has the function of showing "the extent to which a country is compared to another in level and dynamics of trade revenues realized through trading different categories of products on external markets".

International trade involves a wide range of national states that sell a more varied range of products and services to each other. The development degree of those states differs one from another, and the same goes for the products or services that business enterprises from these countries traded.

Income levels recorded from the marketing of products or services vary from state to state and only sometimes there is a mutually beneficial situation in these operations. Trade efficiency consists in analyzing the performance of the terms of trade.

Terms of trade index

The indicator used to analyze trends in international sales of a country to another country or trading blocks, is the terms of trade index. Iancu (1983) states that "this ratio expresses differences in economic development, technological development, industrial structure, etc. between countries participating in trade operations."

Stoian, Puiu, Moțiu (1973) state that the terms of trade "expresses the relationship between export and import prices, respectively a commodity purchasing power relative to other commodities, a group of goods exported compared with the same imported group, exports compared to imports as a whole."

Misztal (2012) continues the definition, stating that "[T]erms of trade is defined as the ratio of the price of exported goods to those imported."

The evolution of the terms of trade studies the impact on the trade balance, current account and the economic development.

Based on the analyses performed by Iancu (1983), the author determined that "[T]hrough international economic exchanges results a major revenue leakage occurs from some countries to others, especially from underdeveloped countries to developed ones."

The analysis performed by Bari (2005), Cerchez (2007), Giurgiu (2008) concludes that, based on this indicator, one can determine the value of exported goods needed to be able to import the same amount of goods, according to the formula:

$$ITS = \frac{\text{indicele preturilor exporturilor}}{\text{indicele preturilor importurilor}} \times 100$$

Genereux (2000), based on the formula, states that the ratio of export price index and import price index, when the ITS > 100%, means that the trade flows provides an advantage to the exporting country, imports are cheaper compared to the base period. When ITS < 100%, the country's terms of trade suffers from international trade, requiring an additional quantity of exported goods in order to be able to import the same amount of goods.

The gross terms of trade index (*Irsb*) is calculated as the ratio between the average export price index and import price index:

$$Irsb = \frac{I_{P_0}^E}{I_{P_0}^I} \cdot 100 = \frac{\frac{\sum q_1 p_{0E}}{\sum q_0 p_0}}{\frac{\sum q_1 p_{0I}}{\sum q_0 p_0}} \cdot 100$$

Where:

Irsb - Gross terms of trade index

$I_{P_0}^E$ - Medium export price index of the base period

$I_{P_0}^I$ - Medium import price index of the base period

q_1 - The quantity of exported or imported goods of the current period

q_0 - The quantity of exported or imported goods of the base period

P_0 - Export import prices of the base period

Net terms of trade index (Irsn) is calculated as the ratio between the average export price index and import price index:

$$Irsn = \frac{I_{P_1}^E}{I_{P_1}^I} \cdot 100 = \frac{\frac{\sum q_1 p_{1E}}{\sum q_1 p_0}}{\frac{\sum q_1 p_{1I}}{\sum q_1 p_0}} \cdot 100$$

Where:

Irsn - Net terms of trade index

$I_{P_1}^E$ - Medium export price index of the current period

$I_{P_1}^I$ - Medium import price index of the current period

P_1 - Export import prices of the current period

P_0 - Export import prices of the base period

q_1 - The quantity of exported or imported goods of the current period

q_0 - The quantity of exported or imported goods of the base period

By some estimations Cerchez (2007), Giurgiu (2008) net terms of trade index gives the result of a country's efficiency in international trade flows. Giurgiu (2008) states: "It can be considered an indicator of external purchasing power, acquired by a nation through exports. If imported products are on average more expensive than the exported products, the exchange conditions are unfavorable: in order to procure goods from abroad, the concerned country must produce and sell more goods and services"

The literature identifies three transmission channels of terms of trade volatility on economic development, namely: it may cause changes in capital productivity and the level of foreign investment; it may alter the structure of savings and consumption; it may alter the amount of public spending.

Based on the studies carried out by Begu (1999), Cerchez (2007), Giurgiu (2008), statistic indicators such as the price scissors (FP) are also used to determine the regression of the net terms of trade, according to the formula:

$$FP = (1 - IRSN) \times 100$$

Also, the authors analyze the impact of the income index from the terms of trade, or the purchasing power of exports index (Ivrs).

The purchasing power of the exports index is obtained by multiplying the average export price index and the net terms of trade:

$$Ivrs = \left(I_p^E \cdot Irsn \right) \cdot 100 = \frac{\sum q_1 p_1}{\sum q_1 p_0} \cdot \frac{\frac{\sum q_1 p_{1E}}{\sum q_1 p_0}}{\frac{\sum q_1 p_{1I}}{\sum q_1 p_0}} \cdot 100$$

Another indicator used to measure the purchasing power is the factorial terms of trade

index (IFRS) which, according to the formula, is the multiplication of the net terms of trade index (IRSN) and the labor productivity index I^W :

$$IFRS = IRSN \times I^W$$

The analysis of the result shows that when $IFRS > 100\%$ and it is considered a positive evolution of the indicator. According to the formula, the result may be due both to a positive evolution of both terms, or just one of them, but with a significant growth, so the end result should be interpreted as a favorable one.

Giurgiu (2008) states that the factorial analysis of the terms of trade can use other quantities, such as the share of exports in domestic production and the share of exports in domestic consumption. The first is obtained as the ratio between total exports or domestic industries and the total internal production or domestic industries. The second is obtained as the ratio between total exports or domestic industries and total consumption or domestic industries.

Terms of trade evolution at international level

International developments were analyzed in net terms of trade index used by UNCTAD, the statistical data being provided by the World Bank. The export and import price indexes were considered, and also the volume of imports and exports by countries. The classification of the member states was carried out according to geographic orientation and based on purchasing power parity, thus resulting two tables, the first table consisting of seven regions and the second one of seven categories of states. In the last table there are additionally inserted the OPEC member states or the non- OPEC member states.

In the following table, it can be observed the evolution of the terms of trade based on the geographic orientation of the member states.

The strong appreciation of the terms of trade was achieved in the Middle East and North Africa, due to the presence of oil exporting states. In this case, a sharp rise in the world price of oil has led to an improvement in the terms of trade in 2011, compared to the base year 2000 by approximately 50%.

Another significant increase in terms of trade is outlined in the Sub-Saharan states, mainly because of the export of raw materials, whose prices have risen on the international market.

The lowest rate of terms of trade increases are recorded in the European and North American states. Due to outsourcing and relocation processes of parts of production to the developing states, they reached a point where they recorded a minimum growth of terms of trade.

Koze, Reizman (2001) demonstrate that improved terms of trade leads to faster economic growth as a result of long-term capital accumulation. Other economists show that an improvement in terms of trade leads to an increase in foreign investment in the country, having a direct impact on the economic development.

In his work, Grimes (2006) show that higher levels of terms of trade and a low volatility can lead to economic growth, particularly in raw materials exporting countries and developing countries. The economy of New Zealand was the main element analyzed, the author observing a stable dynamic in terms of trade. This aspect can be seen in the table analyzed.

It is also deemed to mention the impact of the economic crisis which began in 2008 with direct repercussions on the terms of trade of states, an evolution marked by a steep decline, observed in 2009 in all geographic regions under scrutiny.

Table 1: The evolution of the terms of trade of the member states based on geographic orientation during 2000-2011, %

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Asia de Est și Pacific	Average	100	99,7	99,4	99,2	99,6	99,1	106,9	105,0	105,4	104,8	108,5	109,4
	MIN	100	91,4	88,8	88,1	83,8	78,1	73,8	71,7	62,0	68,2	67,7	60,1
	MAX	100	106,3	107,3	112,5	139,2	159,5	191,7	187,3	243,3	195,7	227,6	230,2
Europa și Asia Centrală	Average	100	100,1	99,9	100,6	102,0	103,9	107,4	107,9	111,4	106,9	110,1	112,7
	MIN	100	87,1	83,4	79,5	76,2	71,8	71,4	65,9	65,6	67,5	68,2	72,4
	MAX	100	132,0	131,7	142,8	144,2	153,2	187,7	183,6	245,6	181,3	197,9	234,2
America Latină și Caraibe	Average	100	98,3	96,9	96,8	99,1	100,3	107,2	108,4	108,9	106,5	111,3	113,7
	MIN	100	82,2	86,8	84,1	82,5	79,4	75,9	74,4	62,1	65,6	70,7	64,5
	MAX	100	115,6	110,7	121,0	133,3	154,4	184,4	202,1	249,5	181,7	215,9	258,7
Orientul Mijlociu și Africa de Nord	Average	100	95,0	94,2	99,9	107,4	126,8	138,2	139,3	165,3	129,4	142,2	153,0
	MIN	100	86,3	85,8	88,4	85,4	79,6	74,5	70,5	62,4	64,8	58,6	53,6
	MAX	100	105,1	104,0	117,4	128,5	176,9	200,7	235,1	265,5	174,4	223,2	230,9
America de Nord	Average	100	101,7	101,0	102,7	104,4	105,0	104,7	106,4	108,1	105,4	107,5	108,3
	MIN	100	97,4	97,9	98,8	101,2	97,2	96,0	96,6	91,8	99,0	97,1	94,6
	MAX	100	105,0	104,4	106,4	110,4	114,4	114,1	117,6	126,6	114,8	119,9	122,5
Asia de Sud	Average	100	102,2	100,0	96,9	94,5	94,6	94,9	88,6	87,3	91,4	91,9	92,1
	MIN	100	97,8	88,6	88,7	84,6	75,2	70,0	65,5	57,6	51,0	50,4	52,4
	MAX	100	110,6	109,0	110,1	129,2	137,4	139,7	127,3	145,1	133,9	140,3	151,5
Africa Sub-Sahariană	Average	100	94,7	96,0	97,8	101,2	107,8	116,8	117,9	125,0	118,0	127,6	134,0
	MIN	100	37,7	30,4	24,4	29,5	21,4	21,3	22,8	30,7	28,7	29,4	30,4
	MAX	100	110,6	143,4	138,6	130,8	171,9	197,6	202,7	250,9	219,5	234,6	244,7

Source: Author's calculations based on statistics provided by the World Bank

In the following table one can better notice all the influences mentioned above, in particular those referring to increased world prices of oil, the effects of relocation and outsourcing of production processes to developing countries. Misztal (2012) believes that "Changes in terms of trade represent one of the factors that explains the difference in per capita income levels between developed and developing countries."

The most pronounced increases are recorded by OPEC and non-OPEC states. In these countries, terms of trade calculated on the reference year 2000, recorded an increase between 70% and 100%. These increases are recorded strictly due to a raise in the price of oil barrel and natural gas. A good example here is provided by the authors Backus and Crucini (2000) who, in their study, demonstrate how a reduction in oil production leads to an increase in oil prices, with automatic impact in improving terms of trade of oil exporting countries, and vice versa for other countries.

The most pronounced increases in the terms of trade are recorded by states with an average income per capita level, these countries benefiting from the industrialization process. Many companies in the developed world started delocalizing or outsourcing production processes to them. The production based on intensive use of labor, some of it will be externalized or outsourced to countries where skilled labor is cheaper, thereby accumulating benefits from lower production costs.

Insignificant increases are recorded in economies with a high income per capita. To this category belong the developed countries that have reached a limit of production development, a limit of improved labor productivity, which is why they cannot accumulate terms of trade increases based on these attributes. All this will be transferable to developing states, with an average income per capita, because they advocate for the reduction of discrepancies, the continuous improvement in labor productivity and aspects of the production process.

Table 2: The evolution of the terms of trade of the member states based on purchasing power parity in the period 2000-2011, %

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Venituri mari: OECD	Average	100	101,2	101,6	101,2	102,2	102,5	103,9	104,7	103,3	103,8	104,5	104,6
	MIN	100	93,3	90,8	87,7	84,8	79,0	73,8	71,7	62,0	68,2	67,7	60,1
	MAX	100	132,0	131,7	142,8	144,2	142,8	183,2	189,5	174,6	166,7	204,0	213,3
Venituri mari: nonOECD	Average	100	97,3	95,9	98,9	101,9	110,2	117,3	118,5	131,4	113,0	120,2	125,4
	MIN	100	86,3	84,1	79,5	76,2	71,8	71,4	65,9	62,4	64,8	58,6	53,6
	MAX	100	105,1	105,2	117,4	139,2	176,9	200,7	235,1	265,5	195,7	227,6	234,2
Venituri medii spre mari	Average	100	98,5	97,5	98,7	102,8	108,7	118,0	118,6	125,8	115,0	121,7	126,5
	MIN	100	82,2	83,4	83,8	81,2	78,0	73,5	68,2	67,6	65,6	70,7	68,6
	MAX	100	116,3	114,9	121,0	133,3	171,9	197,6	202,7	250,9	181,7	215,9	258,7
Venituri mici spre medii	Average	100	98,3	100,2	100,6	102,8	107,0	115,8	114,6	120,6	116,3	123,7	128,3
	MIN	100	88,4	87,0	84,1	82,5	75,2	70,0	65,5	57,6	51,0	50,4	52,4
	MAX	100	110,6	143,4	138,6	130,8	156,6	195,2	193,3	224,2	177,8	215,6	229,4
Venituri mici	Average	100	94,8	93,4	94,4	95,2	95,7	100,9	101,0	101,3	101,4	108,1	111,5
	MIN	100	37,7	30,4	24,4	29,5	21,4	21,3	22,8	30,7	28,7	29,4	30,4
	MAX	100	105,3	109,8	121,0	117,8	160,0	174,9	175,9	224,5	219,5	234,6	225,7
OPEC	Average	100	93,0	91,6	101,2	117,1	152,6	173,5	178,5	216,9	154,0	181,6	204,4
	MIN	100	82,2	85,8	97,1	104,9	106,9	113,0	116,4	123,7	119,8	127,1	134,1
	MAX	100	105,1	103,9	113,6	128,5	176,9	200,7	235,1	265,5	181,7	223,2	258,7
NON OPEC	Average	100	89,8	94,0	98,6	103,4	124,3	139,9	146,2	169,5	140,4	159,9	170,6
	MIN	100	37,7	30,4	24,4	29,5	21,4	21,3	22,8	30,7	28,7	29,4	30,4
	MAX	100	110,6	143,4	138,6	130,8	176,9	200,7	235,1	265,5	219,5	234,6	258,7

Source: Author's calculations based on statistics provided by the World Bank

Conclusions

The strong appreciation of the terms of trade was achieved in the Middle East and North Africa, due to the presence of oil exporting states. In this case, a sharp rise in the world price of oil has led to an improvement in the terms of trade in 2011, compared to the base year 2000 by approximately 50%.

Another significant increase in terms of trade is outlined in the Sub-Saharan states, mainly because of the export of raw materials, whose prices have risen on the international market.

The lowest rate of terms of trade increases are recorded in the European and North American states. Due to outsourcing and relocation processes of parts of production to the developing states, they reached a point where they recorded a minimum growth of terms of trade.

It is also deemed to mention the impact of the economic crisis which began in 2008 with direct repercussions on the terms of trade of states, an evolution marked by a steep decline, observed in 2009 in all geographic regions under scrutiny.

The most pronounced increases are recorded by OPEC and non-OPEC states. In these countries, terms of trade calculated on the reference year 2000, recorded an increase between 70% and 100%. These increases are recorded strictly due to a raise in the price of oil barrel and natural gas.

The most pronounced increases in the terms of trade are recorded by states with an average income per capita level, these countries benefiting from the industrialization process. Many companies in the developed world started delocalizing or outsourcing production processes to them. The production based on intensive use of labor, some of it will be externalized or outsourced to countries where skilled labor is cheaper, thereby accumulating benefits from lower production costs.

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***SUB-SECTIONS: INTERNATIONAL BUSINESS;THE IMPACT OF FOREIGN
LANGUAGES ON THE BUSINESS ENVIRONMENT***

ENERGY AND CLIMATE CHANGE. NUCLEAR, PROS AND CONS

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Abstract: *It's needless to say that nuclear is a hot subject. It arouses public imagination, suspicion, and fear. It has always animated scientists' minds and souls and after they discovered how to manipulate the atom, the public conscience has become aware of its dangers and its merits. Present paper aims to present why it is important to regard with optimism and trust the science of atoms, not without losing our critical view concerning the risks inherently connected to it. Nuclear arms are a reality, but climate change is another. Mankind is facing both. It cannot ignore one of them without assuming greater risks in the future. In this context, nuclear can be regarded with hope and audacity. Its expansion, both in countries where it already is employed, and into newcomers (where it could be implemented), can bring benefits such as: reducing energy dependence on foreign interests placed under the umbrella of oil and gas producers, or transporters; rising energy security in a world where access to cheap and reliable energy would become more problematic; greater success in fighting climate changes and global warming through energy generated in a more environmentally friendly manner. Furthermore, over the energy aspect of peaceful nuclear energy, there is another economic and technological benefit: nuclear researches could be involved simultaneously in electricity generation, heat production, agricultural and industrial rising's potential, water desalinization and providing in arid areas, and application in medical researches and treatment. But nuclear has its weak points: it is connected to military researches and programs, while offering the needed technical ground for UN Security Council permanent members to have and maintain prestige in international politics; it looms over mankind, as a menace which hunts our conscience after Hiroshima and Nagasaki... Its minuses have to do with international context, too: if we connect the highest level in technology with strongest religious sentiment than we can face a terrifying drama. A nuclear nuke in the hands of a terrorist organization is the worst nightmare mankind could face. Countries with nuclear arms (Russian Federation and Pakistan) were courted by dangerous organizations, which searched to gain access to fissile material. But there is a hope, and the paper presents it in an indirect manner: if public conscience activates in direction of nuclear disarmament, nuclear could become the hope for a better future. Nuclear disarmament would mean a safer world, while peaceful nuclear expansion will mean cleaner energy and greater access to electricity in more areas, all of them creating a better world and a civilization proud of its name.*

Keywords: climate change; energy security; nuclear energy; nuclear programs; nuclear risks

JEL classification: H76; O44; Q01; Q42

Energy sector must be changed; this is an unquestionable matter. But this change have to be a dramatic one in decades ahead in order to relax fears connected to energy security, and those facing climate changes. Present civilization in based in such measure upon energy resources' consumption that it cannot work without them. But one can easy note that the direction humankind chose two and a half centuries before could head directly to a dead end for human civilization. The way we consume resources today points to the fact that humankind is the biggest enemy of itself.

But each decision regarding changing the way energy is consumed and how is realized the energy mix involves decisions with great importance, with strong political connotation; as energy consumption is in an inextricably manner connected to transportation sector – both, energy and transportations being strategic aspects in all states – there is a need to see and treat them with greatest care.

Civilization is not contemporary with the human being's appearance on the planet Earth. Civilization appeared when towns appeared, but the level of civilization has risen only when man succeeded in multiplying his weak power with different sources of energy; in this way man started to master in some way the nature. Man transformed through different technologies different elements provided by nature in order to master it; but the extraction of the carbon from the Earth (in the form of energy resources) and their burning to produce energy, has generated more and more carbon in the atmosphere.

One of the most significant indexes of civilization degree hit by a specific society is per capita energy *production* and *consumption*. Man is a very weak being, but amplifies its fragile forces through energy resources' consumption. For example, the world in 2004 consumed energy resources which generated cca. 15 TW, with oil representing 5,6 TW, natural gas 3,5 TW, coal 3,8 TW, while water and nuclear sharing the same position: 0,9 TW; the remaining 0,3 TW was produced using other energy sources (Malița, 2009a).

But the effects generated by the rising concentration of CO₂ in the atmosphere have started a process known as *climate change*, with visible effects starting in the '60s, when some species of birds have started to change the way they migrated and how they behaved. In that moment to the sensitive security concerns connected to the control over energy resources and the routes used for their transportation, there was added a new and the most complex one in all human history: *climate change*. Even if since 1965 the US President L B Johnson received the first dossier containing information concerning the consequences and dangers brought by the climate changes (Victor et al., 2009), only after Cold War ended the nations started to agree over the fact that there is present a big problem for humankind – climate change.

Moreover, 86% of energy is obtained through the process of burning non-renewable resources such as oil, gas, and coal (Malița, 2009b) showing that we live in an unsustainable manner in a civilization captured by nonrenewable and polluting resources... In this regard, at the beginning of the 3rd millennium, the Earth must breed not 6 bn. peoples, but this number 24 times many over, meaning 144 bn. people (Malița, 1998); this is due to man force's multiplication through energy consumption. But the way man consumes resources and produces energy is made in a clearly unsustainable way. Rising energy security and emissions' reduction could be simultaneously attained if there is registered a rising efficiency for energy sources' use, and changing the energy resources mix in a radical and irreversible manner. The expansion of renewable resources (water, wind, sun-power, geothermal) and of resources with an unlimited potential (atoms), coupled with the reduction of nonrenewable sources' consumption would provide simultaneously a stronger energy security and the prevention of dramatic climate change. To do this, there are needed both *wise decision* at highest political echelons in all countries, and a *new attitude* from the part of citizens of developed countries, and emergent economies; there is needed a new mentality for all citizens of the planet Earth.

The renewable and atoms have not only strong points; there are minuses, for them, too, while their implementation brings heat political debates (Froggatt and Levi, 2009). Political leadership has to *lead* the de-carbonization process of world economy in a tense environment, taking account of *climate change* and *energy security*, and of public opinion and social trends. For political leaders the decision vice has two components: one is objective, containing energy security and climate change, while the other is subjective, political parties looking closely to the public opinion trends and desires,

searching to seize any opportunity which would bring a greater voting share for them, and looking to avoid any public position which would damage in electoral moments...

It is noteworthy to mention that we can look at *nuclear* with hope, and with fear. The discoveries in atomic field and the technological progress in this high-tech area gave the 20th century's man a huge power over matter and nature. This has been his long dream: to master the nature... And the atomic age placed him on the highest peaks. But this has brought with it enormous risks for his fellows, and for him: there appeared for the first time in human history the possibility to annihilate human civilization, and even the whole life on the Earth, as a consequence of an all-out atomic war. There appeared the balance of terror, looming over all of humankind. A nuclear war between nuclear powers would have meant the end of history. And this is the case with all human inventions. As pointed Kapitza (in Epstein and Webster, 1983: 59), "[T]he society which created these things is modeled by them, finding that it is extremely difficult to have an objective and responsible attitude towards them".

The problem for humankind and for the of the pillars present civilization is based upon is the way resources are exploited and consumed in order to produce energy, which only promote pride and vanity. The signals regarding climate changes – detectible starting in the '60s – have become more and more visible as we close to present days; and present trends and future's perspective must activate in our conscience the menaces humankind will surely face.

Over the high volatility of international system, new poles of power fighting for dethroning old ones complicating furthermore geopolitical equations at global level, humankind must face a new challenges, rising the complexity for decision-making.

Aspects such as *food, water, energy, and environment* have become the heat subjects on the agenda of influential international think-tanks (RIIA, CFR, CoR, CEIP), and these elements have a great potential to generate huge tensions in the future, both at domestic, and at international level.

If the food, water, and the environment are the key-elements for the life on the planet Earth, *energy* and the control over nature using energy sources provided man's ascension to the position of dominant specie on Earth. But this brings with it a great responsibility, which man hasn't proved yet that he was totally aware. This has brought overt political crises, ending in military conflicts, when man killed his fellow. Furthermore, energy resources – and especially *oil*, after it has become the key-element for transportation and car industry – became the gold which brought states in a state of war against one another. While the trade of oil has become extremely militarized, even there aren't overt political or military clashes; in this context, oil and arm transfers are inextricably linked, with oil being the *enemy* of freedom.

Entering into nuclear age opened new opportunities for mankind: the control over the atom has provided a new energy source with enormous potential. The sin where man stepped in immediately he had discovered how to manipulate the atoms, was exactly the discoveries which gave man the knowledge to use the atoms to destroy his fellows, and the environment. He created the most destructive weapon in human history: the nuclear bomb. The great sin of this discovery resides in *military applicability* of the knowledge from atomic field. History teaches us the effects of the two atomic explosions in Japan; and today they are labeled as low-power thermo-nuclear mechanisms...

Using nuclear energy on a greater scale to produce energy has clear advantages face to face with other energy resources, both classical, and unconventional ones, but imminent risks which could harm life, people and environment's health, and the states which are developing nuclear programs, too.

Rising people's number globally overlapping the rising emerging economies will surely bring fiercer competition for access to energy sources, and for control over their transportation routes. Rising consumption brings higher prices for energy, but their

burning vents in the atmosphere greenhouse gases. In this angle, *nuclear* appears as a constant source of energy, having a great capacity, and providing energy without producing CO₂ emissions.

There are other green energy sources, each one has its weak points; and world economy's de-carbonization could be attained with only these green sources. But the costs for such an action would be far greater than in the case nuclear is present in the global energy mix in a significant percentage. Any try of de-carbonization of energy and transportation systems *must* have the nuclear on the agenda, together with green energy sources' expansion. Peaceful nuclear expansion brings benefits such: it provides energy in a relatively constant manner; big installed capacity; lowest CO₂ emissions; energy sources' diversification both in developed and in emerging economies. If transport system de-carbonization would simultaneously be attained, electricity which would be produced in atomic power plants could provide the necessary energy for road and rail transportation.

Developing high-speed railways and trains for small and medium distances, coupled with electrical cars or hybrid-cars would reduce transportation's dependence on oil, and CO₂ emissions due to transport activities. When transportations aren't dependent on oil, there will be reduced the influence oil exporting countries over oil consumption markets, bringing great social and geopolitical effects: there will be registered a radical reorientation in international relations, bringing irreversible changes at domestic level in oil exporting countries such as a deeper democratization and a greater role for women in society and in family.

Reducing gas dependency is an important matter, too. The natural gas resources are concentrated in a lower number of countries in comparison with oil possessing countries, while it is transported using pipelines, rising importing countries' *vulnerability*. Gazprom giant is a strong example, and Moscow influence using this energetic arm could be felt repeatedly since 1991. The dependency on gas brings with it strategic vulnerability, while a massive orientation toward gas in the context of economy de-carbonization means greater gas consumption, and higher price for this commodity, lowering economic competitiveness and rising food prices (natural gas is a key-element for fertilizers' production).

Nuclear power's expansion could simultaneously reduce the vulnerability given to a higher price for gas, and to the dependency on gas exporting countries. *This means a greater freedom in foreign policy for consuming state*. The existence of the energetic base which could not be influenced by countries which export energy resources or by those which control access to them brings reduction in greenhouse gas emissions together with the reduction of the influence those countries could exert. How would look like such a world, and what role would be reserved for countries such as Russia, Venezuela, Nigeria, Angola... The benefits could be identified in lower CO₂ emissions, and at the international system's level, too.

France's example can be brought here: due to the most successful nuclear program in the world, Paris succeeded to endow France with an energy amount equivalent to 80 mil. tones of oil (Wiesenfeld, 1998). Today in France there are 58 nuclear reactors in use, providing 78% of its electricity, while 40% of primary energy is France is based upon nuclear (Lester and Rosner, 2009: 25).

In the US almost 90% of emissions generated in energy production are due to coal, while it counts only for 52% in electricity production balance (*The Future of Nuclear Power: An Interdisciplinary Approach*, 2003: 18). And as coal's burning hits most the environment, it has the lowest energetic capacity, related to installed capacity. But it has a large base at global level – a lot of countries having great coal reserves – and for this reason decision regarding energy systems took account of coal, as a major energy source for heat and electricity generation.

But in the context of climate changes, coal menaces our future the most, and identifying and spreading new technologies for carbon capture and stocking, together with nuclear expansion could be viable solutions both for diversification, and CO₂ emissions' reduction; and this is a remarkable point in a historical moment when China connects to its national grid two new coal power stations each week (Burton, 2010: 185).

Expecting new political solution at international level aiming at CO₂ emission's taxation, reducing dependency on fossil fuels and reorientation to alternative energy sources, bring a new force for decisions concerning *nuclear energy*.

Nuclear addresses simultaneously to numerous items written on states' agenda (Lauvergeon, 2009: 91): it is sustainable (it vents the lowest amount of CO₂ emissions/kWh in comparison all other energy sources, making it attractive in the context of climate change debates); it is competitive (Lauvergeon, 2009: 92), even in the absence of tax imposed on CO₂ emissions; it provides energy security, because uranium reserves are located in politically stable countries, the uranium reserves being 200 times many over the present necessity (Lauvergeon, 2009: 92), while the global market for uranium works smoothly.

Furthermore, the uranium (the fuel) represents only 10% of the total costs of electricity generation, while in the case of coal the share is 77%, and for natural gas, it rises to 93% (Rowe, 2009: 86).

Other advantages of nuclear expansion overcoming the framework of energy generation are connected to medical care, agriculture, and hydrology. Countries located in areas known for long and severe droughts, but having seashore could contemplate peaceful nuclear projects in order to provide both electricity, and desalinated water, rising agricultural potential for those areas, too. And the know-how in the nuclear field in the agriculture could create a scientific base for rising agricultural potential in the context of climate changes, as new knowledge could provide resilient seeds and types of harvest; while the applicability of nuclear researches in medicine has positive uses. Of course, there could appear in time secondary effects of irradiation used in medical treatment (nausea, radio-generated sarcoma).

But as Cirincione sais (2008), the biggest sin of nuclear technology resides in the fact that big problems come in small packages; it is necessary only a small quantity of fissionable material (Uranium 235 or Plutonium 239). As peaceful nuclear researches (could) overlap the military researches, the nuclear expansion could give to a greater number of states in the possession of knowledge in this important scientific field knowledge with military applicability. There are some parts of nuclear fuel cycle with civil applicability and military application which overlap (Yudin, 2010): mining and milling, which gives Uranium 308, which is passed through a conversion process, after which there is obtained Uranium hexafluoride (UF₆), material which is passed to enrichment process. The same knowledge and installations used to enrich Uranium at low levels (4-5%), preparing it to be used as fuel in nuclear reactors to produce electricity, could be used to enrich it up to the level of 80% U235; in this moment it has become fissile material with direct military applicability. Furthermore, when over Uranium enrichment, there is the other part of nuclear fuel cycle: it concerns the separation the Plutonium from the burned fuel used in peaceful nuclear reactors. This process has to do with the fissile material's reprocessing and the separation of Plutonium from this material; in that moment this Plutonium could be used in military direction. But if there are needed 25 kg U235 to build an atomic weapon, in the case of Pu239, there is needed only the small quantity of 5 kg, but this plutonium based weapon has a much greater destructive force (practically as great as one wants), because of adding tritium (Jackson, 2009: 1163).

The vice pressing on developing countries which don't have peaceful nuclear reactors – reducing the vulnerability connected to energy resources and cutting greenhouse gas emissions – makes them to look with optimism to it. But nuclear expansion at global

level aiming at cutting emissions through nuclear expansion brings risks at international security level: peaceful nuclear programs and researches could in time be redirected to military programs (Jackson, 2009: 1157), rising the instability in the areas which already are known for their *instability*.

This is a very important reason why nuclear expansion to developing economies which don't have already nuclear reactors is regarded with suspicion. Even nuclear has unquestionable merits it has some characteristics which hinders its expansion.

As the expertise, material, scientific, and human bases employed in peaceful nuclear researches could be redirected to military applicability, making these states potential candidates for the club of nuclear armed states Rauf (in Brener-Maerli and Lodgaard, 2007: 274), with complex implication in the field of international security, the expansion of peaceful nuclear could meet real barriers, or to encounter those risen by public opinion (or by some political currents, having as key-figure the debate over nuclear, hoping to gain in this way political capital, as is recently the case in Germany).

There are real fears connected to nuclear energy and nuclear reactors' operation, and the notable accidents from Three Mile Island (1979), Chernobyl (1986), and Fukushima (2011) could signal us the real dangers of nuclear energy... Even if the odds of a nuclear accident is very small, nuclear expansion to new states, and its multiplication in states already possessing it would rise the probability of nuclear accidents.

Until nuclear reactors are 100% sure – until the moment that a nuclear accident will not generate radiations at all – the possibility of a catastrophe floats over peaceful nuclear programs (Feiveson, 2009: 65), over places where nuclear reactors operate, and in the nearby area, and over whole humankind.

Although mankind posses a cumulated experience of about 13000 years/reactor (Meserve, 2009: 105), the risk associated with an accident at an active nuclear power plant must not be underestimated. And any accident somewhere in the world would surely reopen the already heated debates related to peaceful nuclear energy, the safest plant or the best operating system becoming in this way prisoner to the weakest link and most vulnerable plant in this truly global nuclear chain.

To this risk, there is wise to add the possibility of a criminal act oriented against an active nuclear power plant, coming from a terrorist organization, a very zealous employee believing to much in the "green" color's merits, or from some other state which – due to war state of affairs – could search to hit peaceful nuclear installation in its rival state, affecting quickly and irreversibly the *targeted state* (through cutting its energetic base, simultaneously with public and military morale's sapping), the *region at large*, and the conceptions regarding international security.

Furthermore, terrorist organizations are looking tirelessly to gain access to fissile material, in order to us it in an atomic explosion, or in a dirty bomb. Peaceful nuclear expansion means a rising number of places where they could found the much desired material; and this is a major and real risk for the West, because it connects a very sophisticated technology with boiling religious fanaticism.

Russian Federation and Pakistan are most weak links in this chain; many times in the past, terrorists searched there to obtain fissionable material. But there is a difference between them: while in Russia terrorists searched to "buy" the material – and we can note here the Snezhinsk incident and precarious guarding system at Seversk (Bunn, 2009: 118) – in Pakistan there exists the possibility that well organized and armed extremists would enter the deposits where are Pakistani nuclear nukes, with devastating consequences at global level. The determination of terrorists organization in this direction noted in the past and connected to this risk makes us aware about it (Bunn, 2009: 118).

And over nuclear reactors and the places nuclear stockpiles are located, the places where used nuclear fuel is located could become the object of a terrorist attack, rising the risks of contamination over larger areas.

Public opinion could be in its turn a hindrance for peaceful nuclear programs; there are states where nuclear energy is regarded with suspicion. As a consequence of Three Mile Island accident, Sweden (in 1980) passed a law forbidding new nuclear reactor's construction and a gradual elimination of nuclear power; after Chernobyl (1986), Italy decides in 1987– after there was initiated a *referendum* – to close all its four nuclear reactors (Joskov and Parsons, 2009: 45).

If states with tradition in centralization (China and Russia) could pass relatively quickly on the path of nuclear expansion without caring much about the public opinion, countries having more democratic systems take decisions with public opinion in mind. And as nuclear gains quickly public attention – due to *public* and *personal* perceptions related to it – any incident or accident rise heat public debates and this can be captured by the nuclear opponents, rising their importance and presence in public conscience, with direct consequences for them, especially if there follows election.

But the greatest minus of peaceful nuclear energy has to do with its connection to the *nuclear bomb*. The peaceful nuclear expansion to new states could take place only there is manifesting a real disarmament process, nuclear armed states engaging in good faith negotiations with this sincere aim in mind.

A disarmament process started by the most powerful nuclear states (Russia and USA), expanded thereafter to all other nuclear armed states in a multilateral framework, could become the strong base for the peaceful nuclear expansion, eliminating the risk of horizontal proliferation while there is taking place the nuclear expansion; it is an important step forward on the way to renounce to *national* control over nuclear programs by nuclear states (Socolow and Glaser, 2009: 41), over national enrichment facilities and/or plutonium reprocessing.

Such a process could bring great benefits to mankind both *directly* due to a gradual, and a definitive and irreversible nuclear disarmament, and *indirectly* through the creation of preconditions aimed at peaceful nuclear expansion to new states, without fearing the uncontrolled nuclear proliferation.

In conclusion

Rising importance of climate changes debates on international agenda without taking account of all aspects concerning the de-carbonization of world economy and transportation, could be a cure more dangerous to global system, to society and the environment than the disease brought upon mankind by climate changes: *massive expansion of peaceful nuclear energy in present international context and domestic politics of peculiar states could be greater risks to mankind than climate changes effects. But if there will be some positive (and irreversible) changes concerning military applicability of nuclear researches, peaceful nuclear expansion must be reconsidered, with the greatest attention, and seriousness*

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MULTILATERAL DIPLOMACY AND INTERNATIONAL REGIMES

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Abstract: *The history of diplomacy can be divided in three main periods: one is that of occasional diplomacy peculiar to Middle Ages, while others belong to permanent diplomacy, peculiar to modern times. But this one can be divided in two parts, too: one with a bilateral character, previous to 1st World War, and one with a multilateral character, manifested especially after the end of 1st World War. This third type is the focus of present paper. And it cannot be separated from the newly international constructs: international regimes, and international organizations. International institutions – the area where international regimes are belonging to – are legal constructs which provide the formal (and) legal framework for continuous negotiations. They are the most visible part of the new diplomacy – the one which has a permanent character, and it has a more open face. Anyway, the most important connection has to do with the international institutions, international regimes, and multilateral international negotiations. In the era of the new diplomacy, they all have a permanent character. International institutions help international negotiations' carrying on; while in their turn, they provide the base for international regimes' creation, and especially for their evolution. The international regimes' evolution is an inseparable part of a permanent international framework. And if there is missing a permanent international framework (international organization) connected to a specific regime, this regime is a diffuse one, its members have only informal relations among them, while they survey each other, looking at their behavior, but they don't have a formal relationship among them, which could help them solving their future common interests, and protect them from their common fears. International regimes are very important in the era when everything touches, and influences everything. In the same time, the complexity of our present world can be successfully handled only by common efforts made by all interested states. International regimes are made from two main parts: one regards the principles, norms, rules, and procedures peculiar to a specific international area, while the other has to do with the evolutionary process of these regimes – sustained by a permanent organizational framework, and permanent negotiations. They help their members to attain their goals in conditions of uncertainty, without arriving at such a tension as to degenerate in war. Looking them through in this angle, international regimes can be regarded as peaceful means for advancing states' interests.*

Keywords: international negotiations; international regimes; multilateral negotiations; norms; principles

JEL classification: A10; K33; F60

There are three steps in the history of diplomacy. The first one regards the disrupted diplomacy specific to Middle Age, when embassies had an irregular form; the second one regards the period between Middle Ages and the first part of 21-st century, while the last one started after World War 2.

For the second part of the great history of diplomacy, there was a normal thing to have only secret channels of contacts between states through ambassadors – which were accredited for a short or a longer mission abroad; after 1919, there appeared what we normally call open diplomacy. This does not mean that all details negotiated are

presented to the public, at large, but the result of debates is public presented. With this, diplomacy has entered a public sphere; and it is called an open diplomacy. Of course, not all details are presented to the general public, and it is not keep informed about all aspects of negotiations, but from time to time, there is some public debates and presentations concerning the subject of negotiations.

Of course, there are some subjects of negotiations which need a large audience in order to bring support for a peculiar cause, while other are still kept in the greatest secret... If negotiations belonging to the first group are negotiations concerning global population, and its possible trends, education, health, *environment* and climate changes, the negotiations carried on in the UN Security Council, or those concerning an arms' transfer, or arms' production, belonged to the second type,

Anyway, there is more openness today than in the past, and although there is a lot of information to keep us alert with international evolution, there can appear a "suffocation" effect given by too much information which can be very difficult to manage. Today we have great access, but there is too much information, and too much information channels to select...

In this context, *international institutions* help international system to work smoothly, and sustain it through the creation of the needed framework for *international regimes'* building. These regimes are indispensable for 20-st, and especially for the 21-st century world; while they are compulsory for *multilateral diplomacy* to work smoothly. They help states to solve problems with international (and global) implications which are rooted in common interests, or common fears.

In this moment we can easy note that there appeared a new type of diplomatist, one which is not preoccupied especially with political affairs as he had been before 1919, and whose characteristics are well detailed by de Callieres and re-detailed focusing on that reference by Waquet (2005); instead he has become a *specialist*, being focused upon different aspects of problems with international character.

And as one easy can note, transportations (and communications in general) have a genuinely international character. It is not a hazard that the first created international institutions were focused on international communications and post sending. Both of them sprang after the multilateral talks were held in Paris, after 1850.

After that, and especially after 1919, when the League of Nations was created, there has become impossible to speak about globalization without bring into debate international institutions, and their unmistakable effect: international regimes.

Studying the history of diplomacy, one could note that it could be delimited into two main periods: one commencing in ancient times ending at the end of the 15-th century, while the other starts in that period, and runs into present times; it is characterized by the permanent diplomacy's appearance and the accreditation and the improvement of diplomatic methods and institutions. This new type of diplomacy has in its greatest part a bilateral form – it is the "classical" or "traditional" diplomacy. But starting with the 19-th century, there could be identified and recognized a new division here: there is a "new diplomacy", as a part of the permanent diplomacy – it is the *multilateral diplomacy*.

Lord Hankey mentioned that 1914 was the year when diplomacy started to take place under the conferences' umbrellas (Malița, 1975: 319). As was pointed by Nicolson (1955), the appearance of this new type of diplomacy promoted by W. Wilson in 1914 represented the continuation of conflict peculiar to 19-th century, concerning the opposition between the common interests of humankind, and the exclusive national rights. The "progress of diplomatic theory has manifested starting with the conception of exclusive tribal rights, ending in a more comprehensive conception – that of inclusive common interests (Nicolson, 2005).

The division of labor (at domestic and international levels), the appearance of new technologies which helped man to control space and nature, which reflected themselves

in new transportations means, have played a decisive role in rising interdependence among states, at global stage. Exactly this greater interdependence has generated changes regarding diplomatic practices, and negotiations – which are, as Malița points out (2007), the core of diplomacy.

In the same context, multilateral diplomacy became the norm, while the exception had to be reserved to bilateral diplomacy; and some peculiarities of these negotiations carried on at international level have started to influence their character, and their results.

Some norms and principles started to guide the thinking of key-policy makers, and the way negotiations were carried on during pre-negotiations phase, during negotiations *per se*, but especially after the negotiations ended, during post-negotiations period.

These new elements which were brought in by convergent expectations and similar behaviors gave birth to social institutions which could be “covered” under the aegis of an agreement; but afterwards they influenced a lot signatory states’ actions, during the post-agreement phase.

Those actions regard the agreement’s conclusion at the end of proper negotiations, when participants agree to a formula, while during post-negotiations phase the details follow to be debated, identified, and agreed to. The formula had success if it works for specific cases; it helps providing a guide for different problems (Zartman and Berman, 1982).

The formula establishes, and provides the criteria on which is based the future problems’ solving.

Sometimes, the negotiations cannot give shape to details using the formula’s framework, thus being directed to reformulate the framework, in order to provide the necessary peculiarities to implement it successfully. There were cases when a quick arrived at formula needs a great span of time for detailed aspects to be found and implemented, and only passing through a difficult and complex process. The advantage for participants is that they communicate and learn together (both from others, and from themselves experience).

These processes are facilitated if there is a framework which provides an efficient and permanent contact among the parties which intend to find together a solution for the problems they face.

As a consequence, between these negotiations and the framework where they take place establishes a very strong and stable connection, which has a great importance. The framework existence ensures the continuity of negotiations process; while any change which could influence the results arrived at before could be “managed” as to absorb tensions and changes to fit a new context. This framework could be presented as international institutions (in a large manner), or as international regimes (in a more restrictive sense).

There is present a strong connectivity between regimes, international organizations, and multilateral negotiations. One cannot separate them, without affecting all of them.

An international regime means more than a formula’s finding through an agreement concluding; the regimes could be seen as some “sorts of governmental arrangements”, which comprise “networks of principles, rules, and procedures which regulates behavior, and control its effects” (Keohane and Nye, 1977).

A scientist belonging to rationalist school of international relations underscores the great role of institutions and rules for international society to work smoothly, the general “imperative principles” guiding some persons or groups of persons to behave in a predetermined manner” (Bull, 1977).

To him, international institutions help interested states adhering to peculiar rules, following their formulation, communication, administration, implementation, interpretation, legitimization, and adaptation.

In this meaning, regimes mean much more than a simple temporary agreement which changes as a consequence of power capabilities' changing, and/or new interests' identification. Regimes and agreements are very different: while agreements are arrived at through a one-hit decision, the regimes' main aim is to facilitate concluding of agreements (Krasner, 1983). As Robert Jervis points out (in Krasner, 1983: 173), a "regime means more than norms and expectations which facilitate cooperation", aiming at a cooperation which crosses over the point focused only at unilateral short term gains.

Others authors, such as Puchala and Hopkins (in Krasner, 1983: 62) present regime as a phenomena influenced by its components which exert pressures upon behavior. It has *principles* (beliefs of facts and rectitude) regarding procedures for decisions' taking and *norms* (which proscribe or prescribe types of behavior). Each regime has its elites which are its actors; and the regime can appear in any field of international relations where there could be identified a behavior which can be squared in a peculiar framework. These can be identified reading Krasner's regime definition (Krasner, 1983): "international regimes are defined as principles, norms, rules, and decision-making procedures around which actors' expectations converge" in a specific field of international relations.

But looking more closely, this is an incomplete definition; it doesn't take into account of the process concerning regime's operation, which sustains itself. In this angle, the Zartman's definition (in Spector and Zartman, 2003: 14) is more actual and more comprehensive; he points out that, international regimes are "continuous bi-dimensional negotiations carried on among sovereign states, in order to solve the coordination problem in the conditions of incertitude."

Furthermore, Zartman (in Spector and Zartman, 2003: 19) mentions that regimes become instruments of international cooperation – instruments for collective coordination and interdependencies' management.

Coordination and management are necessary, because they facilitate information's circulation for organizing the negotiation process, providing of standards, providing functions and roles, monitoring fulfillment of arrived at terms, conflict's reduction, and disputes' solving.

If the *principles* are beliefs of facts, rectitude, or causality, *norms* are standards of behavior defined in terms of rights and obligations, *rules* are prescriptions or proscriptions concerning future actions, while *procedures* for decision-making are agreed upon practices regarding the way collective actions are taken, and how they are implemented (Krasner, 1983). But Zartman sees a regime through a larger angle: a regime is much more than principles, norms, rules, procedures, and behaviors. It is an institutionalized effort which provides a real framework for these elements of the regime, and monitors them, providing a base for their fulfillment and sustaining. But here it must be mentioned that this institutionalization is an *international* one, and not a supranational one.

And here everyone could easily observe that there is a natural connection among international regimes, international institutions, and international multilateral negotiations.

In this way, the institutional framework provides a permanent forum for carrying on continuous multilateral negotiations under the umbrella of principles, norms, rules, and procedures which generate convergent behavior and expectations.

In this new angle, Cede (in Kremenyuk, 2002: 155) thinks that, the aim of international negotiations can be that of solving a divergent position through a regime's creation, which almost always is followed by institutional understandings and arrangements. And the results of negotiations carried on for the creation of a new international institution or a new international organization is an effort which belongs to the same category – that

of a new regime's creation. This is the reason why international regimes and international organizations appear as legal constructs. And Zartman (in Spector and Zartman, 2003: 26-29) says that they provide a permanent and formal framework which helps carrying on recursive multilateral negotiations which gives a peculiar dynamic and evolution to an international regime.

This evolution is due to previous experience and to the elements which gave the regime a peculiar feature, helping regime's maintaining on the one side, and to the following elements, on the other side: a) *reactions* given by regime's member states (which continuously are searching for maintaining or gaining or regaining through negotiations what they had won or hadn't won or had lost in the previous negotiations); b) the *cybernetic* series of links between domestic governance and international governance – this is because after the international negotiations had ended, the regime comes back to the participating states' domestic scene, where there would follow the implementation of the aspects convened at international level. And there are necessary new negotiations carried on at national level (in governmental agencies, where there could be registered pressures coming from society's side channeled by nongovernmental organizations). The results of these negotiations is a new set of elements which will be enforced as a consequence of previous negotiations, and a new entries which will be the subject of future international negotiations. This is both, a domestic reactions and an interaction, an integral component of the regime in evolution; c) *exogenous factors* involving accidents, unforeseen challenges, new information or acknowledgments, and other "influences" of changes coming from the outside

As we can observe, the regime's evolution is a continuous negotiation process, and the regime's evolution is realized through post-agreement negotiations. But this evolution of a regime through negotiations is facilitated by the existence of a formal and permanent framework provided by international organizations.

There was a case in history when there was a regime in being, but an international organization to provide a permanent formal framework for it, missed altogether. It is the case of colonialism, an era when the relations among great powers were regulated by a regime prescribing some sorts of behavior among main centers of colonialism and their behavior in relation with their colonial subjects. It was a geographically and functionally opaque regime, a pluralistic exercise obtained through reciprocal monitoring, in its greatest part being informal. There were just a few codified international rules concerning this regime, and for this reason a permanent international organization to help governing this regime, didn't existed.

The transformation for this regime took place in a revolutionary manner, due to a comprehensive changing of *principles* the governments were taking account when they conducted their international affairs. During '60s as a contra-regime was taking shape to counterbalance the old colonial regime, there were specified, legitimized, and institutionalized by UN General Assembly and its subsidiaries the norms prescribing decolonization. Personalities changed, norms were modified, power, and its distribution at international level had changed, too.

Conversely, a regime whose evolution is ensured by multilateral negotiations carried under a formal framework like an international organization is a very specific regime, not an opaque one; it is characterized by formality, not informality, its evolution being a step-by-step changing one, and not a revolutionary one.

Most of the international regimes took off after international conferences took place, when there were established international organizations which provided a permanent and expert framework for specific international aspects. It is the case of international institutions (organizations and regimes) in areas such: food, work and migration, trade, international finance and investments, health, weather, tourism, culture, communications (postal, telecommunications, and all types of transport).

Some international regimes appear in a larger framework provided by international organizations, and their evolution is ensured exactly by the presence of a permanent institution sustaining specific formal multilateral negotiations. The regimes' sustainability is due to general assembly of those institutions, their councils, congresses, or other organs belonging to international organizations, while their monitoring is ensured by the *international bureaucracy*. These are the regimes which are included in the family of *formal regimes*.

In a world composed by sovereign states, the main function of international regimes is that of states behavior's coordination in order to gain needed results in a specific domain of international relations; Keohane (in Krasner, 1983: 146) points that in the international system, the regimes birth as a result of voluntary agreements concluded among actors with equal power from legal point of view. The regime's existence helps concluding the agreements because they provide superior quality and quantity of information, while reducing the transaction costs, too. Furthermore, the cost for the creation of a regime would be reduced if there exists a formal communications among states; and the international organizations provide exactly this needed framework.

Oran Young (in Krasner, 1983: 93-97) specifies that an established path of behavior inevitably generates convergent expectations. This brings a conventionalized behavior which would give birth to recognized and acceptable norms, and if there could be identified actions and activities which could be connected among them, there should appear convergent norms and procedures.

Through interconnected activities' identification, there could be generated convergent norms and procedures. While creating transnational links, where elites have a central role – being practical actors on international stage – there could be provided a climate favorable to the negotiations' caring on. The post-negotiations become in this way negotiations "among friends, based upon the previous agreement, where the degree of understanding and the consensual knowledge's existence sustain a common framework for a peculiar problem and its solution. As mentioned by Spector (in Spector and Zartman, 2003: 80-81), the post agreement negotiations have a great chance to work smoothly, adapting themselves to previous agreement.

Working on and establishing a partial agreement by diplomats brings with it a continuous negotiation (permanent negotiation) under the aegis of an international forum, helping to continue the work previously started. Spector (in Spector and Zartman, 2003: 61) thinks that these future negotiations become in the most cases a major component of an international regime.

The continuity manifests in connection with parties' experience, too. As the negotiators have developed common expectations, have generated common norms and principles, and have thought about the effects of their choosing, the continuity becomes a *learning process*, parties learning to simulate a progressive advance for common problems' solving, through bypassing past mistakes, either through creative solution's proposal.

This learning process is facilitated especially by international organisms; they have a permanent character, and due to this peculiarity, the problems debated inside them receive a permanent character; the point which could not be successfully concluded in a specific moment could be resolved in a more favorable context in the future... Furthermore, new gained knowledge as a consequence of the learning process, changes in power and interests, and the benefits of innovation in technical field provide an international regime with the peculiarity of *continuity* and interests' satisfaction for its members, because there is a permanent framework for formal debating, where the actors involved can discuss these aspects. Their efforts would be directed using international organizations (public or private) from UN specialized agencies, to specialized forums, secretariats, centers, headquarters, councils, committees, or conferences.

Periodical meetings under the aegis of international organizations have the role of determining states to think and re-think their policies which would follow to be adopted, implemented, and to defend them. Puchala and Hopkins (in Krasner, 1983: 85) say that if the aim of the actors was regime's changing and this is a result of a learning process, then international institutions and organizations connected to a peculiar regime, became the classrooms.

Keohane (in Krasner, 1983: 170) says that regimes and the formal debates which assure through continuous negotiations their evolution are requested and appear in domains where: there is a high density of problems; regimes are capable to develop generalized working norms and provide high quality information to political leaders.

High problems' density demands concluding of agreements, sustaining cooperation and actors actions' coordination; as problems multiply, and as their complexity is rising and have a deeper impact, the demand for agreements rises dramatically. And as these agreements multiply, the international regime's and organization's building is more pressing. Using these international institutions mean reducing transactional costs, providing specific information, in the same time, too.

But international regimes aren't quasi-governments – imperfects trying for the institutionalization of a relationship, with a central authority in global politics. Lowry says that regimes close (in Samuels, 1979: 276) more to contracts, involving actors who had established their long term interests, trying to structure the relationship among them in a stable, predictable, and in a mutual advantageously manner.

Regimes are like quasi-agreements, where their rules are frequently changed or cancelled in order to fit them to the moment's exigencies. Their most important function is to establish mutual stable expectations regarding the way of behavior of others and to develop working relations which would sustain actors' adaptation practices to newer situations.

As international regimes' rules rarely enter in force automatically, they become the object of future negotiations and re-negotiations, after the initial agreement had been concluded. The problems encountered at international stage aren't static and the solutions for them, too; while the power and interests of agreement's signatories (and a regime's members) are fluid. International actors are conforming to an international regime's elements, but in the same time they are trying to change the regime's norms and rules through adaptation, in order to serve their new perceived interests, and their way to solve their problems.

In order to be sustainable in the long run, international regimes have to register an evolution: this evolution must be based upon a process of continuous and permanent negotiations; that for "regimes birth as a consequence of negotiation process", and they enter the evolution phase only through post-agreement negotiations, as pointed by Spector and Zartman (in Spector and Zartman, 2003: 4).

In conclusion

International regimes help coordinating problems encountered by actors at international stage. And this *coordination* takes place through the *negotiations*, when there are analyzed elements which influence actors' behavior and the way they are searching for adapting to the new situations' peculiarity.

These negotiations have a *multilateral character*, and the *elites* and international organizations' existence, having a permanent character, become the formulas and frameworks which sustain a permanent contact among international actors. While the negotiations' carrying on resembles the character of continuity.

We can easily note the strong and direct connection among *international organizations*, *international regimes*, and *multilateral diplomacy*, and the way its key-function –

multilateral negotiation manifests. Specifically, the multilateral negotiation carried on under the aegis of international organization “has the character of a process concerning the construction of a regime; it doesn’t foresee the values’ distribution or redistribution in a direct manner, but is focused upon the general accepted *criteria* to establish values’ distribution, or for the performances’ evaluation in a peculiar context” Sjostedt (in Kremenyuk, 2002: 363).

And it is noteworthy to be mentioned that “international regime” isn’t synonymous with “international organization”, although in most of the cases, international regimes are closely followed by international organizations which aim at supporting them, in different ways (Young, 1989).

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AU-DELA DES METHODES TRADITIONNELLES DANS L'ACQUISITION DES COMPETENCES LINGUISTIQUES DANS UNE LANGUE ETRANGERE – LE BLOG, UN OUTIL PRATIQUE?

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Abstract: *Although the classical and traditional methods have proven effective in seizing on foreign language skills by pupils and students, new means of communication and dissemination of information - in the virtual world via Internet - are continuous and opportune challenges towards progress. The purpose of this paper is to question the effectiveness of new instruments - namely the blog - for conveying and assimilating the skills necessary for communicating in another language. We live in a world in which a wide range of public figures stemming from diverse environments, such as the academia, mass-media, political and cultural environment, etc. use this tool - the blog - in order to present in a personal manner their knowledge or opinions, to promote a different kind of dialogue with their readers, with the audience, with their constituency or with those interested in the proposed topics. The journalist and the blogger are often tantamount. Great online publications have a blog button on their site. In such conditions, is the blog a practical tool for both the teacher and the economy student learning a new language? A series of pertinent questions are posed: to which extent can the blog be used as an instrument in teaching and learning a foreign language? Is the virtual platform a proper place for designing, displaying and posting both practical and theoretical topics? If preparing such a topic - at an economy student's hands - entails a significant effort as a self-taught, is this effort best assessed when presenting a paper before a professor, in the interaction between the two, which coincides with the evaluation and assessment of the student's work? While the information content is taught the same for all students, regarding one on one assimilation and evaluation, could an individual blog - moderated by the student - or a collective blog in which all students have access be more appropriate? Is the use of a virtual platform more effective than other traditional methods of language acquisition? All these questions are legitimate and we propose to formulate answers highlighting our opinion in the following lines. Together with traditional approaches to teaching and learning, the use of a virtual platform in acquiring linguistic skills secure attractiveness, novelty and a beneficial, peculiar dynamic.*

Keywords: tradition vs. novelty; blog; virtual; foreign language; linguistic skills.

JEL classification: Y8.

1. À l'aide de la technologie performante est-ce qu'on peut se rendre complètement autodidacte ?

Les innombrables et indéfiniment diversifiées possibilités de faire circuler l'information et de s'informer dans le troisième millénaire changent les interrelations entre les acteurs d'un processus d'enseignement tel qu'il a été conçu et mis en œuvre jusqu'au dernier siècle et déplacent les vecteurs de la didactique classique et de la pédagogie traditionnelle.

1.1. Pour l'homme postmoderne, l'information et le pouvoir vont de paire

L'homme moderne et postmoderne jouit d'un éventail quasi incontrôlable de voies d'accès à l'information et, de ce fait, à des modalités très différentes de poursuivre sa propre formation, son devenir en tant qu'être social, culturel et professionnel. Dès lors, la balance s'incline fortement vers l'*autodidactisme* – c'est l'homme qui fait le choix de textes et matières qu'il veut parcourir et assimiler, en réduisant considérablement le rôle de l'enseignant.

À l'aide de la technologie moderne, très performante, l'homme tend à s'ériger en autodidacte, content de son indépendance. Derrière l'écran de son ordinateur, il interagit avec les autres tout en instituant un écart de plus en plus important entre *l'être réel* et *un double* qu'il construit minutieusement et lance librement dans l'univers virtuel.

1.2. Tradition et nouveauté – le tableau noir vs le blog

La question qui nous préoccupe est la suivante: dans le processus d'enseigner une langue étrangère, est-ce qu'on peut supprimer complètement l'interaction directe, le *face à face* enseignant-étudiant ?

Le blog, comme nous allons voir en ce qui suit, nous permet de transmettre, communiquer, promouvoir et distribuer une importante quantité d'informations de toute sorte sans qu'une interaction directe du type blogueur-lecteur, soit nécessaire.

Mais, en se débarrassant des méthodes traditionnelles d'enseigner – le tableau noir et la craie (ou bien le tableau blanc et le marqueur couleur), la lecture de la leçon à haute voix dans la salle de classe, le dialogue professeur-étudiant, les questions et réponses directes, les exercices et les devoirs, est-ce que l'efficacité du processus didactique reste la même ? Le rendement d'un apprenti s'améliore-t-il ? Est-ce qu'on peut se rendre complètement autodidacte ?

2. Blogs, blogueur, blogosphère – quelques considérations sur le blog

Avant de répondre à la question essentielle si *le blog* peut constituer un instrument pratique dans le processus d'enseignement et d'apprentissage d'une langue étrangère, essayons d'esquisser quelques traits et aspects communs, généraux, mais aussi particuliers des blogs.

2.1. L'accès à l'information sur les blogs

En très peu de mots, le blog est donc, dans la réalité virtuelle, un outil (trans)porteur d'informations, *un outil moderne qui facilite la communication, la promotion et la distribution de l'information*. D'une manière même paradoxale, ce qui est mis en lumière sur Internet gagne un plus de « réalité » - "When it is posted on the Web, it becomes more real, more important. People actually look at it." (Grimm, cité par Sue Burzynski Bullard dans un article sur Internet « Blogs: An Essential Teaching Tool »).

2.1.1. Données personnelles, expérience professionnelle

Le blog est donc un moyen de partager avec *l'autre* à la fois ses sentiments et opinions, ses connaissances et idées, son expérience – de vie et/ou professionnelle. Il est aussi bien une voie d'accès aux savoirs, pensées, opinions, idées et expériences des autres. Le blog peut être un excellent moyen d'entamer un dialogue avec ceux qui partagent les mêmes intérêts et préoccupations. En même temps, il est un instrument utile et redoutable pour employer – enregistrer, stocker et transférer une immense base de données.

2.1.2. La connaissance du code linguistique

L'accès à cette information pratiquement inépuisable, une ouverture tous azimuts, reste en échange conditionné par la connaissance du *code*, de la *langue*, du *langage* dans lequel l'information est transmise.

Comment réussir alors, dans cet océan tempétueux, passionné et incontrôlable de données, dans ce nouveau « babel » de *langages*, à trouver ce qui vraiment nous préoccupe, sans nous dissiper et sans nous perdre dans tous les détails qui sont, à la

fin, coûteux – leur prix est notre temps – « time is money »?

2.1.3. Toucher l'essentiel

Comment toucher le plus rapidement possible l'essentiel ?

Selon l'expression de Theodor Adorno qui critique le goût excessif pour l'information dans la culture de masse, il paraît qu'une quantité gargantuesque d'information ne se traduit jamais par une acquisition, par une conquête de l'essentiel : « However useful it might be from a practical point of view to have as much information as possible at one's disposal, there still prevails the iron law that the information in question shall never touch the essential, shall never degenerate into thought. » (Adorno, cité par Dean, 2010). Dans le cas de la formation à distance, est-ce qu'on peut alors passer au-delà de la surface des choses ?

2.2. Le blog en tant que « double du réel »

Doubler l'existence réelle d'une existence virtuelle ne représente plus l'exception aujourd'hui. C'est bien *la règle*. Grâce à l'essor indéniable et soutenu de la technologie, de la théorie et de la pratique – une véritable *industrie* de la communication —, le fait de vivre « exempt » de toute connexion en ligne devient presque inconcevable, inimaginable pour l'homme du XXI^e siècle.

En tant que moyen de faire circuler dans l'espace virtuel telle ou telle information et d'établir une interaction avec les lecteurs, le blog peut constituer un *double* de la *personne* (le blog individuel) ou bien le *double* d'une *communauté* entière (le blog collectif).

2.2.1. L'identité et le double

Si au XX^e siècle on parlait déjà d'un *double du réel* – pour se légitimer, par exemple, quiconque doit présenter *une carte, une pièce d'identité*. Il ne suffit pas de *prononcer, à haute voix, son nom* parce que, de cette manière, on ne peut pas supprimer le soupçon sur l'identité de l'autrui. Mais au moment où l'individu fournit une pièce en carton ou en plastique, sur laquelle se trouve inscrit son nom (le même nom qu'il venait de prononcer à haute voix), *face à cette « preuve », face à cette « pièce »* – délivrée par une institution autorisée, par une « instance supérieure » –, son identité n'est plus mise en question, elle sort de l'empire du doute et du soupçon. Une *carte d'identité*, une pièce en carton ou en plastique fonctionne – d'une façon licite, même obligatoire – comme un « double » de la personne réelle (1976, Rosset).

2.2.2. L'identité et le personnage

Au XXI^e siècle, ce phénomène de re-présentation, de « doubler » l'être (chair et os) par un avatar, un « personnage », de doubler ou « remplacer » tout individu s'accroît et prend des formes qu'on peut multiplier indéfiniment. La *personne* – en fait son *double* / l'un de ses « *personnages* » (1989, Tournier) – se rend « accessible » à distance par le biais d'un réseau de socialisation (*facebook, twitter, instagram* etc.), d'une plateforme de blogs (*google, wordpress* etc.), d'un site internet. Comment alors enseigner un « personnage », comment lui transmettre ses connaissances ou son savoir-faire ?

2.2.3. L'identité et le profil

On sait que dans la réalité virtuelle, tout individu se fait valoir à travers son *profil*.

Les renseignements sur la personne réelle sont soigneusement gérés, rendus visibles selon l'intérêt de chaque blogueur.

Dans un article qui mettait en question la juxtaposition du *discours autobiographique* – sous la forme du blog personnel – et du *langage publicitaire* (susceptible d'être

monétisé en apportant des bénéfiques), nous avons vu comment l'histoire personnelle de l'individu peut sortir de l'anonymat, sortir du « tiroir » et devenir « spectacle » : «Le discours autobiographique n'est plus destiné à soi-même, le journal n'est plus écrit sur du papier, caché dans un tiroir dont l'auteur garde précieusement la clé. Il sort sur la « scène », il devient « spectacle ». Son auditoire ne se trouve plus réuni dans une salle, ni même sur un stade, mais se multiplie d'une manière indéterminée.» (Bogdan, 2008).

Mais celui qui écrit peut se cacher indéfiniment sous le vêtement d'un profil imaginaire, construit d'une manière confortable pour lui-même. Et ceux qui entament et poursuivent le dialogue avec lui peuvent, à leur tour, garder à l'infini le secret de leur identité réelle.

Le doute sur l'authenticité de son interlocuteur, peut-il influencer la qualité du processus d'enseignement à distance ?

3. Le (non) écart entre les différentes générations

L'interaction et la formation à distance dépassent les frontières de l'âge, même si la jeune génération est prise en considération, à ce titre, comme « marché cible » – c'est la génération des nouveaux gadgets connectés, la génération qui prend connaissance de soi-même, de sa propre existence et de celle de l'autrui, de l'environnement et de l'univers extérieur par le biais de *l'écran*: la télévision, l'ordinateur, le portable, la tablette, la montre connectée etc.

En fait, l'écran n'est qu'une distance supplémentaire entre le vécu personnel et la rencontre de l'autre. L'homme ne fait que rendre plus intense sa solitude en mettant à la disposition de son semblable le(s) double(s), les « avatars » de soi-même, ses « personnages ».

En réalité, le fossé entre les différentes générations n'est pas tellement grand par rapport à la communication en ligne ou à l'interaction virtuelle. On pourrait plutôt parler d'un mélange complexe – sur un diagramme circulaire, par exemple, la zone superposée (utilisateurs jeunes / utilisateurs plus âgés) serait assez grande, assez large et importante. On pourrait parler d'un amalgame de représentants de tous les âges, d'un *locus communis* où les barrières aboutissent des fois à s'effacer complètement. De ce point de vue, un enseignant plus jeune peut avoir des élèves ou étudiants plus âgés que lui, renversant le schéma traditionnel : « les grandes personnes » détiennent inévitablement le savoir et la sagesse.

4. Enseignant et / ou blogueur

On a déjà vu, les *blogueurs* sont ceux qui choisissent les modalités de présenter et structurer le flux d'information, le volume des données mises à la disposition de leurs lecteurs. Ils trient eux-mêmes les thèmes et sujets envisagés, et entretiennent le dialogue avec *le public fidélisé* ou *potentiel*.

Mais si un enseignant fournit l'information, le matériel didactique pour sa classe – *leçon, exercices, dessins, tableaux, schémas, diagrammes, graphiques, tests*, etc. – sur une plateforme virtuelle, est-ce qu'il peut supprimer complètement son interaction directe avec ses élèves ou étudiants ? Une autre question qu'on peut soulever : doubler l'activité de la classe par une activité dans l'espace virtuel pourrait accroître le rendement de l'acquisition des connaissances ? (Parmi les références énumérées à la fin de cet article, on peut trouver plusieurs sites où l'enseignant et les étudiants déroulent leurs activités d'éducation dans l'espace virtuel.) Une formation, un approfondissement de ses connaissances sont possibles sur Internet. Mais cela ne suffit pas pour apprendre et maîtriser une langue étrangère.

4.1. L'espace virtuel – un facteur de progrès dans le processus d'éducation

Selon le professeur Scott Moore, la technologie appliquée à l'éducation est un facteur de changement et de progrès. La crainte liée à la technologie ne doit pas nous empêcher à promouvoir et à mettre en œuvre les nouvelles pratiques pédagogiques : « Technology applied to education: I enjoy using technology when teaching my face-to-face classes. I have used the standard Sakai-backed course Web site. I have also used a wiki as my course Web site. I have had my students write blog entries as part of their classwork. I have had students tweet messages during class as part of their in-class work. » (<http://www.samoore.com/about-this-blog/>)

4.2. Enseigner sur Internet – limites

Il faut se demander alors quels changements apporte aujourd'hui ce type d'interaction dans le processus d'apprendre et d'enseigner une langue étrangère. Jusqu'à nos jours, lors du déroulement de la leçon, le professeur / enseignant et l'élève / étudiant se trouvaient traditionnellement *face à face*, dans la même salle de classe, dans le même *endroit physique*. Mais il existe à présent plusieurs sites qui offrent la possibilité d'apprendre une langue étrangère à distance (<http://lewebpedagogique.com/ressources-fle/>, www.livemocha.com/pages/learn-languages, www.bbc.co.uk/languages, www.duolingo.com).

De plus, on a déjà assisté à une épreuve de bac passée par visioconférence (voir *Le Monde*, 23/05/2014), examen autorisé par décret ministériel. Qui ou quoi pourrait empêcher la transposition de cette exception en règle.

Si la personne est doublée d'un « profil », d'un « avatar » ou bien d'un « personnage » et si l'espace réel est remplacé par celui virtuel, est-ce qu'on peut continuer à enseigner et apprendre d'une manière efficace?

Le contenu d'une leçon peut être partagé sur une page web. Les quiz et les exercices de grammaire aussi. En ce qui concerne la phonétique, la prononciation et la pratique / conversation d'une / dans une langue étrangère, les choses ne sont en échange pas si simples, ni à la portée de tous.

Mais un enseignant-blogueur peut et doit devenir un observateur appliqué, un entraîneur, un guide pour ses élèves / étudiants. Il devient en même temps conscient qu'il n'est plus le possesseur de la vérité absolue, ni même dans son domaine d'expertise. Chacun de ses apprentis peut arriver à un niveau de maîtrise comparable à son maître et même aller plus loin que celui-ci. Et le professeur doit savoir comment aider chacun à s'orienter et à se débrouiller tout seul dans cet océan, dans cette « jungle informationnelle ».

5. Conclusion

En guise de conclusion, on peut dire qu'à cet âge de la technologie en plein essor, l'éducation, la formation, la didactique et la pédagogie traditionnelles ne sont plus suffisantes pour enseigner et apprendre les langues étrangères. En même temps, on ne peut pas déplacer complètement dans l'espace virtuel l'acquisition d'une langue étrangère. L'interaction directe enseignant – étudiant reste nécessaire, même obligatoire.

Quant à l'assimilation d'une langue étrangère, on ne peut s'ériger en autodidacte absolu. Mais le blog fournit un espace propre au déroulement de certaines activités spécifiques au processus d'éducation. L'enseignant peut faire le libre choix d'employer ou non le blog dans ses activités professionnelles quotidiennes. Il ne peut pas en échange renoncer à l'interaction directe avec ses élèves / étudiants.

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LE TOURISME ROUMAIN - STRATEGIQUEMENT OUVERT VERS L'INTERNATIONAL. L'EST-IL AUSSI VERS LA COMMUNICATION MULTILINGUE? (I)

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Abstract: *One of the recommendations of the ELAN study (2007), which developed a pertinent analysis of the impact of linguistic incompetence on the economic performance, was to devote more extensive research on the impact of the language skills on other sectors of economy. We chose tourism, which is, according to the World Tourism Organization, one of the most important and dynamic sectors in the world, an engine for development, prosperity and welfare. Romanian tourism should follow the general tendency of Tourism Towards 2030; this perspective projects that the number of international tourist arrivals worldwide will increase by 3.3% per year between 2010 and 2030, reaching 1.8 milliards in 2030. Our study is structured in two parts, developed in two distinct articles. In the first part (I), a careful reading of the official documents that note the strategic directions in Romanian tourism for periods between 5 and 20 years confirm the openness of the Romanian tourism towards the international. However, we were surprised to notice the fact that, in these reference documents, the issue of foreign languages, vehicles for international communication, is ignored, if not completely obscure. Despite its strategic role, multilingual communication is mentioned only sporadically and is not granted a focused attention at any level - national, regional or local; it is not included in a detailed strategic program that could generate an added value indisputable in promoting tourism. In the second part of our study (II), we tried to capture the effects of this inconsistency on the practical aspects of tourism, specifically the virtual multilingual presentations of the hotels in Oradea, a municipality located close to the border with Hungary and therefore a multilingual and multicultural space par excellence. The comparison with a similar survey conducted in 2011 confirmed the same lack of interest for a simple, quick, sustainable and very profitable decision: that of having the sites translated into several languages. We shall try to identify some of the causes of this indifference, and also some solutions that could revitalize the activity of promoting tourism to foreigners, by a top priority revaluation of multilingual communication.*

Keywords: *multilingual communication, tourisme, virtual presentations, Oradea, Roumanie*

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1. Le Tourisme

1.1. Définition du tourisme

Le tourisme, « secteur économique fondamental dans de nombreux pays » (Mesplier et Bloc-Duraffour, 1997 : 17) bénéficie d'une définition détaillée dans le *Trésor informatisé de la langue française* (cf. TILF, 2014).

Le premier volet de la définition présente le touriste en tant que **client** ou bénéficiaire qui exprime une « demande » liée aux besoins de satisfaire sa curiosité, son goût de l'aventure et de la découverte, le désir d'enrichir son expérience et sa culture. Cette personne quitte son domicile et « visite une région, un pays, un continent autre que le

sien », voyage pour son agrément, mais aussi pour des affaires ou pour d'autres raisons.

Le deuxième volet mise sur l'**offre** surprise dans sa complexité : l'ensemble des activités touristiques. Plusieurs critères sont pris en compte pour couvrir ce vaste champ : la population et les lieux visités, les zones d'accueil, la forme, le type d'organisation ou d'activité et les moyens de transport utilisés. La profusion de l'offre transparait dans la diversité des associations lexicales : *tourisme étranger, européen, français, intérieur, international, national ; tourisme balnéaire, fluvial, montagnard, rural ; tourisme de plein air ; tourisme à la ferme ; tourisme et thermalisme, tourisme blanc, tourisme de neige, tourisme vert ; tourisme actif, commercial, culturel, gastronomique, naturel, religieux, social, sportif, tourisme d'affaires, de congrès ; tourisme des jeunes ; tourisme aérien, automobile, équestre ; tourisme à pied, à cheval, en auto ; tourisme de randonnée, tourisme à bicyclette*, etc. (idem).

Le troisième volet de la définition est consacré aux **fournisseurs** des services dans ce domaine, à l'ensemble des acteurs économiques qui rendent possible la mise en place de l'offre touristique, prise globalement. Ils constituent une industrie « se consacrant à tous les besoins engendrés par les déplacements des touristes [...] et à toutes les questions d'ordre économique, juridique, financier, social que soulève ce domaine [...] organisé, structuré et réglementé au niveau national et régional » (idem). Plus précisément, le tourisme renvoie à des aspects pratiques tels que la communication, les transports, l'accueil, les sites, mais aussi à des problématiques d'analyse économique comme les statistiques, la balance commerciale ou la circulation des devises.

Les relations qui se mettent en place sont très claires et respectent un modèle économique simple :

- le client formule une demande et cherche les meilleures offres et les meilleurs fournisseurs dans le contexte particulier de son choix ;
- le fournisseur cherche à améliorer son offre et à la communiquer à un nombre important de clients.

1.2. Props introductifs

Ce qui nous intéresse dans cet article structuré en deux parties (I et II), c'est la manière dont les fournisseurs de services touristiques promeuvent leur offre en se servant des langues étrangères en accord avec les plans officiels de développement stratégique du tourisme ; c'est-à-dire nous nous intéresserons à la problématique **de la communication multilingue** dans la promotion touristique des unités d'accueil, plus précisément aux sites internet des hôtels de la ville d'Oradea, dans le département de Bihor, dans la région du nord-ouest de la Roumanie. La communication touristique multilingue se réfère ici à l'ensemble des informations fournies par voie orale ou écrite dans le tourisme et l'analyse proprement-dite porte sur les informations écrites, distribuées en plusieurs langues sur les sites internet.

L'hypothèse de départ est que le tourisme roumain est ouvert vers l'international, ayant des lignes stratégiques bien définies, mais qu'il n'est pas également ouvert vers les langues étrangères. Cet article fait suite à une communication de 2011, issue de notre mémoire de master, qui s'était proposé à l'époque de réaliser le tableau des sites internet des hôtels et des pensions touristiques de la ville d'Oradea et de la station de Băile Felix (Constantin, 2011). Trois ans plus tard, les modifications survenues dans ce domaine seront enregistrées et évaluées. Les observations permettront de conclure sur l'existence d'une dynamique, d'une stagnation ou d'une progression dans la promotion

multilingue ; elles autoriseront également de juger du bien-fondé d'une future recherche, à même de fournir une description complète de la perspective multilingue impliquée dans la promotion touristique de cette région de la Roumanie et, par extension, du tourisme roumain.

2. Le tourisme roumain ouvert vers l'international, mais pas vers la diversité linguistique

Afin de contextualiser nos propos, on présentera succinctement dans la première partie de l'article quelques documents de référence qui témoignent de l'ouverture du tourisme roumain vers l'international. Dans le secteur touristique, approché dans sa dimension internationale globalisante, les langues étrangères restent un thème marginalisé, qu'il s'agisse des documents officiels qui sous-tendent les stratégies nationales ou régionales ou bien de la promotion des unités d'hébergement sur leurs sites internet.

Bien que les résultats des études de spécialité mettent en valeur l'impact des compétences linguistiques ou bien les effets de l'incompétence linguistique sur les affaires (voir les conclusions du Rapport ELAN, 2006 ou les Recommandations du Forum des Entreprises sur le Multilinguisme, 2007), les langues ne bénéficient pas d'un traitement distinct dans les politiques touristiques roumaines à long terme. Il est possible de transférer vers le tourisme les propos du Forum des Entreprises relatifs au commerce : « dans la majorité des pays, les organisations nationales de promotion du commerce **offrent des conseils pratiques et de l'aide financière** aux PME [petites et moyennes entreprises], pour améliorer leurs stratégies d'export, **mais les stratégies linguistiques ne sont pas en général incluses dans ces programmes** » (CE, 2007 : 5, nous avons souligné).

Le fil rouge de notre analyse suivra le parcours *stratégie nationale – stratégie régionale – stratégie départementale – stratégie locale*.

2.1 Le Département pour les PME le milieu d'affaires et le tourisme

En ce qui concerne la responsabilité officielle, le tourisme roumain est à présent géré par le *Département pour les PME, le milieu d'affaires et le tourisme*, qui coordonne deux directions responsables du tourisme : la Direction de politiques et stratégies de promotion du tourisme et l'Autorité Nationale pour le Tourisme.

La Direction de politiques et stratégies de promotion du tourisme conçoit et élabore les lignes stratégiques générales relatives au développement et à la promotion du tourisme en Roumanie. Elle conçoit également le programme annuel pour la stratégie de la promotion et du développement touristique des produits et des destinations touristiques nationales, étant chargée de la représentation à des manifestations spécifiques du tourisme dans le pays et à l'étranger, avec la mission d'assurer la croissance de la circulation touristique en Roumanie et sa notoriété à l'étranger. Cette direction n'a cependant pas un site dédié ou une rubrique spéciale sur le site officiel du département gouvernemental, ce qui rend difficile la formulation d'un point de vue relatif à la problématique des langues étrangères.

L'Autorité Nationale pour le Tourisme implémente toutes les stratégies nationales dans le tourisme national et réalise la politique de promotion et de développement du tourisme sur la base des plans et des programmes de marketing du tourisme. L'agence dispose d'un site, <http://turism.gov.ro/>, accessible en roumain, en anglais, en allemand et en italien, ce qui témoigne d'une prise de conscience de l'importance des présentations virtuelles en plusieurs langues étrangères.

2.2 Le Master Plan pour le Développement du Tourisme National, 2007-2026 (2007)

La vision générale des responsables du Tourisme, telle qu'elle est formulée dans le Master Plan pour le Développement du Tourisme National (MPDTN en abrégé dans le texte) ne se limite pas à un périmètre restreint, local ou national, mais elle s'attache à une dimension internationale globale. Cela se manifeste dans l'ambition de se mettre en rapport avec les destinations touristiques de l'étranger « pour parvenir à un développement durable de l'environnement en termes de secteur du tourisme, dans un rythme de développement supérieur à d'autres destinations touristiques en Europe » (MPDTN, 2007 : 163, notre trad.).

Les tendances du tourisme roumain convergent vers la mise en œuvre de stratégies visant à orienter la Roumanie dans la direction d'une industrie touristique de succès, créatrice de profits en termes d'argent et d'image. Ce document qui se veut une ombrelle du tourisme roumain pour une période de 20 ans renvoie occasionnellement aux langues étrangères : une douzaine d'occurrences du syntagme « langues étrangères » apparaissent en relation avec la nécessité d'améliorer la formation du personnel employé et d'élaborer des documents en langues étrangères, sans mention explicite de décisions fermes, d'un terme limite, de responsables ou d'objectifs opérationnels dans ce sens.

2.3. Le Plan de Marketing Stratégique et Opérationnel pour la Roumanie 2011-2015, Résumé du Rapport Final (2011)

Les concepteurs du Plan de Marketing Stratégique et Opérationnel pour la Roumanie 2011 – 2015 (PMSOR en abrégé dans le texte) observent que la Roumanie est mise devant une double provocation : tout d'abord établir et fournir des expériences et des produits pour les besoins des nouveaux marchés globaux de tourisme ; ensuite, mieux profiter de la diversité des actifs touristiques qu'elle peut utiliser pour attirer de futurs clients » (PMSOR, 2011 : 4, notre trad.). Dans le contexte du géomarketing comme fondement d'une approche professionnelle du marketing touristique, sur la base de variables telles que le volume et l'évolution des excursions, les dépenses moyennes ou l'accessibilité, les spécialistes ont identifié comme marchés géographiques prioritaires de la Roumanie les pays suivants : l'Allemagne, l'Italie, la France, la Grande Bretagne, l'Autriche, la Russie, les Etats-Unis, la Hongrie. Les efforts de promotion de la Roumanie devraient également inclure d'autres pays : la Hollande, l'Espagne, la Pologne, la Belgique, la Suède, la Bulgarie, l'Ukraine, la Serbie, la Moldavie, la Chine ou le Japon. Aucun élément qui justifierait l'intérêt pour une action coordonnée et concertée dans le sens d'une communication multilingue ne peut être signalé dans ce document.

2.4. Plan de développement régional de la Transylvanie du Nord 2014-2020 (2014)

Après les deux documents d'intérêt national, le plan de développement régional (PDRTN en abrégé dans le texte) manifeste le même intérêt pour les touristes étrangers, mais constate qu'au niveau régional « le nombre de touristes est réduit et les paquets touristiques ne sont pas intégrés et diversifiés. Même si l'on saisit le besoin de promotion de l'offre touristique, il n'y a pas assez d'instruments d'information et de promotion du tourisme régional ; de plus, l'absence des informations concernant le lien entre la circulation touristique et les formes de tourisme ne vient pas à l'appui d'un développement harmonieux » (PDRTN, 2011 : 148, notre trad.). Les seules références aux langues étrangères visent les langues des minorités, enseignées dans les écoles de la région. Les langues étrangères ne sont pas donc surprises dans leur dimension de

profitabilité économique et d'élément favorisant la hausse du nombre d'arrivées des touristes étrangers dans la région.

2.5. Plan de développement du département de Bihor 2007-2013 (2007)

La vision des concepteurs du Plan de développement du département de Bihor (PDDB en abréviation dans le texte) projette sa transformation dans le département le plus dynamique dans la région du nord-ouest de la Roumanie et dans l'euro-région de Bihor-Hajdú-Bihar, dont il fait partie. Cela n'est pas possible en l'absence de « l'émancipation de la mentalité des habitants du département de Bihor » (PDDB, 2007 : 10), ce qui va de pair avec sa double appartenance à une région roumaine et à une euro-région, grâce à la position géographique, au spécifique interculturel et au marché européen commun. Le tourisme local est corrélé dans ce Plan avec le développement et l'intensification du tourisme au niveau international.

L'intérêt porte sur les points d'attraction pour les visiteurs roumains et étrangers. Toute une panoplie de destinations est exposée dans le Plan stratégique départemental, des objectifs touristiques qui tiennent au milieu naturel (stations balnéo-climatiques de Băile Felix et de Băile 1 Mai, la station de ski de Stâna de Vale, le karst boisé, les grottes), au trésor culturel et historique (les zones ethnographiques de Crişul Alb, de Beiuş, de Crişul Repede et de Barcău-Crasna avec leur spécifique : traditions, costumes populaires, meubles, céramique, objets en bois, architecture, configuration des maisons et artisanat) et à l'infrastructure spécifique (PDDB, 2007 : 45-60).

L'analyse SWOT – un outil qui permet d'identifier Strengths (les forces), Weaknesses (les faiblesses), Opportunities (les opportunités), Threats (les menaces) d'un phénomène - révèle au niveau local un reflet en miroir de la situation qui existe au niveau national (PDDB, 2007: 64-66). Parmi les *Faiblesses* on comptait en 2007 une série entière de défaillances liées à la promotion. On en sélectionne quelques aspects se rapportant à l'ouverture vers l'international : la faible promotion du potentiel économique et touristique du département ; la promotion fragmentaire des destinations touristiques, avec des moyens obsolètes (par exemple l'insuffisante utilisation de l'internet) ; l'absence des points et des offices d'information touristique dans la ville d'Oradea et dans le département ; la pauvreté de la qualification du personnel (surtout des guides autorisés, qui connaissent des langues étrangères), etc. En 2014, on peut enregistrer deux progrès importants par rapport à la période antérieure : l'utilisation des technologies modernes de promotion (l'accès à l'internet s'est démocratisé) et l'ouverture d'un Bureau d'Information Touristique au centre de la ville d'Oradea (ouvert partiellement et d'offre touristique modeste, réduite à quelques publications en roumain et en anglais ; notre entretien avec le directeur de ce bureau a débouché sur une prise de conscience relative au besoin de présentations multilingues des matériels de promotion et au démantèlement d'un préjugé portant sur la seule nécessité de l'anglais dans le tourisme).

Tous ses problèmes sont placés dans le contexte plus large des *Menaces*, représentées par la situation géopolitique européenne et par la compétition sur le marché touristique des destinations européennes, là où la Roumanie tente de gagner une position visible.

La maîtrise des *Faiblesses* et des *Menaces* conduit à l'identification des *Opportunités* qui pourraient influencer la visibilité du département : ces opportunités dépendent de l'existence de stratégies touristiques nationales et régionales, respectivement de l'existence d'instruments financiers européens ou régionaux. En ce qui concerne les langues étrangères, elles n'y sont pas vues comme une opportunité distincte qui permettrait, grâce à la position géographique et à l'appartenance de la Roumanie à

l'UE, d'ouvrir les portes à la collaboration de voisinage, aux hommes d'affaires et aux touristes étrangers. Personne ne peut cependant ignorer que la maîtrise des langues étrangères par la nouvelle génération et son habileté dans l'utilisation de l'internet représentent des *Points forts* dans le tourisme de Bihor (PDDB, 2007 : 140).

La diagnose du tourisme montre que ses concepteurs sont conscients de l'absence des compétences langagières, mais qu'ils n'envisagent pas de projets concrets pour remédier à ces carences : en ce qui concerne les aires protégées du patrimoine naturel on estime « qu'il n'y a pas d'infrastructure adéquate pour mettre en valeur des ressources naturelles spéciales » et on constate « le manque des trajets éducatifs et des matériels de popularisation en langues étrangères » (PDDB, 2007 : 49). En 2011, la situation n'était pas sensiblement différente. Cette étape de crise aurait pu être bénéfique pour l'implémentation des mesures accessibles et durables : la formation linguistique et l'élaboration de matériaux promotionnels (même très simples, avec un dessin minimaliste, bon-marché) auraient représenté le point de départ pour une stratégie communicationnelle en langues étrangères. À cette date, en 2014, des institutions comme la Mairie de la ville d'Oradea et le Conseil du Département de Bihor peuvent présenter quelques matériels de promotion rédigés en langues étrangères, issus de certains projets européens ; il ne s'agit cependant pas d'une conception unitaire.

2.6. Plan de développement du département de Bihor 2014-2020 (projet en discussion publique) (2014)

La future stratégie pour le développement du département de Bihor 2014-2020 est au moment de la présente étude en discussion publique sur le site du Conseil Départemental de Bihor. Parmi ses points de départ on compte le raccord de la région aux flux internationaux de marchandises, de touristes, d'investissements, d'informations et de valeurs culturelles, afin d'en assurer le rôle de « région logistique » (PDDB, 2014-2020 : 3). Parmi les quatre objectifs stratégiques de développement, la valorisation du potentiel touristique du département apparaît avec ses principaux volets : le développement des services de tourisme dans le département et la promotion touristique. La lecture des projets du domaine Tourisme présentés dans la Fiche de projet *le Tourisme dans le département de Bihor* prouve l'absence de la moindre initiative centrée sur les langues étrangères.

3. Propos sur l'efficacité des langues étrangères dans une orientation assumée vers l'international

En France, la consultation nationale en ligne ouverte par les Assises du tourisme s'est proposé « d'alimenter la réflexion visant à redynamiser le tourisme en France ». Première destination touristique mondiale, la France reste en permanence préoccupée par la préservation de ce statut et par l'augmentation de ses recettes touristiques. C'est justement l'objectif des Assises du tourisme, tel qu'il est fixé par le président de la République française. L'intérêt pour l'amélioration de l'accueil sous toutes ses formes montre à quel degré le tourisme reste un domaine porteur. Il est important de signaler que le bilan d'une dizaine de « principaux enseignements » enregistrés à la fin de cette consultation nationale (cf. le site officiel du Ministère de l'Artisanat, du Commerce et du Tourisme <http://www.artisanat-commerce-tourisme.gouv.fr/assises-tourisme-bilan-de-consultation-ligne>) compte deux actions prioritaires concrètes reliées aux langues étrangères : « Pour améliorer l'accueil des touristes étrangers lors de leur arrivée en France : **améliorer la pratique des langues étrangères**. Pour dynamiser l'emploi dans le tourisme : **améliorer en priorité la qualité des formations** (par exemple en

favorisant l'apprentissage des langues étrangères et les bi-qualifications) » (nous avons souligné). La préoccupation de la France pour la pratique multilingue dans le tourisme devrait se positionner en modèle pour tout pays aux ambitions touristiques.

D'un autre point de vue, la reconsidération des langues étrangères faciliterait « l'acquisition et la maîtrise des ressources et compétences permettant à la firme de se différencier de ses concurrents, de déployer ses activités, d'innover ou de disposer d'une flexibilité suffisante pour s'adapter aux évolutions de l'environnement ou aux stratégies des concurrents » (Tarondeau, 1998: 17). Dans un monde où les demandes des consommateurs se multiplient, se diversifient, se renouvellent partiellement ou se transforment radicalement, seuls les acteurs économiques innovants, en éveil et ouverts à la diversité peuvent rester compétitifs. Sur l'un des plus grands marchés uniques mondiaux, les entreprises doivent se doter de tous les instruments à même de leur assurer la survie et la performance ; l'un de ces outils longtemps négligés est la maîtrise d'une, de deux, voire de plusieurs langues étrangères (Constantin, 2009 : 526).

Le tourisme roumain doit s'inscrire dans la tendance globale du Tourisme à l'horizon 2030 ; cette perspective pose que le nombre d'arrivées de touristes internationaux dans le monde augmentera de 3,3 % par an entre 2010 et 2030, pour atteindre 1,8 milliard en 2030. Certes, la communication avec eux ne sera pas possible en l'absence de la maîtrise de plusieurs langues étrangères (OMT, 2013).

4. Conclusions partielles (lère partie)

Deux conclusions apparaissent à la fin de notre étude réalisée en deux temps : la première en rapport avec la problématique des langues étrangères dans la communication touristique stratégique de la Roumanie (lère partie) et la deuxième en relation avec les carences de la promotion pratique multilingue au niveau local (Ile partie).

Nous avons pris comme point de départ de notre réflexion l'observation que le tourisme roumain manifeste un intérêt réel pour l'international, ayant des lignes stratégiques bien définies. L'hypothèse de travail a été que le tourisme ne manifestait malheureusement pas la même ouverture vers les langues étrangères. L'analyse d'une série de documents stratégiques élaborés pour des périodes portant sur plusieurs années prouve que dans le contexte d'un tourisme international globalisant, les langues étrangères restent un thème marginalisé en Roumanie. Dans tous ces référentiels - *le Master Plan pour le Développement du Tourisme National, 2007-2026* (2007), *le Plan de Marketing Stratégique et Opérationnel pour la Roumanie 2011-2015 - Résumé du Rapport Final* (2011), *le Plan de développement régional de la Transylvanie du Nord 2014-2020* (2014), *le Plan de développement du département de Bihor 2007-2013* (2007) - les langues étrangères occupent une place isolée. Elles ne sont pas envisagées comme la composante notable d'une stratégie de développement construite au niveau national ou local.

Sans prétention d'exhaustivité, l'article signale cette réalité inquiétante, marque quelques points de réflexion et argumente le bien-fondé d'une future recherche plus détaillée relative à la communication multilingue dans le secteur du tourisme roumain. D'autres aspects non abordés mais qui devraient être pris en discussion dans une future étude viseraient la typologie des touristes, l'implication des Chambres de Commerce nationales, les retombées sur les communautés locales, les réseaux de promotion à l'étranger, la typologie des discours de type publicitaire, l'état des matériels publicitaires (par exemple il n'existe aucun matériel promotionnel en français concernant la ville d'Oradea ou quelque objectif que ce soit dans le département de Bihor), etc.

Dans la deuxième partie de notre étude – « Le tourisme roumain - stratégiquement ouvert vers l'international. L'est-il aussi vers la communication multilingue? (II) » - nous tenterons de saisir les effets de cette inconséquence sur les aspects pratiques du tourisme, plus précisément sur la présentation virtuelle multilingue des hôtels de la ville d'Oradea ; cette ville chef-lieu est située à la frontière avec la Hongrie, étant par conséquent un espace multiculturel et multilingue par excellence. La comparaison avec une enquête similaire effectuée en 2011 confirmera la même absence d'intérêt pour une décision pourtant simple, rapide, peu coûteuse, durable et très profitable : la traduction du site internet d'une unité d'hébergement en plusieurs langues étrangères. Nous présenterons certaines causes de cette indifférence mais également des solutions qui pourraient redynamiser l'activité de promotion touristique par la revalorisation prioritaire de la communication multilingue.

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LE TOURISME ROUMAIN - STRATEGIQUEMENT OUVERT VERS L'INTERNATIONAL. L'EST-IL AUSSI VERS LA COMMUNICATION MULTILINGUE? (II)

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Abstract: *One of the recommendations of the ELAN study (2007), which developed a pertinent analysis of the impact of linguistic incompetence on the economic performance, was to devote more extensive research on the impact of the language skills on other sectors of economy. We chose tourism, which is, according to the World Tourism Organization, one of the most important and dynamic sectors in the world, an engine for development, prosperity and welfare. Romanian tourism should follow the general tendency of Tourism Towards 2030; this perspective projects that the number of international tourist arrivals worldwide will increase by 3.3% per year between 2010 and 2030, reaching 1.8 milliards in 2030. Our study is structured in two parts, developed in two distinct articles. In the first part (I), a careful reading of the official documents that note the strategic directions in Romanian tourism for periods between 5 and 20 years confirm the openness of the Romanian tourism towards the international. However, we were surprised to notice the fact that, in these reference documents, the issue of foreign languages, vehicles for international communication, is ignored, if not completely obscure. Despite its strategic role, multilingual communication is mentioned only sporadically and is not granted a focused attention at any level - national, regional or local; it is not included in a detailed strategic program that could generate an added value indisputable in promoting tourism. In the second part of our study (II), we tried to capture the effects of this inconsistency on the practical aspects of tourism, specifically the virtual multilingual presentations of the hotels in Oradea, a municipality located close to the border with Hungary and therefore a multilingual and multicultural space par excellence. The comparison with a similar survey conducted in 2011 confirmed the same lack of interest for a simple, quick, sustainable and very profitable decision: that of having the sites translated into several languages. We shall try to identify some of the causes of this indifference, and also some solutions that could revitalize the activity of promoting tourism to foreigners, by a top priority reevaluation of multilingual communication.*

Keywords: *multilingual communication, tourisme, virtual presentations, Oradea, Roumanie*

Cod JEL: Y8

1. Préambule

L'article « Le tourisme roumain - stratégiquement ouvert vers l'international. L'est-il aussi vers la communication multilingue? » est structuré en deux parties distinctes, mais interdépendantes. La première partie de l'étude que nous avons entreprise en 2014 constate que le tourisme roumain manifeste un intérêt réel pour l'international, ayant des lignes stratégiques bien définies. L'hypothèse de départ est qu'il ne manifeste malheureusement pas la même ouverture vers les langues étrangères. L'analyse d'une série de documents stratégiques élaborés pour des périodes significatives qui portent sur plusieurs années, prouve que dans le cadre d'un tourisme international globalisant,

les langues étrangères restent un thème marginalisé en Roumanie. Dans tous ces référentiels - *le Master Plan pour le Développement du Tourisme National, 2007-2026* (2007), *le Plan de Marketing Stratégique et Opérationnel pour la Roumanie 2011-2015 - Résumé du Rapport Final* (2011), *le Plan de développement régional de la Transylvanie du Nord 2014-2020* (2014), *le Plan de développement du département de Bihor 2007-2013* (2007) - les langues étrangères occupent une place isolée. Elles ne sont pas envisagées comme la composante marquante d'une stratégie de développement conçue au niveau national ou local.

Le point de départ de la réflexion concernant la place des langues étrangères dans le tourisme roumain a été représenté par notre mémoire de master en affaires internationales réalisé en 2011 et par une communication qui s'était proposé à l'époque d'exposer le tableau des sites internet des hôtels et des pensions touristiques de la ville d'Oradea et de la station de Băile Felix, située dans sa proximité (Constantin, 2011).

La deuxième partie de l'article « Le tourisme roumain - stratégiquement ouvert vers l'international. L'est-il aussi vers la communication multilingue? » complète l'analyse de la place que les langues étrangères occupent dans les documents officiels qui gèrent le développement du tourisme roumain. À une distance de trois ans, en 2014, les éventuelles modifications survenues dans le domaine de la présentation virtuelle, enregistrées et évaluées, permettront de tirer de nouvelles conclusions. Y a-t-il une dynamique, une stagnation ou une progression dans la perspective multilingue de la promotion touristique dans la région du Nord-Ouest de la Roumanie et par extension dans le tourisme roumain ?

2. Contextualisation de la recherche

2.1 Étude de cas – département de Bihor

Le département de Bihor, avec presque 576000 habitants, est situé dans l'ouest de la Roumanie, à la frontière avec la Hongrie. La diversité ethnique et culturelle caractérise démographiquement cette région, où cohabitent des Roumains (67%) et des ethniques hongrois (25,3%), roms (6,3%), allemands, ukrainiens, slovaques, etc. (cf. à l'Institut National de Statistique, 2013)

Oradea est le chef-lieu du département de Bihor ; ses avantages sont donnés par la triple proximité : de l'aéroport, de la frontière et de la station balnéaire. Le département présente un potentiel indiscutable pour le tourisme de santé, des affaires, d'aventures, religieux, sportif ou balnéaire. Bihor est par excellence une région multiculturelle et multilingue, avec des entrepreneurs plurilingues ouverts à la nouveauté, habitués à l'espace interculturel et respectueux de la diversité.

2.2 Présentations virtuelles des hôtels de la ville d'Oradea

Rappel des résultats de l'étude de 2011

Les conclusions de l'étude réalisée en 2011 déploraient l'absence d'un intérêt particulier pour les langues étrangères dans le secteur du tourisme roumain, telle qu'elle se reflétait dans l'analyse des sites internet des hôtels et des pensions de la ville d'Oradea et de la station de Baile Felix ; il était apparu que ce potentiel était complètement ignoré, à quelques exceptions près, aussi bien par l'État que par les propriétaires privés a priori plus orientés vers l'optimisation de l'activité dans leurs unités (Constantin, 2011).

La présente analyse passe en revue le tableau des hôtels d'Oradea, afin de rendre saillant ce qui est survenu dans l'espace de communication multilingue de la promotion touristique hôtelière oradéenne dans un intervalle de trois ans. La zone d'observation est restreinte à la ville d'Oradea, plus précisément aux hôtels, à partir de la prémisse

que la dynamique du changement est plus importante et plus rapide dans une ville et surtout au niveau des unités d'accueil plus grandes. D'autant plus que les spécialistes retiennent, dans la région de l'ouest de la Transylvanie, la préférence des touristes étrangers pour les hôtels (PDRTN, 2011 : 148). L'hôtel est défini comme « un établissement commercial d'hébergement classé, qui offre des chambres ou des appartements meublés en location à une clientèle de passage ou à une clientèle qui effectue un séjour caractérisé par une location à la journée, à la semaine ou au mois, mais qui, sauf exception, n'y élit pas domicile » (Glossaire des hébergements touristiques, 2006) ; il est en général exploité pendant toute l'année, surtout dans les villes, et accueille ou peut accueillir un nombre significatif de touristes.

Dans l'analyse de 2014, nous avons privilégié une approche émique, simulant le comportement d'un touriste étranger qui, sans vérifier les listes officielles des unités autorisées, cherche directement sur internet des hôtels et se laisse convaincre par les informations qu'il y découvre.

En 2011 on avait enregistré 20 hôtels classés entre 2 et 4 étoiles, qui figuraient comme unités d'accueil autorisées, avec des sites actifs, ayant laissé de côté des hôtels qui n'étaient pas inscrits sur la liste autorisée.

À l'époque, la majorité des hôtels avaient des présentations en roumain et en anglais, un quart d'entre eux bénéficiant de présentations en hongrois, en allemand ou en italien. Il n'y avait pas beaucoup d'hôtels avec des présentations multilingues et les options pour les langues de présentation étaient différentes, en fonction de l'unité. Il n'y avait pas une stratégie unanimement acceptée dans la promotion des hôtels ; un seul hôtel, *Atrium*, avait le site traduit en 6 langues étrangères ; 2 hôtels, *Ramada* et *Melody*, étaient présentés en 5 langues et l'hôtel *Living In* était la seule de ces unités d'hébergement d'Oradea à bénéficier d'une présentation en hollandais.

Résultats de l'enquête de 2014

En mars 2014, l'actualisation de la liste des hôtels d'Oradea a conduit à l'inventaire suivant ; les hôtels sont ordonnés chronologiquement et enregistrés avec les données suivantes : le nom de l'unité, le site officiel de l'hôtel (actif en mars 2014), l'existence (symbole \exists dans le tableau) ou l'absence (symbole *non* \exists dans le tableau) des versions en langues étrangères (suggérées par leurs drapeaux en miniature et par les abréviations RO - roumain, HU - hongrois, EN - anglais, GE - allemand, IT - italien et FR - français).

Tableau 1: Analyse des unités d'hébergement de type « hôtel », ville d'Oradea, 2014

Nom de l'hôtel	site officiel	 RO	 HU	 EN	 GE	 IT	 FR
Astoria	http://astoriaoradea.ro/	non \exists	non \exists	\exists	non \exists	non \exists	non \exists
Atlantic	http://www.hotelatlantic.ro	\exists	non \exists	non \exists	non \exists	non \exists	non \exists
Atrium	http://www.hotelatrium.ro	\exists	\exists	\exists	\exists	\exists	\exists
Bulevard	http://www.bulevardhotel.ro	\exists	non \exists	non \exists	non \exists	non \exists	non \exists
Carnival	www.hotel-carnival.ro	\exists	non \exists	non \exists	non \exists	non \exists	non \exists

Nom de l'hôtel	site officiel	 RO	 HU	 EN	 GE	 IT	 FR
Astoria	http://astoriaoradea.ro/	non ☺	non ☺	☺	non ☺	non ☺	non ☺
Class	http://www.classhotel.ro	☺	non ☺	non ☺	non ☺	non ☺	non ☺
Continental	http://www.continentalhotels.ro	☺	non ☺	☺	non ☺	non ☺	non ☺
Corola	www.hotelcorola.ro	☺	☺	☺	☺	☺	☺
Elite	http://www.hotelelite.ro	☺	non ☺	☺	non ☺	non ☺	non ☺
Gala	http://hotelgalaoradea.blogspot.ro/	non ☺	non ☺	☺	non ☺	non ☺	non ☺
Hotel Doubletree by Hilton	http://www.hiltoneasteurope.com/ro-ro/destinations/doubletree-by-hilton-oradea	☺	non ☺	non ☺	non ☺	non ☺	non ☺
Impero	www.hotelimpero.eu	☺	☺	☺	non ☺	☺	non ☺
Iris	http://www.irishotel.ro	non ☺	non ☺	☺	non ☺	non ☺	non ☺
Living in	www.livingin.ro	☺	non ☺	☺	☺	non ☺	non ☺
Maxim	www.hotel-maxim.ro	☺	non ☺	☺	non ☺	☺	non ☺
Melody	http://www.hotelmelody.ro	☺	☺	☺	☺	☺	non ☺
Nevis	www.hotelnevis.ro	☺	non ☺	☺	non ☺	non ☺	non ☺
Ramada	http://ramadaoradea.ro	☺	non ☺	☺	☺	☺	non ☺
RHC Royal Hotel	http://www.royalhoteloradea.ro	☺	non ☺	☺	non ☺	non ☺	non ☺
Scorilo	http://www.hotelscorilo.ro/	☺	non ☺	☺	non ☺	non ☺	non ☺
Silver	http://www.silverhotel.ro	☺	non ☺	☺	non ☺	non ☺	non ☺
Sky	http://www.skyhotel.ro/	☺	non ☺	☺	non ☺	non ☺	non ☺
Terra	http://www.hotelterra.ro	☺	non ☺	non ☺	non ☺	non ☺	non ☺
Transit	http://www.hoteltransit.ro	☺	☺	☺	☺	non	non

Nom de l'hôtel	site officiel	 RO	 HU	 EN	 GE	 IT	 FR
Astoria	http://astoriaoradea.ro/	non ☹	non ☹	☹	non ☹	non ☹	non ☹
						☹	☹
Vulturul negru	http://www.thotels.ro/hotel-vulturul-negru/	non ☹	☹	non ☹	non ☹	non ☹	non ☹
Qiu	http://www.qiu.ro/	☹	non ☹	☹	non ☹	non ☹	non ☹

- 20 hôtels qui existent dans la Liste officielle des unités d'accueil autorisées par l'Autorité Nationale pour le Tourisme (en vigueur en avril 2014, cf. <http://turism.gov.ro/informatii-publice/>), ayant les classifications suivantes : 5 étoiles - *Hotel DoubleTree by Hilton* ; 4 étoiles - *Atlantic, Continental, Elite, Maxim, Nevis, Ramada* ; 3 étoiles - *Atrium, Boulevard, Class, Gala, Impero, Living In, Melody, RHC Royal Hotel, Scorilo, Silver, Transit*, 2 étoiles - *Astoria et Terra* ;

- 5 unités ne se retrouvent pas dans la liste des unités autorisées : *Carnival, Corola, Iris, Vulturul Negru et Sky*. Ces hôtels ont cependant un site internet, rédigé soit seulement en roumain, soit en roumain et en d'autres langues étrangères.

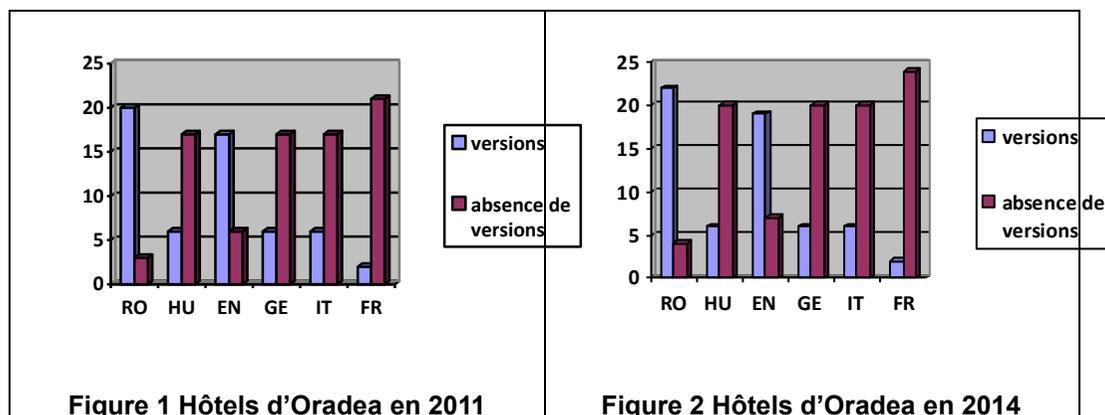
Les changements sont relativement dépourvus d'importance : *Atlantic* qui apparaît comme pension dans la liste des unités autorisées, mais comme hôtel dans son propre intitulé, a renoncé au site en anglais ; *Corola*, hôtel selon son intitulé, mais absent dans la liste officielle, a créé ou a rendu active la version du site en anglais. *Elite* qui avait en 2011 sur son site les drapeaux hongrois, italien et allemand correspondant aux langues, sans en avoir pour autant les versions multilingues, les a effacés en gardant seulement les drapeaux roumain et anglais et les versions actives correspondantes. *L'Hôtel Gala* a changé de site ; à présent il a seulement une page simple, qui comprend un texte court, type article de blog, sans facilités spécifiques à un site de type hôtel. L'hôtel *Toscana*, qui avait un site en anglais actif en 2011, n'a plus de site internet et n'apparaît pas comme unité autorisée, ce qui a déterminé son effacement de notre inventaire. Une place à part est occupée par *DoubleTree et Ramada*, qui font partie de réseaux internationaux. L'unité *Qiu* (<http://www.qiu.ro/>), prise ici comme hôtel, appartient à une catégorie distincte, avec une forme agréée par les autorités et classée 3 étoiles : il s'agit de chambres à louer en régime hôtelier, sans réception permanente.

Le tableau des versions multilingues des sites officiels de ces unités d'accueil, distinguant entre l'existence ou l'absence des versions en langues roumaine, hongroise, anglaise, allemande, italienne et française, se présente comme suit :

Tableau 2: Versions en langues étrangères des sites internet des hôtels d'Oradea, 2014

Langue	 RO	 HU	 EN	 GE	 IT	 FR
Nombre de sites traduits en	22	6	19	6	6	2
Pourcentage correspondant	85%	23%	73%	23%	23%	8%
Nombre de sites <i>non traduits</i> en	4	20	7	20	20	24
Pourcentage correspondant	15%	77%	27%	77%	77%	92%

Tableau 3: aperçu comparatif entre les études de 2011 et de 2014



Aperçu comparatif entre les deux études

Le tableau comparatif des deux études menées à une distance de trois ans permet de faire les remarques suivantes (voir Tableau 2 et Tableau 3):

- Le nombre d'hôtels a augmenté par rapport à 2011 (26 unités analysées en 2014, par rapport à 23 unités en 2011) ;
- L'espace virtuel des unités d'hébergement de type « hôtel » existant dans la ville d'Oradea continue à réunir les langues suivantes : le roumain, le hongrois, l'anglais, l'allemand, l'italien et le français ;
- Tous les hôtels n'ont pas un site, soit-il actif ou non, en langue roumaine. Les présentations apparaissent en langue roumaine dans 85% des cas. Les 4 hôtels présentés seulement en anglais s'intégreraient dans trois catégories : *Astoria* et *Vulturul Negru*, situés en plein centre ville, faisant partie du patrimoine architectural, visent probablement exclusivement les touristes étrangers ou les touristes roumains avec un certain statut social et qui parlent couramment l'anglais ; l'hôtel *Iris* est le plus proche de la douane de Borș, à la frontière avec la Hongrie, ayant probablement comme principale clientèle les touristes qui entrent ou sortent par la douane ; l'hôtel *Gala* n'a pas à proprement parler un site interactif, mais une simple présentation de type page de blog, avec un ensemble réduit d'informations. Le roumain reste une langue inconnue pour les touristes étrangers ; seuls les touristes italiens, français, espagnols ou portugais pourraient assez facilement, en utilisant le potentiel intercompréhensif conféré par la parenté linguistique, comprendre certains mots ou certaines rubriques de ces sites ;
- Malgré le fait que la ville est située dans une région transfrontalière, un nombre important d'hôtels ne disposent pas de la version du site en hongrois ; les hôtels qui avaient le site en hongrois en 2011, l'ont également en 2014, aucun autre hôtel n'ayant pas traduit sa présentation. La situation est identique pour les hôtels qui ont ouvert leurs portes après le printemps du 2011 (par exemple *DoubleTree*, *Sky* ou *Bulevard*). Suite à l'analyse des sites, nous pouvons constater que seulement 25% d'entre eux sont présentés en hongrois. Or, vu le nombre important de touristes hongrois dans la ville d'Oradea, on peut estimer que cela se constitue dans un argument en faveur de l'idée que la version des sites en langue étrangère n'est pas exclusivement liée à la nationalité des touristes accueillis. D'autre part on pourrait penser que les touristes hongrois – arrivés individuellement ou en groupes - sont probablement hébergés par les familles, chez des amis ou dans les résidences tenues par leurs compatriotes ;
- L'existence des versions en anglais n'est pas une surprise ; nous admettons sans réserve la nécessité de l'anglais et nous pensons qu'il est trop facile de dresser

les langues les unes contre les autres « dans une lutte des plus fratricides » au lieu de les « enrichir d'alliances, en communauté d'intérêts » (Challe, 2002 : 135). Nous considérons même que les 27% des hôtels sans présentation en anglais devraient remédier très vite à cette carence ;

- L'allemand et l'italien occupent toujours une position modeste et relativement égale dans le paysage linguistique de la promotion hôtelière, avec une présence de seulement 23%. Dans le cas de ces langues nous ne remarquons pas de changement notable par rapport à 2011, quand les sites étaient traduits en proportion de 26% (la différence est due à l'apparition de nouveaux hôtels qui ne sont pas promus non plus en italien ou en allemand). Tout comme dans le cas du hongrois, la situation des langues italienne et allemande n'est pas probablement en rapport avec la présence des touristes (de loisirs ou d'affaires) allemands ou italiens ;

- Le français se trouve en queue de la liste et jouit d'une présence extrêmement modeste, sinon négligeable, ce qui confirme l'idée que les valeurs obtenues trois ans auparavant n'ont pas été accidentelles ; on pourrait même affirmer que le français est pratiquement inexistant dans le tableau de la communication multilingue dans le tourisme, étant donné qu'il ne couvre ni 10% du tableau multilingue examiné ;

- On ne constate pas de modifications par rapport à des langues comme l'espagnol, le russe ou le chinois qui correspondent cependant à un nombre significatif de parleurs au niveau mondial, touristes potentiels extrêmement mobiles lors des dernières années. Aucune initiative n'est à signaler dans ce sens.

Nous admettons que l'offre suit en général la demande : quand il y a une demande, les entrepreneurs s'empressent à la satisfaire au mieux et à rendre visible leur offre, afin d'emporter le pas sur la concurrence. La réciproque est également valable : la demande peut être à son tour modelée par l'offre. Des touristes en grand nombre qui sollicitent sur l'internet l'accès à des informations dans une certaine langue peuvent stimuler les administrateurs des hôtels à faire traduire le site dans la langue étrangère respective. Par voie de conséquence, l'existence d'un ensemble d'informations en anglais, en français, en allemand, en italien, en hongrois, en chinois, en espagnol ou en russe, accessibles à des touristes dans leur langue maternelle, peut les stimuler à choisir un certain hôtel pour leur hébergement lors du séjour à Oradea ou dans la région.

3. Conclusions finales (Ière partie et IIe partie)

Deux conclusions apparaissent à la fin de notre étude réalisée en deux temps : la première en rapport avec la problématique des langues étrangères dans la communication touristique stratégique de la Roumanie (Ière partie) et la deuxième en relation avec les carences de la promotion pratique multilingue au niveau local (avec un regard spécial sur la langue française) respectivement les solutions envisagées (IIe partie).

3.1. Conclusions de la première partie de l'étude

L'analyse des données susmentionnées a permis d'évaluer et de comparer à petite échelle les possibles « scénarios » multilingues dans la promotion touristique d'une ville de frontière et de formuler des conclusions relatives à la problématique envisagée. Les conclusions portent de nouveau, comme en 2011, sur la même attitude d'indifférence envers les langues étrangères manifestée dans un secteur très orienté vers l'international et soucieux de transformations rapides en termes de visibilité et de rentabilité : la promotion faite à travers les sites internet. Sans prétention d'exhaustivité, l'article signale une réalité inquiétante, marque quelques points de réflexion et argumente le bien-fondé d'une future recherche plus détaillée relative à la communication multilingue dans le secteur du tourisme roumain. D'autres aspects non

abordés mais qui devraient être pris en discussion visent la typologie des touristes, l'implication des Chambres de Commerce nationales, les retombées sur les communautés locales, les réseaux de promotion à l'étranger, la typologie des discours de type publicitaire ou l'état des matériels publicitaires (par exemple il n'existe aucun matériel promotionnel en français concernant la ville d'Oradea ou quelque objectif que ce soit dans le département de Bihor). Les officiels et les petits acteurs impliqués dans le tourisme roumain ignorent toujours des solutions simples, accessibles et peu coûteuses telles que la traduction des sites officiels en plusieurs langues étrangères. La traduction d'un site suppose un investissement initial modique, renouvelable surtout en ce qui concerne les données chiffrées et l'actualisation du site peut être faite par tout connaisseur moyen de la langue.

3.2. Conclusions de la deuxième partie de l'étude

Quelles seraient alors les voies qui permettraient de remédier à cette carence, qui représente un vrai handicap culturel ? Nous considérons comme pertinentes et nous proposons des initiatives telles que le volontariat dans la traduction des matériels publicitaires, la conception de projets centrés sur les langues, la mise en place d'une stratégie programmatique avec une feuille de parcours bien établie, l'élaboration de kits d'informations pré-formatées, adaptées au typique de la promotion par internet. D'autre part, même si l'hôtel paie les versions traduites dans des langues étrangères, il faut prendre en compte le rapport coût – bénéfice : le volume des informations pour la présentation sur un site d'hôtel ne dépasse probablement pas 3 - 4 pages format A4, ce qui revient à un prix d'environ 30 - 40 euros. L'accessibilité de la nouvelle version du site dans la langue étrangère pourrait apporter des bénéfices multipliés. Avec environ 250 euros, tout hôtel roumain pourrait se doter d'un site multilingue, donc disponible en 6 ou 7 langues étrangères.

Quant à la situation du français dans la communication touristique multilingue en Roumanie, elle est inquiétante. Pourquoi ce manque d'intérêt pour le français en tant que langue de communication publicitaire dans le tourisme roumain ouvert aux étrangers ? Face à cette interrogation rhétorique, il suffit de penser premièrement au fait que le français est la 14^e langue au monde du point de vue des locuteurs, étant parlée par environ 75 millions de personnes. Le français figure après des langues comme le chinois qui a un nombre écrasant de parleurs (plus d'un milliard), l'espagnol (406 millions de locuteurs) ou l'anglais (335 millions de locuteurs), etc. On constate aussi que, du point de vue du nombre de pays d'où proviennent ses locuteurs, le français parlé dans 51 pays est dépassé seulement par l'anglais (répandu dans 101 pays) et par l'arabe (59 pays) (cf. <http://www.ethnologue.com/world>, 2014). Deuxièmement, le français est à côté de l'anglais, de l'arabe, de l'espagnol et du russe une langue officielle de l'Organisation Mondiale du Tourisme. Troisièmement, d'après les estimations d'INS & Horwath HTL, fournies dans le document *Plan de Marketing Stratégique et Opérationnel pour la Roumanie 2011 - 2015, Résumé du Rapport Final Horwath HTL* (2011 : 13), la France est le troisième marché prioritaire pour la Roumanie, après l'Allemagne et l'Italie et avant la Grande-Bretagne, l'Autriche ou la Russie.

Sans oser présumer l'indifférence pour le potentiel des touristes venus de l'espace francophone, on retient comme causes possibles l'existence d'une culture dominante anglicisante, l'absence d'une vision linguistique de type plurilinguisme au niveau officiel, ayant des débouchés opérationnels au niveau local, l'absence de personnel qualifié qui dispose de compétences en langue française, l'absence d'une réaction diplomatique des officiels français ou leur implication limitée dans ces aspects, la perception d'une ainsi-dite complexité et difficulté du français ; dans ce sens, Challe (2002 : 8) parlait même du besoin de « calmer la peur que provoque le système linguistique français ».

Le tourisme roumain est stratégiquement ouvert vers l'international ; il n'est pas ou il ne semble pas pour l'instant stratégiquement orienté vers les langues étrangères ou vers la communication multilingue. Le remède en est pourtant plus simple qu'il ne paraît.

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ERASMUS-STIPENDIEN ZWISCHEN ANGEBOT UND INTERESSELIGKEIT. DER HINTERGRUND DER FEHLENDEN STUDENTENMOTIVATION

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Abstract: *In a world of intensified cross-cultural relations it would be of great importance that young people – especially those in academic environments – gain some international experience, get to know during their college period other cultures and socio-economic systems than theirs. The Erasmus programmes of the European Committee could give them due to the financial support they suppose the opportunity to live the experience of studying or doing practice in a company abroad and thus extend their personal and professional horizon. Romania takes part in Erasmus programmes since 1998 and in the last two and a half decades sent more than 38,000 students on Erasmus study or placement mobility. It is a nice number but still too little related to the overall number of Erasmus scholarships academic institutions could dispose of yearly. Following study proposes to offer an insight into the Erasmus programme since 1987, the year of its establishment, in figures and essential data. After this general overview we focus upon the main channels of communication, ways of promoting exchange programmes at the University of Oradea, Romania (the author's institution of affiliation). By conducting a comparative study upon the relation between offer and demand at the same faculties of two academic institutions, the above mentioned University of Oradea and the University of Debrecen, Hungary, one may realize that the situation is quite the same in both academic environments, Erasmus programmes don't represent in general main attraction for students. The analyzed study domains are: technique, economics, medicine/pharmacy, history, political and communication sciences. The most interested in an international experience, at least according to data of some academic years, prove to be medicine students who applied 2013-2014 in Oradea for about 44% and 2011-2012 in Debrecen for 80% of the scholarships offered. Why for instance economic students at the University of Oradea show little interest for Erasmus programmes we have tried to find out by means of a questionnaire pointing to the main causes for applying/not applying for an Erasmus scholarship. The answers given by the over 120 students questioned correspond partially with the author's initial suppositions and show main directions for counterbalancing and actions to be taken to increase visibility, feasibility and popularity of Erasmus programmes among students.*

Keywords: *Mobilitätsprogramme; Erasmus-Stipendium; Nachfrage und Angebot; schwacher Ausnutzungsgrad; Umfrage; Erhöhung der Teilnahmequote*

JEL classification: *A22; I20; Z00*

1. Erasmus-Programme. Ein Überblick

Das Jahr 1987 bildet einen Meilenstein in der Entwicklung der europäischen Mobilität, der Intensivierung des Erfahrungsaustausches und der Erweiterung des Horizonts unter den Jugendlichen im akademischen Bereich. Es ist nämlich das Jahr, in dem die Europäische Kommission die sogenannten Socrates-Erasmus-Programme mit dem Zweck ins Leben gerufen hat, den Austausch im akademischen Bereich zu fördern. In der Zeitspanne 1987-2013 haben dank der geförderten studentischen

Austauschprogramme zwecks Studiums (Erasmus Study Mobility – ESM) oder Praktikums in Unternehmen (Erasmus Placement Mobility – EPM) an die 3 Millionen Studierende die Gelegenheit gehabt, im Ausland zu studieren oder Berufserfahrung zu gewinnen.

Daneben finanziert Erasmus – mit einem Hintergrund von 4.000 Institutionen in 33 Ländern – auch die Mobilität und Kooperation der Lehrkräfte und Angestellten verschiedener Organisationen zwecks Unterrichts (Teaching Staff Mobility) oder der Ausbildung (Staff Training Mobility). All diese Förderungen stellen nur eine Teilfinanzierung im Sinne eines finanziellen Beitrags für den ausländischen Aufenthalt dar.

Nun sollen einige konkrete Daten über das Programm folgen. Die meisten Erasmus-Studenten stammen aus Spanien, Deutschland, Frankreich, Italien und Polen und unter den beliebtesten Reisezielen fürs Studium befinden sich Spanien, Deutschland, Frankreich, England und Italien. Im letzten Jahrzehnt beträgt die durchschnittliche Länge des Austauschprogrammes 6 Monate und während dieser Zeit erhalten die Studierenden monatlich an die 250 Euro Förderung für ihren ausländischen Aufenthalt. Erasmus-Programme bieten aber nicht nur finanzielle Unterstützung, sondern haben auch eine Vermittlungsrolle im studentischen Austausch. Dabei versichern sie allen Erasmus-Studenten – mit oder ohne EU-Förderung – bestimmte Vorteile, wie z.B. Entlastung von der Zahlungsverbindlichkeit der Betreuungsgebühre in den Gastinstitutionen. Im Sinne der Chancengleichheit erhalten Jugendliche mit speziellen Bedürfnissen einen Extrabetrag für die Finanzierung ihrer Auslandsaufenthalte, so ist die Zahl der Antragsteller aus diesem sozialen Segment in den letzten Jahren leicht gestiegen.

Da das Programm nicht nur die Erweiterung des Erkenntnis- und Kenntnishorizonts, sondern seit 2007 auch den Erwerb und Austausch von Erfahrung zwecks hoher beruflicher Qualifizierung erzielt, hat es sich im Laufe der Zeit ein Netz aus über 35.000 europäischen Unternehmen ausgebildet, die im Rahmen des Erasmus-Programms Studierende zum Praktikum annehmen. Beinahe 80% dieser Betriebe sind klein- und mittelständische Unternehmen. Über 30% der Praktikanten entstammen den Studienbereichen: Sozial- und Wirtschaftswissenschaften, bzw. Jura, an die 17% studieren Ingenieurwissenschaften, Bauwesen und weitere 17% Geisteswissenschaften und Kunst. Ungefähr dieselben Länder ergeben den Großteil des Zu- und Abflusses der Praktikanten, wie im Falle des Erasmus-Programms fürs Studium, nämlich Spanien, England, Deutschland, Frankreich, Italien als Bestimmungsort und Frankreich, Deutschland, Spanien, England und Polen als Ursprungsland. Die Praktikanten verbringen durchschnittlich 4 Monate am Ort ihrer praktischen Ausbildung und erhalten für diese Periode im Durchschnitt 357 Euro pro Monat. Zweck dieses Programms ist Kennenlernen von anderen Wirtschaftssystemen, Anpassung der Studierenden an die Forderungen des Arbeitsmarktes, Erwerb von berufsspezifischen Fertigkeiten und Verstärkung der Kooperation zwischen Anstalten für Hochschulstudium und Unternehmen. So passt es genau in den Rahmen des Programms fürs lebenslanges Lernen (Lifelong Learning Programme), unter dessen Ägide Erasmus-Programme in der Zeitspanne 2007-2013 laufen. Die Bedürfnisse des zukünftigen akademischen Bereichs und Arbeitsmarktes werden ab 2014 die Erasmus+ Programme bedienen.

Die Typologie der im Rahmen des Erasmus-Programms durchführbaren Tätigkeiten wird in der von der Europäischen Kommission gewilligten Erasmus Universitätscharta (Erasmus University Chart) festgelegt und umfasst Aktionen wie: studentische Mobilität fürs Studium und Praktikum, Lehrkräftemobilität zwecks Unterrichts und der Ausbildung, Intensivprogramme, intensive Sprachkurse (EILC), Kooperation zwischen Hochschulen und Unternehmen, virtueller Campus, um nur einige zu nennen. Erasmus-Programme laufen aufgrund zweiseitiger Abkommen zwischen den teilnehmenden

Institutionen ab, d.h. betreffende Anstalten können in der vereinbarten Zeitspanne – ein oder mehrere akademische Jahre – gemäß der existierenden Stipendien- bzw. Förderbetragszahl und für die im Abkommen vermerkte Gesamtdauer Studierende oder Lehrkräfte an ausländische Institutionen verschicken, oder von dort annehmen. Alle Antragsteller für eine Erasmus-Förderung sollen bestimmten Auswahlkriterien recht werden und alle, im als begleitendes Reisedokument geltenden finanziellen Vertrag gestellte Bedingungen erfüllen, sonst müssen sie den Gesamt- oder einen Teilbetrag der Förderung zurückerstatten. Studierende können höchstens eine Erasmus-Förderung fürs Studium und eine fürs Praktikum erhalten, diese zwei Typs von Programmen können auch kombiniert werden.

In Rumänien wurden Erasmus-Programme 1998 aufgrund des Entschlusses des EU-Beitrittsrates Rumänien vom September 1997 eingeführt. Seit dem ersten Jahr seiner Teilnahme am Programm, als Rumänien 1.250 Studierende ins Ausland verschickt hat, ist die Zahl der rumänischen Erasmus-Studenten hauptsächlich von Jahr zu Jahr gestiegen und hat im akademischen Jahr 2011-2012 schon 3.380 erreicht. Die Gesamtzahl der Erasmus-Begünstigten unter den rumänischen Studenten beträgt in der Zeitspanne 1998-2012 über 38.000 (38.120 Personen).

2. Erasmus-Stipendien für Studenten. Institutionelle Maßnahmen für die Bekanntmachung des Programms an der Universität von Großwardein (Oradea), Rumänien

Nach diesem kurzen Überblick über Erasmus-Programme europaweit wird in den folgenden Sektionen die Lage in Rumänien in Betracht gezogen. Da im erforschten Segment wegen des Umfangs eine bestimmte Beschränkung nötig ist, wird eine einzige Institution, nämlich die Universität von Großwardein – die Ursprungsinstitution des Autors – mit sechs ihrer Fakultäten (die Fakultät für Elektronische Ingenieurwissenschaften und Informationstechnologie, die Fakultät für Energetische Ingenieurwissenschaften und Industriemanagement, die Fakultät für Wirtschafts-, Ingenieurwissenschaften und Technologie, die Fakultät für Geschichtswissenschaft, Internationale Beziehungen, Politik- und Kommunikationswissenschaften, die Medizinische und Pharmakologische Fakultät und die Wirtschaftswissenschaftliche Fakultät) in der Zeitspanne 2011-2014 untersucht. Um die Daten auch im internationalen Vergleich zu sehen, hat man auch die Universität von Debrecen, Ungarn, mit ihren, den rumänischen Institutionen entsprechenden Fakultäten in der angegebenen Periode in die Studie einbezogen. Ein mehrseitiger Vergleich unter weiteren Hochschulanstalten Ungarns und Rumäniens hinsichtlich des Mobilitätsprogramms für Studenten oder Lehrkräfte könnte das Sujet weiterführender Studien bilden.

Zielsetzung dieser Arbeit ist, das Angebot an Erasmus-Stipendien für Studenten an oben erwähnten Fakultäten, das Verhältnis zwischen Nachfrage und Angebot zu untersuchen, mögliche Erklärungen, Gründe für das geringe Interesse an Erasmus-Programmen in den betreffenden Institutionen und Lösungsvorschläge für die Verbesserung der Lage zu finden. An der Universität von Großwardein standen leider nur für die Wirtschaftswissenschaftliche Fakultät vollständige Daten zur untersuchten Periode zur Verfügung, im Falle der anderen Fakultäten waren die Angaben nur für das akademische Jahr 2013-2014 zugänglich.

Die Frage ist, wie erfahren Studierende über die Existenz der Erasmus-Programme, was für Mittel und Wege für Informierung und Werbung benutzt werden, in einem Wort, wie die Universität von Großwardein diese Programme und ihren ganzen Hintergrund verwaltet.

Es gibt ein zentrales Büro für Internationale Beziehungen, das auch für die Erasmus-Programme verantwortlich ist. Dieses Büro koordiniert den „Aus- und Eingang“ von

Erasmus-Studenten und Lehrkräften in der Unterrichts- und Ausbildungsmobilität, organisiert Veranstaltungen für die ausländischen Studenten, hilft ihnen bei der Unterkunftssuche, usw. Informationen über dieses Büro, zu den Erasmus-Programmen im Allgemeinen, zum Termin des Vorstellungsgesprächs im Auswahlprozess an verschiedenen Fakultäten, Informationen angesichts der nötigen Unterlagen, verschiedene Formulare sind von der Webseite der Universität (www.uoradea.ro), Sektion *Internationale Beziehungen* herunterzuladen. Außerdem gibt es Erasmus-Koordinatoren, Verantwortliche für internationale Beziehungen oder Kontaktpersonen für Erasmus-Programme an den meisten Fakultäten. Die Wirtschaftswissenschaftliche Fakultät hat zusätzliche Verantwortliche für internationale Beziehungen an allen ihrer vier Abteilungen. Diese helfen dem/der Fakultätsverantwortlichen bei der Verwaltung der Austauschprogramme. Hauptsächlich gibt es auf der Webseite jeder Fakultät Informationen über Erasmus-Programme, die oben erwähnte Fakultät ladet da beispielsweise Auskunft über die nötigen Unterlagen, Bewerbungsformulare, das jeweilige Angebot an Erasmus-Stipendien, Angaben zum Bewerbungs- und Auswahlprozess, die Liste der erfolgreichen Bewerber, usw. hoch. Es gibt zwar auch einen Link zum Erfahrungsbericht ehemaliger Erasmus-Studenten der Fakultät ohne aber hochgeladenen Inhalt. Jährlich organisiert die Fakultät sogenannte Erasmus-Tage, an denen die Interessenten von den Erasmus-Verantwortlichen, ehemaligen Stipendiaten, aufgrund von Präsentationen Näheres über die Mobilitätsprogramme erfahren können. Außerdem gibt es Anzeigen am Schwarzen Brett und Lehrkräfte, Gruppenbetreuer, bzw. Studierende mit Erasmus-Erfahrung hinter sich informieren die Studenten über die Gelegenheit, im Ausland zu studieren oder Berufserfahrung zu gewinnen, und ermutigen sie zur Teilnahme am Programm. Wie es im nächsten Abschnitt beleuchtet wird, stammt der Großteil der Informationen, über die die Studenten zu den Erasmus-Programmen verfügen, von der Fakultät (von Lehrkräften, Kommilitonen, Anzeigen, der Webseite). Doch das geringe Interesse an diesen Programmen zeigt, dass für diese Sache manches noch sollte getan werden. Einige Vorschläge diesbezüglich werden in dieser Studie sogar thematisiert.

3. Erasmus-Stipendien: Nachfrage und Angebot

An dieser Stelle möchten wir anhand der zugänglichen Angaben das Verhältnis zwischen Angebot an und Nachfrage für Erasmus-Stipendien unter den Studenten der Universität von Großwardein, Rumänien, bzw. der Universität von Debrecen, Ungarn, unter die Lupe nehmen. In die Analyse werden die schon erwähnten Fakultäten, bzw. Anstalten einbezogen.

3.1. Nachfrage und Angebot. Erasmus-Stipendien an der Universität von Großwardein

Der technische Bereich lässt sich in der Studie sogar durch drei Fakultäten der Universität von Großwardein vertreten, nämlich die Fakultät für Elektronische Ingenieurwissenschaften und Informationstechnologie, die Fakultät für Energetische Ingenieurwissenschaften und Industriemanagement und die Fakultät für Wirtschafts-, Ingenieurwissenschaften und Technologie. Konkrete Angaben zum Angebot an Erasmus-Stipendien fürs Studium, bzw. Praktikum stehen uns nur für das akademische Jahr 2013-2014 zur Verfügung, es ist aber anzunehmen, dass die Palette in der Zeitspanne 2011-2014 keine beachtlichen Änderungen aufweist.

Die Fakultät für Elektronische Ingenieurwissenschaften und Informationstechnologie arbeitet mit 22 Institutionen aus 10 Ländern im Bereich der Mobilität fürs Studium und mit weiteren 18 Partnern aus 8 Ländern – teilweise dieselben – im Bereich der praktischen Berufsausbildung zusammen. Die 83 Stipendien fürs Studium bzw. die 44

Förderungen fürs Praktikum für insgesamt 189 Monate ermöglichen Studierenden vom oben erwähnten technischen Bereich Erfahrung in Frankreich, Deutschland, Portugal, Spanien, Ungarn, England u.a. zu gewinnen.

Die Fakultät für Energetische Ingenieurwissenschaften und Industriemanagement hat zwar weniger Stipendien im Angebot, aber doch versichert sie ihren Studenten 41 Förderungen fürs Studium für insgesamt 181 Monate in 21 Institutionen von 8 Ländern und 2 Stipendien auf insgesamt 6 Monate fürs Praktikum. Die Partnerländer dieser Fakultät sind: Frankreich, Italien, Polen, Portugal, Spanien, die Türkei, England, Griechenland und Ungarn.

Von der dritten, in die Studie einbezogenen technischen Fakultät haben im akademischen Jahr 2013-2014 48 Studenten die Möglichkeit, an einer der 21 Institutionen der 8 Partnerländer, für insgesamt 352 Monate zu studieren, und weitere 19 Jugendliche bei den 9 Partnerinstitutionen insgesamt 57 Monate lang ihre praktischen Fertigkeiten zu entwickeln. Die Partnerländer sind dieselben wie im Falle der anderen zwei technischen Fakultäten. Diese Teilsummen ergeben an der Universität von Großwardein im technischen Bereich insgesamt 172 Stipendien fürs Studium auf eine Gesamtperiode von 1058 Monaten, bzw. 65 Stipendien fürs Praktikum für 252 Monate. Diese Möglichkeiten wollten 2013 insgesamt 14 Studenten zwecks Studiums (5 sind aber zurückgetreten) und 7 weitere zwecks Praktikums (1 Rücktritt) ausnutzen. Von den insgesamt 26 Antragstellern um ein Stipendium fürs Studium haben sich 2011 nicht weniger als 11, bzw. von den 18 Kandidaten 2012 die Hälfte anders besonnen. EPM-Stipendien waren auch nicht populärer, 2011 haben sie 7 Studenten beantragt und 2012 war diese Zahl 15, von denen 4 Studierende zurückgetreten sind.

Die Fakultät für Geschichtswissenschaft, Internationale Beziehungen, Politik- und Kommunikationswissenschaften der Universität von Großwardein hat insgesamt 18 Partnerländer im Erasmus-Programm. Die Studenten können 220 Stipendien für Erasmus Study Mobility in 74 Institutionen von Ländern, wie Belgien, Bulgarien, Griechenland, Dänemark, Italien, Deutschland, Spanien, Slowenien, Ungarn, um nur einige zu nennen, für insgesamt 1620 Monate in Anspruch nehmen. Die 35 EPM-Stipendien für 105 Monate bieten bei 39 Partnerinstitutionen Einblick ins alltägliche Berufsleben der betreffenden Unternehmen. Demgegenüber ist die Zahl der Interessenten gering, 2011 gab es 25 Kandidaten und 2 Zurückgetretene, im nächsten Jahr sind von den 18 Antragstellern 4, während 2013 von den 20 Kandidaten 7 zurückgetreten. Die EPM-Stipendien haben 2011 7 Studierende, im darauf folgenden Jahr 10, während 2013 nur 11 Studenten angezogen. Rücktritte gab es hier auch.

Österreich, Bulgarien, Frankreich, Italien, Spanien, Portugal, die Türkei und Ungarn sind in den Erasmus-Programmen die Partnerländer der Medizinischen und Pharmakologischen Fakultät. 32 Stipendien für 269 Monate an 15 Universitäten, bzw. 7 finanzierte Praktikantenstellen für insgesamt 21 Monate an 5 Partnerinstitutionen bieten Medizin- und Pharmakologiestudenten internationale Erfahrung. Daran haben 2013 insgesamt 17 Studierende Interesse gezeigt und 14 die Förderung auch erhalten. In den vorangehenden zwei Jahren wurden viel weniger Studenten von diesen Stipendien angezogen, 2010 gab es aber 21 Kandidaten. Rücktritte sind ebenfalls vorgekommen. Interessanterweise waren EPM-Förderungen für niemanden anziehend.

Das reichste Angebot an Erasmus-Stipendien fürs Studium und Praktikum hat von den analysierten Institutionen die Wirtschaftswissenschaftliche Fakultät. In der untersuchten Zeitspanne hat sie insgesamt 379 ESM- und 78 EPM-Stipendien für eine Gesamtdauer von 2960, bzw. 258 Monaten angeboten. Die auf akademische Jahre zerlegte Stipendien-Palette sieht folgendermaßen aus. Während den Studenten im akademischen Jahr 2011-2012 genau 116 ESM-Stipendien für insgesamt 808 Monate zur Verfügung gestanden sind, und die Lage auch für 2012-2013 ähnlich war, zeigt das Angebot für 2013-2014 mit 150 Förderungen auf eine Gesamtdauer von 1342 Monaten

ein bemerkenswertes Wachstum von zirka 13% auf. Die Wirtschaftswissenschaftliche Fakultät arbeitet mit Institutionen aus Kroatien, Deutschland, Frankreich, Italien, Litauen, Zypern, Spanien, Portugal, Ungarn zusammen, um nur einige zu erwähnen. Im Sinne der zweiseitigen Abkommen empfängt sie die meisten Erasmus-Studenten aus Portugal und Spanien, es gibt aber auch französische, italienische, slowakische oder polnische Studierende in der rumänischen Lehranstalt.

Im Gegensatz zur großen Stipendienzahl steht die Nachfrage dafür. 2011 interessierten sich 11 Studierende (davon 8 Magister- und 3 Bachelorstudenten) für eine Mobilität fürs Studium und zwei Magisterstudenten für eine geförderte Praktikantenstelle. Die Zahl der Bewerber beträgt 2012 bloß 15 Personen – davon erhalten 14 Studierende ein Stipendium im Ausland – und im Jahr 2013 noch weniger, und zwar 10. Rücktritte sind auch vorgekommen. Als Vergleichsbasis soll hier erwähnt werden, dass sich in der Zeitspanne 2006-2011 durchschnittlich 25 Wirtschaftsstudenten für ein Erasmus-Stipendium fürs Studium oder Praktikum beworben haben. Interessanter- und unverständlicherweise machen diejenigen Studenten, deren Fachrichtung mit Internationalisierung, fremden Sprachen und Kulturen zu tun hat, wie z.B. Tourismus, Internationale Handelsbeziehungen, usw., nicht einmal die Hälfte aller Bewerber aus.

3.2. Nachfrage und Angebot. Erasmus-Stipendien an der Universität von Debrecen, Ungarn

Rumänien gleich, nimmt Ungarn an Erasmus-Programmen seit 1998 teil und schickt seitdem Studierende in einer von Jahr zu Jahr steigenden Zahl ins Ausland. Bis 2012 beträgt diese Zahl 35.160, das sind fast 3000 weniger ungarische Erasmus-Stipendiaten als rumänische in derselben Zeitspanne. Das ist eher mit der Tatsache im Einklang, dass im akademischen Jahr 2013-2014 die untersuchten rumänischen Fakultäten insgesamt ungefähr doppelt so viele Stipendien im Angebot hatten als die entsprechenden ungarischen Institutionen, als lässt relevante Schlussfolgerungen angesichts des Interesses ungarischer Studenten an Stipendien im Vergleich mit ihren rumänischen Kollegen ziehen.

An den analysierten ungarischen Fakultäten bleibt die Palette der Erasmus-Stipendien für die Periode 2011-2014 bis auf etliche Variationen relativ unverändert. Die Technische Fakultät verfügt bis 2013 über 132 Stipendien auf eine Gesamtdauer von 781 Monaten, ab 2014 steigt die Zahl der Förderungen bei einer etwa gesunkenen Gesamtdauer (771 Monate) auf 140. Die 26 Partnerinstitutionen, mit denen die oben genannte Fakultät zusammenarbeitet, befinden sich in Ländern, wie: Österreich, Deutschland, Spanien, Italien, Polen, Rumänien, Finland, der Türkei, usw. Für das akademische Jahr 2013-2014 gab es Praktikantenstellen bei 43 Partnern in 13 Ländern, die Zahl der Stipendien, sowie die der Bewerber ist uns aber unbekannt.

An der Universität von Debrecen gehören die Studienbereiche Geschichts-, Politik- und Kommunikationswissenschaften zu unterschiedlichen Institutionen oder Lehrstühlen der Philologischen Fakultät. Die drei ungarischen Institutionen, die der Fakultät für Geschichtswissenschaft, Internationale Beziehungen, Politik- und Kommunikationswissenschaften in Großwardein entsprechen, bieten insgesamt 66 Stipendien für 327 Monate in 11 Partnerländern an. Die sind in Auswahl: Deutschland, Spanien, Rumänien, die Slowakei, Dänemark, die Türkei, u.a. Von den 28 Förderungen, die den Studenten am Lehrstuhl für Kommunikationswissenschaften und Mass Media zur Verfügung stehen, wurden 2011 nur 2, 2012, bzw. 2013 eine einzige beantragt. Außerdem haben sich 2011 zwei weitere Mass-Media-Studenten und 2013 ein einziger um ein Erasmus-Stipendium vom Angebot anderer Lehrstühle beworben. Von den anderen zwei Institutionen der Philologischen Fakultät sind leider keine Informationen hinsichtlich der Zahl der Antragsteller zugänglich.

Die Medizinische und Pharmakologische Fakultät der Universität von Debrecen hat bei einer ungefähr gleichen Zahl der Partnerländer (9) und –institutionen (19) wie im Falle der Medizinischen und Pharmakologischen Fakultät in Großwardein mehr Stipendien für eine längere Gesamtdauer (303 Monate) im Angebot. Einige von ihnen sind aber nur für das akademische Jahr 2013-2014, oder die Zeitspanne 2012-2014 gültig, andere sind 2013 ausgelaufen. Ungarische Medizinstudenten scheinen zielorientierter zu sein als ihre rumänischen Kollegen. Von den 45 Stipendien zwecks Studiums oder Praktikums wurden für das akademische Jahr 2011-2012 fast alle (36) zuerteilt. In den folgenden zwei Jahren standen den Studierenden 50, bzw. 51 Förderungen zur Verfügung.

An der Wirtschaftswissenschaftlichen Fakultät gibt es 77 Stipendien für insgesamt 432 Monate in 15 Ländern. Die Zahl der Bewerber für eine Erasmus-Förderung variiert von Jahr zu Jahr, in der untersuchten Zeitspanne zeigt sie aber eine leicht steigende Tendenz. Während 2011 nur 16 Studenten Interesse an diesem Programm gezeigt und davon 12 auch ein Stipendium erhalten haben, steigt diese Zahl 2012 schon auf 19 Antragsteller, davon 15 erfolgreiche Bewerber und 2013 auf insgesamt 22 Kandidaten und 21 zuerteilte Stipendien. Hier kann man auch keine direkte Korrelation zwischen der Fachrichtung der Bewerber und ihrer Bereitschaft für eine Auslandserfahrung machen.

Anhand der verfügbaren Daten lässt sich folgendes Fazit ziehen: weder rumänische noch ungarische Studierende nutzen die ihnen angebotene Gelegenheit für Horizontenerweiterung aus. Von den analysierten Studienbereichen scheinen aber Medizin- und Pharmakologiestudenten die offensten für eine Erasmus-Erfahrung und die zielstrebigsten in der Entwicklung ihrer Karriere zu sein, wenigstens anhand der Daten von 2013, bzw. 2011. Ein Vergleich unter den Wirtschaftsstudenten beider Institutionen hebt beispielsweise die Tatsache hervor, dass die Zahl der Antragsteller für ein Stipendium im Verhältnis zur Gesamtzahl der Bachelor- und Magisterstudenten (an die 1150 in Debrecen und 2150 in Großwardein) sehr gering ist. Daraus ergibt sich, dass sich 2013 weniger als 2% der Studenten der Wirtschaftswissenschaftlichen Fakultät, Debrecen (Tageskurse und Fernstudium) um ein Erasmus-Stipendium beworben haben und dieser Prozentsatz ist an der Wirtschaftswissenschaftlichen Fakultät, Großwardein noch geringer, nicht einmal ein halber Prozent. Auch im Verhältnis zur Zahl der Stipendien zeigen ungarische Wirtschaftsstudenten bessere Resultate – einen Ausnutzungsgrad von zirka 29% 2013, ungefähr 25% 2012, bzw. 21% 2011 im Gegensatz zu den zirka 7% 2011 und 2013, bzw. ungefähr 13% 2012 im Falle ihrer rumänischen Kollegen –, auch wenn das ganzheitlich allzu wenig ist. Eine Synthese der in diesem Abschnitt untersuchten vollständigen Angaben ist in folgender Tabelle zu finden. Der Ausnutzungsgrad wird der eingereichten Bewerbungen und nicht der tatsächlichen Abfahrten gemäß berechnet, so spiegelt er nur das Maß an Interesse für Erasmus-Stipendien wider.

Tabelle 1: Nachfrage und Angebot. Erasmus-Stipendien im Überblick

	Universität von Großwardein, Rumänien		Universität von Debrecen, Ungarn	
	Zahl der Stipendien	Zahl der Bewerber	Zahl der Stipendien	Zahl der Bewerber
Wirtschaftswiss. Fakultät	2013-2014			
	150	10	77	22
Ausnutzungsgrad gemäß Bewerbungen	zirka 7%		zirka 29%	
	2012-2013			
	113	15	77	19
Ausnutzungsgrad gemäß	zirka 13%		zirka 25%	

Bewerbungen				
	2011-2012			
	ESM - 116 EPM - 78	11 2	77	16
Ausnutzungsgrad gemäß Bewerbungen	insgesamt zirka 7%		zirka 21%	
Med. und Pharmak. Fakultät	2013-2014		2011-2012	
	ESM - 32 EPM - 7	ESM - 17	ESM+EPM 45	36
Ausnutzungsgrad gemäß Bewerbungen	zirka 44%		80%	

Quelle: eigene Schöpfung

4. Hintergrundanalyse für den schwachen Ausnutzungsgrad der Erasmus-Stipendien

Im vorangehenden Abschnitt haben wir schon gesehen, dass Jugendliche im Zeitalter des freien Verkehrs und der zahlreichen existierenden Gelegenheiten ziemlich passiv zu diesem Angebot stehen. Warum das so ist, welche Gründe hinter dem lauen Interesse an Stipendien im Ausland stecken könnten, hoffen wir in dieser Studie wenigstens teilweise beleuchten zu können.

4.1. Methodologie

Vor dem Hintergrund der sozio-ökonomischen Umwandlungen der letzten zwei Jahrzehnte hat man schon manche Vermutungen zur Motivation, besser gesagt zur mangelnden Motivation vonseiten der Studenten, wenn es um Studienmöglichkeiten handelt. Diese sind wie folgt: finanzielle Gründe, schwache Fremdsprachenkompetenz, allgemeine Interesselosigkeit, Bequemlichkeit, die mittels einer Umfrage unter den Studierenden am besten zu überprüfen sind. An der Wirtschaftswissenschaftlichen Fakultät der Universität von Großwardein wurden 122 Studierende mit keiner vorherigen Erasmus-Erfahrung (106 Bachelor-Studenten, 34 im zweiten und 72 im vierten Semester, bzw. 16 Magister-studenten) um das Ausfüllen folgenden Fragebogens gebeten.

Umfrage

1. Kennen Sie die Erasmus-Programme?

- a) ja
- b) nein

2. Wenn ja, woher haben Sie von ihnen erfahren?

3. Sind Sie der Meinung, dass für die berufliche Ausbildung der Studenten ein Studiaufenthalt im Ausland absolut notwendig sei?

- a) ja
- b) nein
- c) ich weiß nicht

4. Sind Sie der Meinung, dass für die berufliche Ausbildung der Studenten ein Studiaufenthalt im Ausland nützlich sei?

- a) ja
- b) nein
- c) ich weiß nicht

5. Würden Sie sich um ein Erasmus-Stipendium fürs Studium oder Praktikum im Ausland bewerben?

- a) ja
- b) nein
- c) ich bin unentschieden

6. Wenn Sie die vorherige Frage bejaht haben, welches sind die Hauptgründe für diese Wahl (Sie können mehrere Varianten ankreuzen)?

- a) ich möchte meinen Horizont erweitern
- b) eine Erasmus-Mobilität sieht gut im Lebenslauf aus
- c) ich möchte meine Fremdsprachenkenntnisse verbessern/eine neue Sprache erlernen
- d) ich möchte andere Kulturen kennen lernen
- e) Abenteuerlust
- f) andere (bitte erörtern)

7. Wenn Sie sich um kein Erasmus-Stipendium im Ausland bewerben möchten, welches sind die Hauptgründe für diesen Entschluss (Sie können mehrere Varianten ankreuzen)?

- a) Furcht vor dem Unbekannten
- b) Furcht davor, dass man den Erwartungen nicht gewachsen ist
- c) ungenügende Fremdsprachenkenntnisse
- d) dieser Aufenthalt böte mir nichts Besonderes an
- e) zu viel Stress mit den Prüfungen an der Gast- und Heimatinstitution
- f) finanzielle Gründe
- g) andere (bitte erörtern)

4.2. Resultat der Umfrage

Die Umfrage hat folgende Resultate ergeben. Ungefähr die Hälfte (16) der befragten Studenten im ersten Jahrgang haben über Erasmus-Programme nicht gehört. Studierende im zweiten Jahrgang und Magisterstudenten zeigen natürlich einen besseren Kenntnisgrad auf, nur ungefähr 19% von beider Kategorie erklären sich als Nichtkenner des Programms. Wie es schon in einem vorangehenden Abschnitt

angedeutet wurde, zählen für etwa mehr als die Hälfte der Studierenden als hauptsächliche Informationsquellen die Fakultät, ihre Webseite und Lehrkräfte, während nur 8% Bekannte, Freunde, bzw. zirka 11% Kommilitonen und weitere 4% Anzeigen, Werbematerialien, das Internet angegeben haben. Nicht zu vergessen ist, dass für 27% aller Befragten Erasmus-Programme unbekannt sind. Bemerkenswert ist auch, dass während 57% der Antwortgebenden einen Auslandsaufenthalt für ihre Ausbildung für nicht absolut notwendig finden, denken fast alle befragten Studenten (an die 85%), dass diese Erfahrung nützlich sei. Auf die Frage, ob sie sich um ein Erasmus-Stipendium bewerben würden, haben zirka 34% positiv geantwortet und weitere 39% waren unentschieden. Im Spiegel der tatsächlichen Bewerbungen der letzten Jahre kann man dieser unentschiedenen Kategorie eher eine negative Antwort zumuten.

Die Gründe, die für die Bewerbung um ein Erasmus-Stipendium sprechen, sind hauptsächlich Horizonserweiterung, Verbesserung der Sprachkenntnisse (je 47 Stimmen), bzw. Kennenlernen von anderen Kulturen (37 Stimmen). Die Faktoren, die die Studenten als von der Bewerbung abschreckend angegeben haben, stimmen hauptsächlich mit unseren Vermutungen überein, sind jedoch zahlenmäßig nicht so überwältigend – 27 Antwortgebende haben ungenügende Sprachkenntnisse, 24 zu viel Arbeit und Stress mit den Prüfungen und 22 finanzielle Gründe beklagt. Nicht alle Fragebögen lassen sich aber eindeutig interpretieren, 11% der Antwortgebenden haben nämlich weder ihre positive noch die negative Wahl begründet, 17 noch unentschiedene Studierende (35% der zwischen ja und nein Schwankenden) gaben nur Gründe für die Nicht-Bewerbung an – sie neigen wohl eher zur negativen Antwort –, während 4 Studenten aus dieser Kategorie (zirka 8%) bloß Gründe für die Bewerbung angekreuzt haben. Weiterhin haben 24% der potenziellen Antragsteller auch ihrem Zweifel Ausdruck gegeben, indem sie auch einen Grund für die Nicht-Bewerbung – das Finanzielle, mangelnde Sprachkenntnisse, Furcht vor dem Scheitern, zu viel Stress – verzeichneten. Weiterhin soll erwähnt werden, dass von den 24 befragten Studenten der Fachrichtung Internationale Handelsbeziehungen, an die Erasmus-Stipendien in erster Linie gerichtet werden, dieses Programm nur 2 für unnützlich halten, sich 10 (zirka 42% also) für ein solches Stipendium bewerben würden und weitere 9 (37,50%) noch unentschieden sind.

4.3. Fazit

Diese Resultate sind für Lehrkräfte und Unterstützer einer Auslandserfahrung besonders informationsreich: zum einen zeigen sie, wo man bestimmte Vorurteile abbauen, was man bekämpfen soll und in welcher Richtung noch Arbeit zu leisten ist. Natürlich lässt sich gegen die Bequemlichkeit der Jugendlichen nicht vieles tun, ihre Befürchtungen wegen mangelnder finanzieller Mittel können aber dadurch behoben werden, dass Bestimmungsländer mit niedrigeren Unterhaltskosten oder mit vielseitigen Möglichkeiten zur Teilzeitbeschäftigung während des Studiums in den Vordergrund geschoben werden. Zum anderen verstärken die Chance eines Erasmus-Stipendiums und das Interesse an einem Auslandsaufenthalt schwankende Studentenmotivation zum Erlernen einer Fremdsprache.

5. Vorschläge für die Erhöhung der Teilnahmequote an Erasmus-Programmen

In den vorangehenden Abschnitten wurde schon beleuchtet, welche Werbemittel und Kommunikationskanäle für die Bekanntmachung der Erasmus-Programme verwendet werden, welches Interesse diese erwecken und welche Gründe hinter der fehlenden Studentenmotivation angesichts der Bewerbung um ein solches Stipendium stecken könnten. Daraus ergibt sich, dass man einerseits Wege zur Erhöhung des Bekanntheitsgrades der Mobilitätsprogramme identifizieren und andererseits Argumente

finden sollte, mit denen Befürchtungen der Studenten zu beseitigen und Vorurteile gegenüber Studienaufenthalte im Ausland zu bekämpfen sind.

Dass eine Großzahl der Studierenden im II. Semester über Erasmus-Stipendien noch nicht gehört hat, zeigt, dass eine frühzeitige Bewusstmachung dieser Studienmöglichkeiten nötig ist. Man sollte die „Neukömmlinge“ schon bei der Eröffnungsfeier ihres ersten akademischen Jahres über die Existenz der Mobilitätsprogramme informieren, damit sie zur Zeit der Bewerbungsperiode um diese Stipendien von Online-Quellen und Berichten der ehemaligen Teilnehmer mit Erasmus-Programmen schon einigermaßen vertraut sind.

Anlässlich der jährlichen Schülerbesuche, an denen Gymnasiasten, potenzielle zukünftige Studenten mit der Universität, dem akademischen Milieu Bekanntschaft machen, könnte man diese Jugendlichen zu einem Vorstellungsgespräch zur Erwerbung eines Erasmus-Stipendiums einladen; damit wäre die erste Begegnung mit Erasmus-Programmen gemacht und der erste Eindruck schon hinterlassen.

Ehemalige Erasmus-Stipendiaten, Lehrkräfte, die an Mobilitätsprogrammen teilnehmen, könnten eine größere Rolle in der Popularisierung der Stipendien auf sich nehmen. Durch mündliche und schriftliche, möglichst objektive Erfahrungsberichte, die nach der Heimkehr von der Mobilität auf die Webseite der Fakultät hochgeladen wären, würden sie ihren Beitrag zum besseren Kennenlernen der Programme mit all den Vor- und Nachteilen während des ganzen akademischen Jahres und nicht nur zur Zeit der Erasmus-Tage leisten.

Eine weitere Maßnahme wäre die Verpflichtung der Erasmus-Stipendiaten zum Ausfüllen des Evaluationsbogens angesichts ihres Auslandsaufenthaltes und dessen Öffentlichmachen an der institutionellen Webseite. Dieser Fragebogen ist von der Webseite des Büros für Internationale Beziehungen der Universität von Großwardein herunterzuladen und vorläufig fakultativ auszufüllen. Man könnte aber dessen Beantwortung zum Teil des ganzen Verfahrens und so zur Verpflichtung des jeweiligen Erasmus-Stipendiaten nach Beenden der Mobilität machen. Diejenigen Stipendiaten, die zu dieser Bewertung auch ihren Namen geben, könnten in eine Datenbank der möglichen Kontaktpersonen zwecks Information über bestimmte Institutionen und Bestimmungsländer aufgenommen werden. Ihre direkten positiven oder ab und zu auch negativen Erfahrungen würden Interessenten bei der Beschlussfassung und der richtigen Wahl gewiss helfen.

6. Danksagung

An dieser Stelle möchten wir uns bei den Mitarbeitern der Büros für Internationale Beziehungen oder Erasmus-Koordinatoren an beiden untersuchten Institutionen für die wertvollen Informationen bedanken, die uns beim Verfassen dieser Studie von großer Hilfe waren.

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TEACHING ENGLISH AS A FOREIGN LANGUAGE TO FOREIGNERS

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Abstract: *Teaching English as a foreign language requires very different approaches if we consider the recipients of the didactic process. Concerning the practical aspects of the primary task of a language instructor, namely teaching, skills of all sorts are required in order to be able to use best methods and most appropriate resources and up to date materials and devices. Moreover, to teach students of your own mother tongue is one very distinct thing from teaching foreigners. These two categories, namely students of the same mother tongue as their teacher and foreigners, have two things in common, namely: first, they are the subjects on whom the activity of teaching English is to be applied and second, this language is not their native tongue. These facts can thus be reduced to one idea: addressing to recipients of EFL teaching. Still, there is a big difference between teaching the first category mentioned, those who have the same mother tongue as the teacher and teaching the second category, foreigners, to whom not even the vaguest hints can be provided in other language than English. There comes a new challenge, an extra endeavour for an even more special approach. This study undertakes to present some of the distinctions entailed at the level of teaching methods and to parallel the diverse methodological approaches for the two situations presented. Are the four skills that language acquisition assumes to be taught distinctly and shall the approaches in each particular situation differ from one case to the other or not too much? It takes some distinct features to be or, better saying, to become a teacher of languages; and to teach English as foreign language to foreigners is a new development within this typology, a diverse dimension. New levels of character traits are instinctively reached by instructors in order to better cope, unconsciously, psychologically and emotionally, with the 'upgraded' challenges.*

Key words: teaching EFL, foreigners, mother tongue, methodological approaches

JEL classification: Y80; Z00; K00

1. Introduction

In the first place, the challenging nature of teaching English as a foreign language can be considered to be due to the permanently dynamic status of both the English language itself and the methodological aspects implied by teaching. Then, it is often painstaking to follow and comply with the too often changes in curricula and in the regulations concerning preparation of documents necessary in the field. Being a didactic instructor means unfortunately a lot of administrative work as well. These are collateral aspects that do not make the concern of this paper though possibly quite relevant in the 'economy' of the profession of a language teacher. The main role of the teacher, the practical aspect of this job, is the matter at stake here. Two particular categories are to be analysed as follows, both concerning teaching English as a foreign language (EFL), i.e. to students with mother tongues other than English, and by a language teacher who is non-native. The two categories differ in the fact that one refers to students having another mother tongue than the teacher (foreigners), while the other one is represented by students of the same language as their teacher.

2. Language teaching

It takes many specific features to be a good teacher in general and some might say that teachers of languages have to be born with certain particularities. They should not only prove a talent for language and a sort of musicality but also peculiar propensities and specific trends of character. English teachers, in the view of Geoff Barton, have to be: “passionate”, “text maniacs”, “risk-takers”, “nervous on the day of exam results” and they “love the process of teaching” and “its creative opportunities”, “love individualism”, “balance spontaneity with structure”, “work too hard”, “don’t pretend to know all the answers”, but “have a powerful emotional impact” and are “more important than they realize” while, still, they seem to be “undervalued”. (Barton, Geoff; pp.1-3)

2.1. Teaching EFL

Teaching English as a foreign language is a permanent challenge though as some researchers have noted “It is not unusual for EFL teachers in the present context to interpret professional development solely in the sense of improving their linguistic competence, rather than the teaching practice” (Kubanyiova, p.9). Teaching has in itself always been in the first place a matter of self improvement so as to be able to pass over knowledge and facts that are accurate, true and up to date. So it is only natural that learning precedes teaching and indeed there will be voices to argue that this is never enough; and it really isn’t. It is not only the thing to be next transmitted that has previously to be well assimilated but the real challenge comes when turning to the part of appropriately conveying the info one desires to render. In terms of teaching a foreign language, especially English, that is so widely used and thus very much ‘alive’ and volatile, the teacher who is not a native speaker has of course a double work to perform. Besides doing their job, teaching, i.e. following the methodological steps and improving their methods, the EFL teachers shall be permanently trying to improve own skills and keep up with all facets of this dynamic language. And it is an endless circular endeavour implied here as the new developments in one area trigger diverse approaches in the other.

2.2. Particularities of teaching the four skills

Listening, reading, writing and speaking are the four skills to be targeted in teaching a foreign language. Each of these skills requires a particular way of tackling it, a different approach of the material and of the class of students.

As several researchers have noted, for instance “when extensive EFL reading is taught ..., it is supposed not only to develop fluency in reading and promote acquisition, but also to develop other skills as well, especially writing” (Sehlaoui 2001, p.620). Reading and writing are said to be shared knowledge, that is, what we know about reading and the way we comprehend a text is similar to the way we compose it. (Carson 1993, Kroll 1993, Sehlaoui 2001, Sehlaoui 2001, p.620)

The range of activities that are used in teaching the skill of reading is quite vast covering from simple reading comprehension question that require straightforward answers more or less easily identifiable in the text as such or slightly differing, to more complex exercises that need accurate interpretation of the ideas present in the material read so as to further allow and facilitate selection of appropriate answers in multiple choice drills that present similar options just slightly different in meaning. This assumes a whole panel of activities of various levels of difficulty, from direct recognition in the text of a group of words and a logical structure to the elaborate and sophisticated process of analysing meaning and also mastering enough skills to correctly identify it once transformed into another lexical structure of exactly the same sense, i.e. having already acquired the complex psychological, interpretational and, ultimately, communicational and linguistic ability to detect such transformations. The latter requires obviously a much

more elaborate cognitive, deductive and inductive process of greater demand both for knowledge of language and of its subtleties.

Gapped text completion with given structures to be placed in the right location can in themselves be of various levels of difficulty. Generally, the more and the longer the fragments to be filled in with are, the more demanding and challenging the drill. However, what is very relevant in all reading comprehension exercises is correct identification and recognition of key words. They shall guide all choices, in all the types of exercises aforementioned. Precise connections and correlations are necessary as well since they are the ones to render the meaning and its precise grasping is of utmost importance when considering activities of choosing communicational structures of identical semantic value – i.e. of very similar interpretability - as the original text.

If teaching first levels reading and speaking, pronunciation and vocabulary, comes more usual, when tackling writing and more complex developments of speaking, involving grammar and specific structures, more explanations will be required so an intensive interrelation needs to be employed between teacher and student, which asks for a developed capacity of accurate, proper communication, between transmitter and receiver of such information in the foreign language.

Obviously, the material provided for reading, together with all possible comprehension exercises, will make a good study object for preparation in tackling the formation of the skill of writing. Here, nevertheless, a series of other specificities shall follow as the learners will later need to make clear cut distinction between the various styles or the diverse types of registers. It will at the same time be crucial for them to acquire proper knowledge of terminology used for particular sorts of texts and to understand what a certain written material should consist of and how it has to be tackled considering its nature, i.e. what it has to comprise if it is, let's say, a report, what if it is a description, or an essay, a formal or an informal letter, a short article, a book review etc. Not only that many examples of texts belonging to such categories are to be studied but also several characteristics of each category of texts are to be learned and much consideration of the details that make the difference should be implied in developing writing skills.

In what speaking is regarded, there is a big variety of abilities to consider, from standard phrases that are to be learned and then used as such or slightly added to concord with the factual circumstance in specific communication instances, to dialogues of the question and answer type, to more elaborate conversations or guided presentations and speeches or monologues on given topics.

3. Teaching EFL to regular classes and to foreign students

3.1. General methods employed in teaching language skills

As mentioned in the subtitle above, the four skills will be taught or, better saying, induced and implemented, using different activities, distinctive from one skill to another.

When, for instance, acquisition of speaking skills is intended during a class activity, the methods of approaching this purpose range from role play, directed discussion, conversation on topic, expressing ideas and preferences, dialogue, description of image, question and answer quizzes, oral puzzle games etc.

In the case of reading, activities such as observation of model reading, silent and loud reading, pair work in case of dialogues, role-play in case of conversations, comprehension drills etc. can be employed.

At listening, for developing this skill, a series of activities of different types of listening can be used, from tape recorders of shorter to longer fragments, from more familiar to more complex scripts, partially supported by fragments of scripts, with previous and ulterior analysis of the fragments heard or to be heard.

For writing, a series of exercises are to be solved in preparation stages, drills of use of language combined with drills on other related aspects that together, in time, shall provide a necessary degree of mastery of a series of components that shall form the writing ability: from the extensive amount of various grammar structures needed, to general or specific vocabulary and lexical elements, idioms or expressions. These acquisitions will ultimately work together with the subjects' knowledge of the particular formulas and formats of the different materials to be written. They will in time be assimilated by, for instance, multiple choice drills or other similar types of exercises that can generally induce passive assimilation of such materials rather unattractive to learn. All the various aspects employed according to the type of skills in discussion are to be tackled differently in distinct type of classes, consideration of a native language common or not common to the instructor and the subjects being relevant in most cases, i.e. for most of the class activities mentioned.

3.1. Tackling regular classes

It is quite obvious that there can be assigned a higher degree of difficulty to the job of an English teacher since, as noted in various circumstances they "have to explain things to learners in English"; thus, even if they are said to "have more positive attitudes", "show more enthusiasm", to be "more creative" and "more flexible" and to "have a closer relationship with students", they, however seem to have greater impediments to surpass as by the nature of their activity they have to work harder to compensate the language barrier as they "use English, which creates a greater distance between teachers and students." (Lee p.34) More often than not, to perhaps non-deliberately, even instinctively, avoid such perceptions with the students taught, the teachers of languages may sometimes make use of their mother tongue, especially with elementary level students. Thus, students of the same mother tongue as the teacher will be even unintentionally treated in a more stimulating way from the point of view of communication of diverse unknown aspects concerning the foreign language taught. Of course, this 'familiarity' should not be overused. The danger is that the situation might degenerate into an inappropriately extensive use of mother tongue during the foreign language class. Then, it is more harmful than useful as the abuse of mother tongue in a foreign language class will turn that class from its very purpose, i.e. learning and making use of a foreign language. But still, a small, admissible amount of a language other than the one which is being taught at one moment can make a big difference and confer some aid or the needed comfort in a particular, proper situation. Its suitable use cannot harm if not, on the contrary, it can sooner re-establish an adequate atmosphere in the class. Moreover, it will most of the time pass unnoticed, because, as it is said, some things are remarked only when they are absent, and things that come just natural are the ones that best integrate here. In short, it is all just natural and obvious that mother tongue shall from time to time be used in regular classes of foreign languages to make certain clarifications and to settle various things.

Regular classes show yet another particularity that can at times be either an advantage or a disadvantage. Thus, they can benefit or respectively, as specified, suffer from the consequences triggered by the existence of the lexical elements so called "false friends". Students may be tricked by erroneously familiar lexical elements, as the very idea of false friends suggests, or, on the contrary, they can achieve more knowledge of vocabulary, through the very opportunity of having discussed such elements during classes. In many situations it can be considered that several words have become better known especially because they had been learned as examples of false friends and reinforced along previous years of teaching process.

3.2. Approaches of teaching EFL to foreign students

It is indeed said that “some of the best English lessons are often the result of a teacher who only knows English and therefore forces the students to speak in English to communicate. This method of teaching [...] is known as the *direct method* or the *natural method* of teaching a foreign language, and focuses heavily on correct pronunciation and gaining conversational skills.” (*Tips for teaching EFL*) When English is the only possible common language between trainer and trainee the situation boils down to the aforementioned one, which in the original reference referred to native English teachers. It nevertheless holds true for the situation at stake, namely teaching EFL to foreigners. The factual circumstance is that the trainer and the trainees can communicate in English alone.

Now how does this change the problem? There are several things that shall no longer be tackled properly, or surely not in the same way as with regular classes. It will be a challenge for both the students and the teacher. To adapt to the new situations of no means of communication other than the language that is just being taught is certainly quite a challenge.

Naturally, the language category of false friends cannot be explained or discussed with classes of students of another language. An approach of the kind and the entire consideration connected to false friends are invalid in classes of English taught to foreigners.

Neither the shortcomings of the English words having the characteristic of being very similar to words in their mother tongue, in spelling or pronunciation, nor the advantages in benefiting from the discussions and the learning of these terms, of these lexicological elements, will be present with classes of English taught to foreigners.

The lack of a common language to the instructor and the students (other than English – the language of teaching and the language being taught as well) prevents them from having discussions on vocabulary as those implied in the process of presenting the false friends. Still, there might be instances of multilingual considerations. This holds true in the circumstance that various English terms are known by most students in the class and they can help the others by giving translations in their mother tongue if the case. Also, certain structures can be analyzed seeing the development of particular lexical units in all the languages available in the class if appropriate and pertinent. This can come as useful in rather few situations. For instance, consideration of the English word “car” can be interesting to discuss if among the foreign students there are also Portuguese, Hungarian or Spanish people. Comparing to the Romanian translation interesting situations shall occur. If the Portuguese “carro” resembles the English term and means the same thing, the Romanian “car” is not the correct translation so that we can talk about a false friend here, it meaning a traditional means of transportation with animal traction used in the countryside. What is even more interesting is that considering the Spanish and Hungarian translation of the English “car”, namely “coche” and respectively “kocsi”, we shall find that there is another Romanian word, similar to these two, “cocie”, of regional circulation, and having the same meaning as the term “car”, previously explained. So, the mentioning of such a situation is indeed interesting and it maybe quite useful if not else then as a memo technical procedure. But such examples are hard to identify and rather scarce. Continuing the consideration of these terms it might be again relevant to see that the Romanian correct translation i.e. “mașină” also gives way to discussions as the word exists with small variance in most languages implying the general term that denotes a device, an apparatus, a machinery, a system of components put together to work as an ensemble if stimulate by some engine or impulse of some kind. So, vocabulary teaching may get very interesting if tackled in a comparative manner but it shall not be an easy task to embark to. If the teacher has no notions of the language the students have as mother tongue he/she will

have to rely on translations and explanations provided by the students themselves. That will not be quite appropriate nor too reliable. Such approaches can only be then very short and merely consultative or coming as discussions “by the way” not as a regular part of the class. However, documentation and attentive consideration are required.

4. Incompatible activities and commonly applicable techniques

Diverse procedures can be used more or less successfully in both categories of classes under discussion. From among these, the most common are: use of gestures, verbal exemplification or audio device production and repetition, reproduction of material read and learned, visual explanation or physical presentation of notions taught.

4.1. Body language

Several researchers note that the first skill one will need to master in order to “start successfully teaching English as a foreign language is the ability to use body gestures and signs effectively. Many students find that they learn a new language better when they are forced to speak *only* English in the classroom.” (*Tips for teaching EFL*) So, in the case of teaching EFL to foreigners, being unable to make use of the student's native language, the teacher will encourage and force them to start communicating and learn English by first using “body language and gestures to teach them new words, and then using what they've learned to build even more knowledge.” (*Tips for teaching EFL*) The same can apply to teaching EFL to students of the same mother tongue as the teacher's though it will be more often than not that the teacher shall in these situations sometimes appeal to the mother tongue to make clarifications, offer translations, give accurate and ultimate explanations of more sophisticated notions. No matter how hard a teacher might try not to use other language than English during the English classes, some remarks, some words, some phrases might anyhow escape this self censoring attempt and this can make an important difference between the two types of classes. Once the teacher gets accustomed to such style, it will be more difficult to control during classes of teaching English to foreigners, and any ‘slip’ as the previously mentioned ones, towards the mother tongue, would be felt as at least awkward in that context.

4.2. Repetitions

Another technique that is considered relevant when teaching English as a foreign language, and not only, is to have the students “practice common phrases until they feel completely comfortable with those phrases. This technique [...] allows the student to focus heavily on correct pronunciation and accent. [...] It's important when teaching any language to focus on the most useful and common phrases first, so [...] students are able to start conversing right away.” (*Tips for teaching EFL*).

This strategy applies perfectly also to the classes of teaching EFL to conational students but it is only at the elementary level that such procedure is valid for (teaching greeting and easy phrases, focusing on pronunciation), and at that level differences are not of too much relevance between the two types of students with respect to the methods of teaching. Both groups know very little English in that case or during that stage and it is not the concern of the current study as the situation is rarely met at the level of higher education and the approaches are however similar if not identical.

To pronounce something and elicit several repetitions from the students is probably the easiest way of tackling foreign language vocabulary. And if only pronunciation is put forward it is nothing more to it.

Indeed when interpretation of meaning is involved things change, the approaches get distinct in the two situations under analysis.

4.3. Translation and retroversion

If with students of the same mother tongue as the teacher translation comes just natural, with foreigners an entire process of explaining the sense of the given notions in many words and gestures shall follow. The latter approach, the extensive explanation in English is indeed applicable, and, which is more, quite preferable and advisable with the former group, while the former approach, the direct translation, is of course useless, invalid and awkward with the latter group.

With students having the same mother tongue as the teacher translation and retroversion constitute usual activities in the economy of the class. With foreign students, the teachers not knowing their mother the regular activities abovementioned cannot be employed in the teaching- learning process. Thus, such activities prove unusable and remain incompatible with teaching EFL to other students than those with whom the teachers share the same mother tongue.

5. Conclusions

As a non-native teacher of English to teach EFL to foreigners can be a process very distinct from teaching students of your own mother tongue.

For instance, while with students having the same mother tongue as the teacher translation and retroversion constitute a normal and maybe extensively used part of the process of teaching and learning, with students that do not share a common language with their teacher of a foreign language, other than the particular language that is the very object of teaching and learning – and that of course to just a certain degree, as else it would not have to be a discipline in the curricula – there is no way of using the otherwise very common activity of translation or retroversion.

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HIGHLIGHTS OF ROMANIAN AND FRENCH WINE MARKETS: THE EXAMPLE OF FRENCH CHAMPAGNE MARKET

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Abstract: *The market is a dynamic market in which the European Union plays a leading role as the main producer and exporter of vine products. In this area, four countries with strong agricultural and viticultural tradition dominate the market: France, Italy, Spain and Germany. But among the new eastern EU members, countries as Romania, with a favorable geography and climate and also a viticultural tradition, some may also play a more prominent role.*

Romania is part of the top 12 wine-producing countries, however Romania penalty to export large-scale production of wine. In contrast, France is the main producer and exporter of wine country. This situation is primarily due to the strategic choice of a very strong geographic labellisation of wine production and the emphasis on quality and even the excellence of its products, in particular thanks to a promotion policy.

Two major non-exclusive solutions seem to emerge for Romania. On the one hand, it can copy to a certain extent the French solution by leveraging labellisation its wines. The French wine market is also the reference of the European Union in particular as regards the creation of the label: Appellation of Origin (PDO). The example of champagne is, in this context, remarkable. This product alone largely not only the volume and value of exports of wines, but also the volume and value of exports of all agricultural products. It can also try to increase its exports to emerging countries outside the European Union.

Non-European areas are both a promise of growing opportunities in a context of economic crisis or post-crises and a threat to the European wine sector: in particular we think about America, Asia and Oceania. Indeed, the main third countries also wine producers are trying to increase their market share. This explains the new measures taken by the European authorities aimed at deep modernizing European wine sector.

Introduction: This paper is a preliminary study of a comprehensive study of Romanian and French viticoles markets, including the market for Champagne wine as regards France, as part of a future partnership of French-Romanian research. The purpose of this introductory paper is to provide some salient features of these two markets that are part of a broader and highly competitive environment, both within Europe and in third countries. This paper is constructed in three parts: the first part deals with the wine market at European and global level. The second part highlights the main characteristics of French and Romanian markets. While the third part is devoted to the study of the champagne market. The wine industry is an important sector of the European économie both in terms of production, export, at the social level. This activity is indeed a great source of employment, especially in the Champagne region who practice a traditional mode of production with high demand for labor. The share of wine exports in European Union, and in particular in France and Romania allows this region to significantly improve its foreign trade balance. In addition, this market remains a promising market with the entry of emerging countries, which have already begun to revitalize the sector.

Keywords : Common Market Organization ; wine ; production and exports ; Champagne

- WorldwiEU wine market

The European Union EU-27 (EU now includes 28 member states, Croatia entered the EU in 2013, but data from Croatia are not included) is the world's leader in wine production, with almost half of the global vine-growing area and about 60 percent of production by volume, according to USDA (2013) datas. 2012 EU-27 wine production is estimated at 141 Million Hectoliters. France, Italy, and Spain represent about 80 percent of total EU-27 output, as can be seen in the Table 1 for the last six years :

Table 1 : Wine production trend (1000 hectoliters)

	2007	2008	2009	2010	2011	2012
France	45.672	41.640	46.269	45.669	50.757	40.609
Italy	42.514	46.245	45.800	46.737	42.705	39.300
Spain	36.408	35.913	36.097	35.363	33.397	31.500
Germany	10.261	9.991	9.228	6.906	9.132	8.903
Portugal	6.074	5.620	5.872	7.133	5.610	5.857
Romania	5.289	5.159	6.703	3.287	4.213	4.059
Greece	3.511	3.869	3.366	2.950	2.750	3.150
Austria	2.256	2.628	2.672	2.352	1.737	2.815
Hungary	3.222	3.460	3.198	1.762	2.750	1.874
Other EU-27 countries*	3.853	3.604	3.034	2.616	3.177	2.773
EU-27*	159.060	158.129	162.238	154.775	155.671	140.840

*Volume of product removed from fermenters after the first natural fermentation of the must of fresh grapes (juices and other musts excluded) 2011 (provisional) – 2012 (estimates)

** Author's caculation

Source: OIV (International Organization of Vine and Wine); Eurostat; FAS Europe Offices, quoted by USDA (2013)

In 2012, EU-27 wine production declined of about 9 percent from the previous year. In fact, EU-27 vine-growing area has been declining over the past few years due to shrinking margins and the grubbing-up policy of Common Market Organization (CMO) since April 2008. Grape growers producers are compensated for alternatives, they received a financial incentive to voluntarily pull up their grape vines.

Table 2: continental areas under vines and continental grapes production

	Europe		America		Asia		Oceania		Africa	
	2000	2012	2000	2012	2000	2012	2000	2012	2000	2012
Continental area under vines as % of global vineyard	62.5	55.6	12.0	13.3	19.4	23.4	2.0	2.7	4.3	5.2
Continental grapes production as % of global vineyard	62,5	39.0	12.0	21.0	19.4	31.2	2.0	2.7	4.3	6.3
World production of wine %	72.7	62.3	17.0	19,8	4.5	6.9	3.1	5.9	4.3	5.1
World consumption of wine %	69.3	62.0	6.0	10.0	19.8	22.0	3.0	3.0	1.9	3.0
World wine import		45.2a 8.3b		22.5c		14.5				

a UE b Rest of Europe c North America

Source : Castelucci F. (2013), « World vitiviniculture situation in 2012 », XXXVIth World Congress of Vine and Wine, OIV (International Organisation of Vine and Wine), Bucarest, 3^d june.

The new CMO strategy aims to reduce production of uncompetitive wines, regain market share on the world market, cut surpluses, phase-out expensive market intervention measures. EU wine producers would be too small and their production not large enough for the needs of large-scale retailers. To reach those goals the main

proposed actions include grubbing-up, issuing planting rights, abolishing crises distillation, reevaluation of enrichment practices and labeling rules, and possibly more flexibility in oenological. Labeling concerns for example origin and geographical indications, traditional terms and so on. CAP (Common Agricultural Policy) is organized into two pillars. The first one is the "direct aid". Rural development measures which are managed and financed by the regions constitute the second one.

The EU has prohibited any new plantings until at least December 31, 2015. Replanting is allowed only to renew or replace areas where producers voluntarily pull up the vines. Planting right may be considered as a tool to keep stability in the wine market.

Crisis distillation of wine was an important way for the EU to get rid of surplus production. However, the distillation scheme of surplus wine has been gradually phased-out over the last four years concluding in July 2012. Beginning August 1, 2012, Member States were allowed to grant national aid to wine producers for the voluntary or mandatory distillation of wine but only in justified cases and with the approval of the European Commission. Distilled alcohol must be used in the industrial sector.

Promotion in third country markets has become widely used by the wine sector, supporting the growth in exports of wines with PDO/PGI (Protected Denomination of Origin/Protected Geographical Indication) in recent years. The main target markets are the U.S., Canada, Japan, and Switzerland. China, Brazil, and India are being also developed as new promising markets.

Overall EU-27 wine production decreased in wine year 2010/11 but not in the Member States that had grubbed up the largest area: Spain (68 447 ha), Italy (20 532 ha) and France (16 674 ha). Some of the reduction in productive capacity can be offset by an increase in yields. The EU-27 wine production decrease in wine is mainly due to a decrease in Germany and Romania where the total area grubbed up was respectively 56 ha and 185 ha for the two first wine years of enforcement of the scheme. In wine year 2011/12, wine production continued to increase compared to 2010. Taking account of the climatic conditions, grubbing-up did not yet cause the expected reduction in wine production.

According to the EU Commission, 175,000 hectares (Ha) were taken out of production between 2009 and 2011. However, EU-27 area wine still accounts for 46 percent of the world area under vines (Table 3).

Table 3: Continental areas by countries and region in 2012 *

Continental Countries	areas	viticulatural superficie	
		1000 Ha	%
U.E. à 27		3 492	46,1%
	Of which FRANCE	800	10,6%
	ITALIE	769	10,2%
	ESPAGNE	1 018	13,4%
	PORTUGAL	239	3,2%
	GRECE	110	1,5%
		102	1,3%
ALLEMAGNE		205	2,7%
	ROUMANIE	44	0,6%
	AUTRICHE	64	0,8%
	HONGRIE	78	1,0%
	BULGARIE	4 212	55,6%
EUROPE		1 009	13,3%
AMERIQUE (**)		378	5,2%
AFRIQUE (**)		1 770	23,4%
ASIE (***)		206	2,7%
OCEANIE			
TOTAL MONDE		7 575	100,0%

Some Reductions in the vine surface areas in EU are also the result of declining climate conditions, stagnation of EU alcohol consumption, vine diseases, and health concerns campaign. Europe has one of the highest levels of alcohol consumption per capita. Henceforth, targeted measures aimed at limiting drunk-driving, and improved education and information campaigns are taken. Taking the case of climate, for example, Romania's grape wine production has been hardly affected by the heavy frost in February 2012 and the severe heat and drought over the summer that damaged the main crop areas. Already, during 2011, winter freeze and summer's scorching temperatures made drop the production about 30 percent.

Table 4: EU-27 Production, Supply, and Demand (1000 Hectoliters)

	2011	2012	2013 (forecast)	2011	2012	2013 (forecast)
Production	155.671	140.840	154.706	91.95%	91.18%	91.95%
Imports	13.625	13.620	13.550	8.05%	8.82%	8.05%
TOTAL SUPPLY	169.296	154.460	168.256	100.00%	100.00%	100.00%
Exports	22.474	22.300	22.400	13.27%	14.44%	13.31%
Total domestic use, including:	151.260	151.665	151.979	89.35%	98.19%	90.33%
<i>Human consumption</i>	126.000	125.000	126.000	74.43%	80.93%	74.89%
<i>Other</i>	25.260	26.665	25.979	14.92%	17.26%	15.44%
Changes in inventories	-4.438	19.505	-6.123	-2.62%	-12.63%	-3.64%
TOTAL DISTRIBUTION	169.296	154.460	168.256	100.00%	100.00%	100.00%

Author's calculation from FAS Europe Offices data quoted by USDA (2013)

The EU-27 remains the world's leading wine exporter in 2012, exporting 22.3 Mhl valued at \$11.3 billion. According to the latest EU Commission data, intra-EU trade has

increased 14 percent from 43 Mhl in 2007 to 49 Mhl in 2011. However, the share of exports is only 13 to 14 percent of the total demand of EU-27 wine. In 2012, the United States remained the leading EU-27 export market, representing 24 percent of the total volume and 28 percent of the total value. EU-27 export volumes to China, valued at \$978 Mln, climbed 9 percent in 2012.

France's 2012 exports, valued at \$10.4 billion, remained flat compared to 2011. The balance of french trade balance of wines in 2012 recorded a surplus of almost € 7.2 billion. In value terms, the United Kingdom, the United States, and Germany are the main destinations for French wines. Germany, the United Kingdom, Spain, China, and Estonia are the top Romanian wine destinations.

Wine production is estimated to represent approximately 5 % of the EU agricultural output.

During the financial years 2009 and 2010, expenditure in restructuring and conversion was particularly notable in Italy (168,7 million euro), France (148,6 million euro), Spain (134,7 million euro) and Romania (83,2 million euro).

- **Comparison of Romanian and French wine market**

2.1 Romanian wine market

According to Fulconis and Viviani (2006), « Rich of 250.000 hectares of vines producing 13 millions hectoliters of wine, Romania is among the first wine countries of the world. It occupied, in 2004, the rank of 12th world wine producer, just after Portugal. It is also a country of old wine tradition, if we can read that vine would be cultivated there since Antiquity. The Romanian wines were affected during the XIXe century by epidemic of phylloxéra. It is the principal explanation of the fact that current type of vines were imported from France, Germany and Italy, and acclimatized to Romanian conditions (grey pinot, pinot noir, chardonnay, Italian Riesling, merlot, white sauvignon, cabernet-sauvignon, etc), during XXe century. But some autochthones type of vines remained.

During the communist era, Romanian vineyard export was turned towards the only USSR and the policy of rationalization did not always aim wine quality. Even now, about half of the production is still ensured by large co-operatives. However, there is recent evolutions in terms of surface planted and especially of quality. Quality had increased since the retrocession of the land to the former owners began during the 1990's.

According to official data, white varieties occupy about 85 percent of the total vineyard area, while red varieties account for the remaining 15 percent. *Feteasca Alba* and *Feteasca Regala* are the main white varieties, followed by *Riesling*, *Aligote*, *Sauvignon*, and *Muscat*. Leading red varieties are *Merlot* and *Cabernet Sauvignon*. In 2010, PDO and PGI wines represented 10 and 18 percent of the market, respectively. Wineries can apply to EU funded reconversion programs to replace the hybrid vineyard with noble vineyard. In Romania, The vineyard area has been on a downward trend for the last three years, falling from 184,400 Ha in 2009 to 175,000 Ha in 2012.

Romania have eleven wine-producing regions (Cotnari, Dealu Mare, Jidvei, Murfatlar, Panciu, Odobesti, otesti, Recas, Târnave, Vânju Mare, Bucium), with a classic continental climate: hot summers and very cold winters, and very diverse landscape.

Romania is the sixth-largest wine grower in the European Union and with its 180,000 hectares of vineyards. Romania produced as of 2009 around 610,000 tons of wine. In

recent years, Romania wine market began to attract European business people and wine buyers, due to the affordable prices of both vineyards and wines compared to other wine producing nations such as France, Germany, and Italy. Wine market is one of the very few sectors of the Romanian economy that is attracting EU development funds. Nevertheless, Romanian wine activity suffers of a bad reputation for widespread graft, cumbersome commercial practices and shaky political foundations. However, product quality has increased, the area of vineyards has shrunk, new investments and new players have entered the market. Romanian winery, exports a meagre five percent of its wine to Canada, Belgium, Sweden and Germany and plans to expand its export base to United States and across northern Europe. Imports were nine times larger. On April 6, 2012, the Romanian Association of Wine Producers and Wine Products "Dobrudzha", in cooperation with the Bulgarian State Fund "Agriculture" and the Bulgarian Regional Vine and Wine Chamber ("Trakia") agreed to implement a multinational program to promote PDO and PGI wines in Russia and China. The EU approved program will last three years (March 2012- March 2015), with a total budget of 3.2 millions of Euros. Half of the budget is provided by the European Union (EU), 30 percent by the State budget, while the remaining 20 percent is paid by the beneficiary. A third EU funded project aims to promote wines with Geographical Indication from Southern.

2.2 French wine market

France ranks as the world's largest wine producer in 2012, with 16 percent of the global market share, and nearly 29 percent of the EU-27 market. The Romania share in EU-27 for the same year is 2,88 percent. EU-27 wine production in 2012 is estimated at 141 Million Hectoliters (Mhl), 9 percent below from the previous year. A significant decrease of 19 percent occurred in France, against a decrease of only 3.6 percent in Romania.

In France 2010, vineyard area was officially reported at 774,000 Ha. Approximately 45 percent of French vineyards are devoted to AOC (Appellation d'Origine Contrôlée) and VDQS (Vin Délimité de Qualité Supérieure) wines; 28 percent to IGP (Indication Géographique Protégée) wines, 11 percent to table wines and 16 percent to *brandy* production (mostly *cognac*). On average, 85,000 farms produce 42 Mhl of wine per year (42.4 Mhl in 2011).

France is a large producer with high specialisation in GIs, Romania is rather a medium producer with a low share of GIs by sales. Labelling with Geographical Indication (GI) gather the two following labellings: Protected Designation of Origin (PDO), Protected Geographical Indication (PGI). In the wine sector, PDOs and PGIs were introduced in 2009 with the 2008 Common Market Organisation reform (Reg. (CE) No 479/2008).

Table 5 - Average sales volume of wine (2010) per category and % per category (1000hl)

	Total	PDO	PGI	Non-GI	% PDO	% PGI	% non-GI	% total
IT	49 213	11 795	11 795	25 624	24%	24%	52%	100%
FR	46 109	21 141	9 147	15 822	46%	20%	34%	100%
ES	24 602	10 813	1 198	12 592	44%	5%	51%	100%
DE	9 578	8 041	199	1 338	84%	2%	14%	100%
PT	6 299	2 485	1 068	2 746	39%	17%	44%	100%
RO	5 018	423	1 229	3 367	8%	24%	67%	100%
HU	3 158	2 088	735	335	66%	23%	11%	100%
UE27	173 497	60 072	27 135	86 289	35%	16%	50%	100%

Source: DG AGRI and AND-International study quoted by Chever T., Renault C., Renault S., Romieu V. (2012)

hl : hectolitres

The sales value of GI wine was €30.4 billion in 2010; PDOs represented 85% of the sales value and 69% of the sales volume under GI. The five largest GI wine producers (France, Italy, Spain, Germany and Portugal) gathered 89% of the sales volume under GI and 93% of the sales value under GI.

Considering the PDOs and Germany in term of sales volume and sales value, France (respectively 35% and 54%) is ahead of Italy (20% and 4%) , Spain (18% and 3%) and Germany (13% and 9%). Romania gathered only 1% and about 0%. But, Italy was ahead of France, Considering PGIs. PGI sales were very concentrated: these two countries gathered 77% of the volume and 81% of the value. The high valorisation of French wine was partly due to PDO Champagne.

According to Chever T., Renault C., Renault S., Romieu V. (2012), with a total value around €5 billion in 2010, PDO/PGI wines represented 74% of the total value of extra-EU exports of wine, including 80% of PDO wines and 20% of PGI wines. Exported GI agricultural products came mainly from France, the United Kingdom and Italy. Products originating from these 3 countries represented 86% of total extra-EU exports of GI products with 40%, 25% and 21% respectively. In the three cases, exports were pulled up by a very small number of designations, like Champagne and Cognac in France; Scotch Whisky in the UK; Grana Padano and Parmigiano Reggiano in Italy. The GI wine sales value is very important in France, with 75% of total French GI sales, in 2010. French wines represented 29% of the total EU 27 agricultural sales value under GI in 2010. France is the leading EU member state in sales value of GI wines, with 54% in 2010 of all PDO/PGI wine exports. France and Italy alone accounted for 86% of those exports.

Around a third of extra-EU exports of PDO/PGI wines went to the United States. Next was Switzerland, followed by Canada, Hong-Kong and Japan. Overall, EU-PDO/PGI wines were mostly sold in their national markets (63% of sales). Intra-EU market and extra-EU market respectively 21% and 16% in 2010.

Table 6: Shares of Extra-EU exports of PDO/PGI wines by EU member states (2010)

	% Extra-EU exports
France	17%
Italy	28%
Spain	9%
Germany	8%
Portugal	13%
Hungary	2%
Romania	1%
Bulgaria	4%
Total UE	16%

Source: AND-International survey for DG AGRI

Wines contributed 65% (€19.3 billion) of the total value premium of EU-27 GIs (€29.8 billion). The value premium is related to the specific characteristics of the products or/and the product's fame. GIs in France, Italy and Spain represented 82% of the EU sales value in the wine scheme. GIs in Germany, Portugal, Austria and Hungary another 15% and the GIs in the other MS accounted for the 3% left. The French wine model has indirectly inspired the EU schemes; together with Italian and Spanish wines, the share climbed to a 59.9% of the EU value premium.

The French GI wine sector recorded one of the highest value premium rates, thanks to its very famous and rather huge vineyards such as Champagne, Bordeaux and Burgundy. For instance in the Champagne supply chain, branding works together with the PDO scheme.

2.3 The example of Champagne

Sparkling-wines production from 2002 to 2003 is near 20 percent relative to world wine production. France remains the main sparkling-wines producer before Italy, Germany, Russia and Spain. According to FranceAgimex (2013), in France, champagne production amounted to 7 percent of total wine production in volume and 29 percent in value against, respectively, 4 percent and 3 percent for the other sparkling wines, and 26 percent in volume and 10 percent in value for the PDO still wines

The Champagne appellation represents 0.4% of world vineyard acreage and 4% of France's total vineyard area. The industry directly employs 30,000 people, of which 15,000 salaried staff, plus some 120,000 seasonal workers at harvest time or for vine pruning, trimming and trellising. Champagne exports its wine to more than 190 countries, representing 13% by volume of world consumption of sparkling wines. There are more than 15,000 growers in Champagne and between them they own roughly 90% of the vineyards.

Table 7: Champagne actors

	Number s	Harvest volume sold *	Volume shipped **
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wineries selling grapes	13 014		
winemakers, growers and harvesters manipulants cooperators	4651		67,7
Cooperatives	137		27,7
Traders	391		213,4

* vintage 2011

** million of bottles, 12 months to 31 December 2012

Source : Champagne en pocket (2013) – SGV(Syndicat Général des Vignerons de la Champagne - General Union Winegrowers Champagne)

In Champagne area, Farms are family-run, small and medium size. More than half of them highlights less than 1 ha and the average operating area is less than 2 hectares. Cooperation plays an important role in the Champagne vineyards : 137 cooperatives and cooperative unions, bringing the total 13,800 wineries are spread throughout the wine country. They provide benefits pressing and vinification on behalf of their members. 43 of them sell champagne.

Wineries and cooperatives employ approximately 11,000 permanent employees plus a heavy reliance on seasonal jobs during work in the vineyard (about 115 000 seasonal harvesters).

Champagne area is a AOC area. Appellation of Controlled Origin (AOC) is a French certification system. The AOC system tries to define a product based on a geographic area, of which the product must be typical and culturally-linked. It sets rules as to how the product is grown, raised or made. The system has been administered since 1990 in France by the INAO (Institut National des Appellations d'Origine.).

The European PDO (Protected Designation of Origin) system was based on the French AOC system and is equivalent to a French AOC. Nevertheless, the French system continues to run in parallel, and for a French product to apply for a PDO, it must apply for an AOC at the same time.

Only three grape varieties may be used to produce champagne:

Table 8: average share of grape varieties used

Grape varieties	Pinot	Noir	38 %
		Meunier	32 %
	Chardonnay		30 %

Source : Comité Interprofessionnel du Vin de Champagne (2014)

http://www.champagne.fr/assets/files/economie/QUELQDS_2013GB.pdf

Champagne market actors have historically relied on export markets. Some famous champagne houses export more than half of their production since the eighteenth century. They even had received the complicity of celebrity clients such as tsars or presidents. The Champagne actors have always aimed luxury in their activity. This particular strategy could serve as models for other European regions seeking to strengthen the reputation and quality of their products.

The main buyers of champagne are in the EU, headed by Britain. However, exports outside the EU tend to develop. According to an interview with the CFO of Laurent Perrier published by Reuter Tuesday, December 24, 2013, Champagne sales are expected to decline in volume for second consecutive year. It is not sure that the

increase in average selling price could always offset lower volumes. Very hit by the crisis of 2008, champagne has experienced positive year since then, but never regained the record levels achieved in 2007, when 339 million bottles had been gone for a turnover of 4.5 billion euros. The economic situation is still difficult in Europe and particularly in France, while it remained buoyant outside Europe. So, the champagne professionals hope to stabilize their revenues with export to distant markets.

Table 9: Champagne Top ten export markets (bottles) 2012

United Kingdom	32,4
United States of America	17,7
Germany	12,6
Japan	9,1
Belgium	8,3
Italy	6,2
Australia	5,4
Switzerland	5,4
Spain	3,1
Sweden	2,3

Source : http://www.maisons-champagne.com/orga_prof/statistiques/acteur_economique_majeur.htm

According to the same source, the markets of Australia, Nigeria, Japan, Denmark, Hong Kong, Finland, United Arab Emirates and Mexico have experienced strong growth (over 10%) in 2012.

As the industry leader in French wine and spirits, Champagne makes a vital contribution to the national economy. Champagne is a major economic player in the export market for French wines and spirits.

300 traders have sold 213.4 million bottles, 43 cooperatives have sold 27.7 million bottles, and 4722 winemakers, growers and harvesters manipulant cooperators, sold 67.7 million bottles.

The French market accounts for 56% of sales of Champagne bottles with 171.4 million and a turnover of € 2.13 billion. The European Union accounts for 25% of sales, with 76.4 million bottles and a turnover of € 1.14 billion. And the great export accounts for 20% of sales, with 60.9 million bottles and a turnover of € 1.11 billion.

The Champagne growers union (Syndicat Général des vignerons de la Champagne - SGV) established in 1904, is a powerful union of the champagne region. This union represents 5000 growers and grower cooperatives.

The Champagne market knows a bit difficult situation since the beginning of the 2008 crisis. But the high price level of champagne has so far offset the lower level of production volume. With increasing competition in the market for sparkling wines, the future remains uncertain. Actors in the region therefore trying to export more to emerging markets by focusing on international reputation of champagne.

Conclusion :

The European Union and some countries in particular have an advantage or have assets that they can better use in the future in the wine sector. Despite the gloom of European economies, the wine sector keeps the level of EU exports to third countries. Historically, wine is the best representing the European culture. Market faces many challenges as it has become very competitive. But the size of the market continues to grow outside Europe. The cooperation between European vineyards to target new markets is to explore and develop.

In the comparison between markets and Romanian French wine, it appears that France has relied greatly on the quality of its wines and the geographical labelling. Romania try to erase some recent past characteristics like negligence of quality criterion in the communist period. This is Romania the best way to increase the value of its wines and increase its export potential. The French strategy in the wine sector remains a model for the main EU wine producers. French strategy in the wine sector was particularly developed in the region of champagne.

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COMPETITIVENESS AND SUPPORTING THE BUSINESS COMPETITIVENESS

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Abstract: *Competitiveness designates efficiency, productivity, success, adaptability, quality products, optimum costs. Competitiveness is a complex concept which defines the ability of a firm or country to cope with actual or potential competition companies or countries on a particular market, on the world market respectively and it is synonymous with economic efficiency; competitiveness reflects a certain state of the economic activity arising from a certain resource consumption in order to achieve economic goods. Supporting the national competitiveness and flexibility is aimed at a sustained increase in productivity relying on the diversification and the innovation of the domestic industrial base. The Global Competitiveness Report 2011-2012 ranks Romania as the 77th out of 142 assessed economies. Romania has access to a large market and free trade area, which makes it attractive for many foreign companies, but Romania needs a coherent economic policy that changes the approach used today - from the traditionalist design of restructuring following the resources and, therefore, related to the comparative advantage to finding solutions that stimulate the activities based on knowledge and information so that they allow the emphasis of the competitive advantages. This paper aims to identify the factors and reasons that gave rise to the level of competitiveness for some activities or fields of activities from the economy of Romania during the reporting period, as well as the possibilities that would lead to increasing and supporting the competitiveness of the national economy.*

Keywords: *competitiveness; competitive advantage; business opportunity; business environment; Global Competitiveness Report.*

JEL classification: *M21, O11.*

1. Competitiveness - points of view

Traditionally, the term competitiveness suggests efficiency, productivity, success, adaptability, quality products, optimum cost. Competitiveness is a complex concept which defines the ability of firms or countries to cope with actual or potential competition companies or countries on a particular market or on the world market and it is synonymous with economic efficiency; competitiveness reflects a certain state of economic activity arising from a certain resource consumption to achieve economic goods (*The Economic Dictionary*, 2001). If in a firm competitiveness can be assessed by its profitability, being synonymous with the term competition, in a national economy, competitiveness is assessed by the national labour productivity, labour constituting the main factor of intensive economic growth. The competitive advantage (Porter, 1987) can be obtained by reducing costs (the advantages of the economy of scale can be achieved by means of efficient organization of production and thus reducing costs to produce goods that would offer the possibility of reducing the selling price at least at the level of price competition but with a higher profit margin) or by qualitative differentiation of

products (using the factory brand, product differentiation from those of competitors' through quality, focus on narrow segments of the market and thus reducing costs). The level of competitiveness is appreciated taking into account several factors, such as price and quality of products, flexibility and elasticity of supply.

Beyond the meaning of competitiveness expressed in terms of relative efficiency, be it static or dynamic quantifiable based on levels of performance (productivity, increase competitiveness and so on), competitiveness is also a reflection of performance in international trade (measured as performance shares held on export markets or in the form of import penetration) (Hughes, 1993).

For an objective analysis of competitiveness the following are considered: the ability to identify and anticipate or predict the long-term market trends, the will and the ability to obtain, analyze and exploit information provided by the market (strategic nature skills) as well as: the possibility to manage risk, internal cooperation between different functional departments, external cooperation with customers and suppliers, consulting and advisory firms, public bodies, with all firms involved in trade and investment activities (organizational skills).

The World Economic Forum (WEF) and the International Institute for Management Development (IMD) publishes *The Global Competitiveness Yearbook*. According to the Institute for Management and Development, the national competitiveness refers to the actions and policies that describe the ability of a country to achieve the coordination of economic growth and external balance by means of the newly created value in the national economy and also by the prosperity of the population.

The main *factors* influencing competitiveness are:

- production costs and business performance - through product quality, production efficiency, fiscal policy, and especially innovation and productivity;
- availability of labour force, quality of educational outcomes, knowledge and research capital, infrastructure, political stability, rule of law, ease of contract performance and industrial relations.

2. Supporting competitiveness in Romania

Supporting the national competitiveness and flexibility will strive to obtain especially a sustained increase in productivity based on diversification and innovation of the domestic industrial capacity and will be achieved by:

- *competitive environment and business climate*: strenghtening the policy in the field of state aid, reducing the administrative burden on companies, increasing decision transparency and public consultation;
- a. *developing the services sector*: by promoting the information and communications society; infrastructure has an important role in national and international competitiveness as they target the traditional infrastructure, information and technology development; • *supporting research*: finding solutions to fund and support beyond market mechanisms for high technology areas;
- *a well-developed financial system integrated globally*: supporting the competitiveness of the national economy;
- *developing the small and medium sized enterprises sector*: increasing the share of this sector in the pattern of ownership of the national economy;
- *ensuring the continuity of privatization policies* by introducing the state ownership on the capital market in accordance with national priorities;

- *increasing the administrative capacity*: assessing the policies with impact on competitiveness, improving the absorption of non-refundable grants;
- *the export growth*: by promoting the support measures for the internal support and external promotion;
- *maintaining a high standard of living*: the integration of the domestic economy in the world economy as workforce training, increasing productivity and overall forming attitudes towards work, contribute substantially to the increase of national competitiveness.

The Global Competitiveness Report 2011-2012 ranks Romania as the 77th out of 142 economies covered with 4.1 points obtained out of 7 possible. Among the 27 EU countries (at the time of the report), Romania is ranked 26th, ahead of only Greece. The competitiveness of the economy should be viewed in the overall context of global challenges: economic globalization, open markets, rapid technological changes, challenges which must be turned into opportunities for the Romanian economy. The analysis of factors of competitiveness and identification of problems Romania is facing, in order to find optimal solutions for solving them is a necessity for evaluating the economic potential.

Strengths for Romania: *low cost of labour* is an important source of competitive advantage, but it is in progressive decline, causing stimulation of domestic research and innovation as the main direction of action which will bring beneficial results such as reducing imports of technology and equipment, and increasing gross value added products for both the domestic market and for export. The growth of productivity depends on both technology development, accomplished by tangible investments (equipment, new technologies) and intangible assets (licenses, patents, trademarks and know-how) as well as by the increase in product quality, in marketing and in applying research and innovation findings, but also in other sources that bring along the value added growth. *Exports and investment* have been the engines of economic growth lately. Romanian exports based on a proportion of about 98% of the industry, had a positive trend during 2011-2014, but depending largely on low value added products. There has been progress in the export of high value-added products as well, such as industrial equipment (radios, television and communication), machinery and electrical equipment and transport means (especially cars). Regarding imports, the share of high and medium technology is approximately equal to the one of low technology products. This shows that Romania mostly imports technology and it is only slightly produced nationwide, so when it becomes available, the domestic innovation seems difficult to promote and transfer to productive firms.

The orientation of foreign investors towards industry is mainly due to the advantages offered by Romania in this field (low land price compared to other countries in the region, cheap and skilled labour in the industrial field, manufacturing capabilities, and tradition). Among the most important investment areas recommended are agriculture, IT, trade and services, as well as tourism.

The existence of a stable and predictable business environment represents a decisive factor in the growth of foreign and domestic direct investment. In order to achieve this goal, action plans have been developed to remove administrative barriers for business and their implementation has simplified the legal and administrative procedures for start ups, for the development of competitive business, and for improving the efficiency of authorizing and approving processes.

In Romania, the *research, development and innovation (RDI)* is based on a valuable tradition, currently covering over 50 specific scientific and technological fields and maintaining a relatively stable annual level of activity and results. The research and

development activities continue to take place mostly in the public sector (over 60%). One of the main issues in this area is inadequate funding.

The best results were obtained for *market size*, higher education, technical skills and ability to adopt new technologies to increase productivity, low customs, redundancy costs, high rate of schooling in the university system, the degree of investor protection, the ease of doing business, the number of procedures, i.e. the number of days required to start a business, the degree of penetration of broadband Internet connection, the quality of science education.

Weaknesses for Romania: Romania shows competitiveness disparities when compared to the Western and Central Europe. Improving the access to factors, participation in the European market, supporting investments in optimizing industrial base, respecting the principles of sustainable development is a critical condition to ensure the competitive functioning of the Romanian economy. There are still difficulties due to the limited resources available to them, difficult access to finances, significant technological gap and lack of know-how, that could enable rapid adaptation to the demands of the European market and to changes in the global economy. Moreover, innovative ideas, new products and services, new business models are often tested by start-ups. The high sensitive risk of such firms makes the cost of typical financing through debt be it prohibitive. Doubled by the absence of previous checks on feasibility of the new product / idea, as a producer of cash flow, the access to the equity market is severely limited. Encouraging venture capital is an optimal alternative to support private action, the government intervention being necessary to guarantee under the current development of this segment of the financial market. The solutions in these cases can be provided by a happy combination between the participating of public and private capital.

The worst performers were obtained for the degree of sophistication of business, infrastructure, degree of innovation and quality of institutions. The Romanian economy registered important competitive disadvantages in the following areas: local production, the quality of local production, the development of the cluster supply chain, control distribution, the quality of road infrastructure, quality maritime infrastructure, quality of air transport infrastructure, costs of companies with R & D, collaboration between universities and industry in R & D, procurement of advanced technology products, waste of public funds, public trust in politicians, favouritism in decisions of government, inefficient spending of public funds, effective legal framework to resolve conflicts, transparent government policy. Romania has significant competitive disadvantages also when it comes to labour market rigidities, "brain drain", effects of taxation, agricultural policy costs, balance of the public budget, the supply of financial services, access to financial services, and technology absorption at firm level. Creating a favourable environment for business financing, in competitive financial market conditions, is a qualitative and quantitative progress. Interventions are needed for certain categories of SMEs which are disadvantaged by insufficient experience for obtaining financing and by the performance criteria imposed by financial institutions.

The most problematic factors for the business environment are, in this order: the access to financing, the inadequate supply of infrastructure, the inefficient government bureaucracy, taxation, tax regulations, followed by political instability and corruption.

3. Conclusions

Competitiveness is a chapter that Romania has a lot to catch up both nationally and globally: the productivity of Romanian economy represents 42.5% of the average EU-27 in 2012. Globally, the competitiveness indicator places Romania as the 77th out of a total of 142 countries surveyed in 2012.

Romania did not have a public body specialized in issues of competitiveness, but a multitude of inter-ministerial councils, institutions and disparate strategies, without a strong impact on the economy. The national plans and programs required by the European Union cannot replace a national strategy for competitiveness, thought for the long run. Such a body would be an institutional innovation that could establish a uniform, strategic and focused approach of the Romanian competitiveness, prerequisite for catching performance on the European and global stage of competition.

Romania needs a coherent economic policy that changes the approach used today - from the traditionalist design of restructuring according to resources and, therefore, related to comparative advantage to finding solutions to stimulate the activities based on knowledge and information so that they allow emphasizing the competitive advantages . The measures for economic policy could be:

- accelerating pre-competitive reforms;
 - simplifying and improving the legislative and administrative framework;
 - reducing the bureaucracy and tax burden, the non-fiscal, removing administrative barriers;
 - supporting small and medium enterprises, according to the rules of the single domestic market without distorting fair competition conditions, the competitive capacity of SMEs and encouraging the domestic capital; improving access of SMEs to financing by external financial support programs and / or budget;
 - promoting a fair competitive environment, preventing and limiting the expansion of anticompetitive practices;
- a. encouraging the development of a new quality culture by organizing coherent surveillance market, and by quality infrastructure and consumer protection;
 - b. developing and funding a national program for stimulating entrepreneurship, the implementation of new technologies, innovation as a major source of economic development;
 - c. stimulating the exports of highly processed products and the access of SME to foreign markets;
 - d. strengthening the capital market by creating a competitive market in the region by increasing the volume of investment activity, diversification of financial instruments, attracting new market participants, creating a culture of investment in the capital market.

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BUSINESS ENGLISH OUTSIDE THE BOX. BUSINESS JARGON AND ABBREVIATIONS IN BUSINESS COMMUNICATION

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Abstract: *Business English is commonly understood language, yet Harvard Business Review called business jargon “The Silent Killer of Big Companies”. As we all have been taught in school, we are aware of the fact that in communication we must comply with linguistic rules so that our message gets across succinctly. Yet, there is one place where all these rules can be omitted (at least in the recent decades): the corporate office. Here, one can use euphemisms and clichés, can capitalize any word that is considered important, the passive voice is used wherever possible and abbreviations occur in every sentence. The worst part is that all of these linguistic enormities are carried out deliberately. The purpose of this paper is to analyse to what extent business jargon and abbreviations have affected business communication (which most of the time, it is filled with opaque language to mask different activities and operations) and the reasons for which these linguistic phenomena have become so successful in the present. One of the reasons for the research is that in business English, jargon can be annoying because it overcomplicates. It is frequently unnecessary and it can transform a simple idea or instruction into something very confusing. It is true that every field has its jargon. Education, journalism, law, politics, medicine, urban planning – no field is immune. Yet, it seems that business jargon has been described as “the most annoying”. Another reason is that jargon tends to be elitist. Those who do not understand the terms feel confused and uncertain. The paper starts with defining these two concepts, business jargon and abbreviations, and then it attempts to explain the “unusual” pervasion of these, both in business communication and in everyday communication. For this, the paper includes a list with the most common business jargon and abbreviations. In this view, the authors have accessed different economic blogs and specialty journals. Then, it continues with the presentation of the results of a survey which was applied to Economics students regarding the extent to which communication, with emphasis on business communication, is affected by the use of business jargon and abbreviations.*

Keywords: business; communication; communication etiquette; jargon; abbreviations.

JEL classification: Y90

1. Introduction

In business, it is required to communicate with different types of people, such as business associates, clients and co-workers. Therefore, the rules of business communication etiquette are vital for both interlocutors and they should be incorporated into daily communications, both written and verbal. As in business, the information shared must come across clearly.

Communication problems in business, typically, originate in misunderstandings and many of these problems occur from using ineffective communication techniques.

Communication problems waste time and money, disrupting productivity and resulting in lower product quality and customer satisfaction. Barriers to good communication appear when the person sending a message uses the wrong communication style for a

particular situation. Choosing the wrong mechanism (email, memo, report, letter etc.) or the wrong words complicate things. Thus, in the business world, it is important to determine the communication style of the audience in order to avoid unnecessary problems.

Speaking, listening, writing and reading effectively is not as easy as one might think, especially in the complicated world of business. It requires practice and diligence and it takes effort to provide a clear message, through channels appropriate for the target audience and situation. Business vocabulary (jargon) serves a useful purpose within a company, but when communicating with the external world to the department or organization, it is difficult to understand. Also, abbreviated terminology is helpful for those who work within a particular industry or field because it is fast, efficient and useful in most circumstances, however in the outside world, it does not say much.

Therefore, the purpose of this paper is to analyse the effects and provide examples of the way in which the use of business jargon and abbreviations in communication with people outside the organization has a tendency to undermine the effectiveness of the communication process.

2. Main concepts. Jargon and Abbreviations

2.1. Jargon. Definition and use

The origin of the term *jargon* is Old French, meaning “chatter of birds”. The first known use dates as back as 14th century. According to Merriam –Webster Dictionary, *jargon* refers to the language used for a particular activity or by a particular group of people. Other definitions of the term are:

- confused unintelligible language; *b.* a strange, outlandish, or barbarous language or dialect; *c.* a hybrid language or dialect simplified in vocabulary and grammar and used for communication between peoples of different speech;
- the technical terminology or characteristic idiom of a special activity or group
- obscure and often pretentious language marked by circumlocutions and long words. <http://www.merriam-webster.com/dictionary/jargon>

In short, jargon is language specific to a group or profession. It is often distinguished by acronyms and initialisms (“EOD” for “end of day”) and scientific-sounding, polysyllabic words: *deliverable, actionable, metrics, synergy, core competencies*. The use of jargon has been subject to many debates, the most notable belonging to George Orwell, the author of the famous *Nineteen Eighty-Four* and the creator of several neologisms, including *cold, war, Big Brother, thought police, Room 101, or doublethink*. An advocate of the idea according to which, in the modern style of language, good writing must be clear and simple, in his essay, “Politics and the English Language”, Orwell states that technical language is nothing but an oratorical trick, simple language is required to clarify difficult concepts, while complex language is needed to explain simple concepts, and lastly, political language is structured to make lies seem like the truth. (Apud Roney, 2002:13) Therefore, in Orwell’s opinion, specialized language is not essential. Instead, the famously controversial writer appreciates that “one can often be in doubt about the effect of a word or a phrase, and one needs rules that one can rely on when instinct fails. I think the following rules will cover most cases:

- Never use a metaphor, simile, or other figure of speech which you are used to seeing in print.
- Never use a long word where a short one will do.
- If it is possible to cut a word out, always cut it out.
- Never use the passive where you can use the active.
- Never use a foreign phrase, a scientific word, or a jargon word if you can think

of an everyday English equivalent.

- Break any of these rules sooner than say anything outright barbarous.” (Orwell, 2013:12)

No matter how much we like Orwell's ideas and we would like to speak accordingly, yet, there is no way to completely eliminate jargon from everyday life. Social groups create special language – jargon – on one side, to make communication short, but most of the times because they want to clearly delineate who is a member and who is not. Members understand the lingo and learn to speak it fluently.

Professionals from different fields and academics are famous for their pervasive use of jargon, but they are not alone. Sometimes, employees use a great deal of jargon which is not part of the wider industry, but unique to that office environment. The reason is to use words shortened to make communication faster.

On the other side, it is ironic that slang – words that are not considered part of the standard vocabulary of a language and that are used very informally in speech especially by a particular group of people (<http://www.merriam-webster.com/dictionary/slang>) – has a higher status, taking into consideration that slang is used only by few people while many people know and use jargon regularly. Slang is usually associated with different subcultures and, most of the times is not known to outsiders. In business, it is a common fact that, many times, marketers borrow slang to make their product seem cool and linked with a desirable group

2.2. Abbreviations and Acronyms. Definition and use

Acronyms and abbreviations have been used for many centuries. For example, the official name of the Roman Empire was *Senatus Populusque Romanus*. The ancient Romans used the abbreviation *SPQR*. The Latin phrase *ante meridiem* (before noon) became AM.

At the end of the 19th century, businesses began abbreviating their company names in writing to fit into places where space was limited, for example, on a barrel or crate, small print newspapers and railroad cars. For example the *National Biscuit Company* became *NABISCO*. (<http://dchinn1.hubpages.com/hub/Why-Do-We-Use-Acronyms-and-Abbreviations>)

Abbreviations became popular in the 20th century, nowadays being used in almost all fields. According to Merriam-Webster.com, an abbreviation is “a shortened form of a word or name that is used in place of the full word or name”. (<http://www.merriam-webster.com/dictionary/abbreviation>) Abbreviations can have many different forms. The most popular form is a capitalized letter combination of the first letter in every word of the phrase (e.g. FB is the short form for Facebook and F2F stands for “face to face”). In many cases, an abbreviation of a single word is the first couple of letters of the word with the first letter capitalized, following with a period at the end of the abbreviation (e.g. Prof. for professor or Mr for mister). Another type of abbreviation is to take only one or two letters, which are not necessarily from the original word, to stand for the meaning (e.g. lb (pound) and m (meter)). There are many ways in which abbreviations are formed, yet all abbreviations have only one purpose: to save people's time, space and effort in written or oral communication, and they are used in particular contexts where they are familiar. Although, many times it results in dialogue distortion. According to Peters (1999), this “distortion” of dialogue is capable of facilitating communication across cultures, so even people in non-English-speaking cultures know the meaning of the abbreviation.

Abbreviations have become more notable since the invention of the telegraph in the 19th century, and especially since the explosion of the electronic age (Beauchamp, 2001:74). Grammar and spelling were highly valued in the study of English language, and abbreviations were only used to stand for long phrases, organizations and so on. Yet, the age of globalization and the need to save time and space have brought an essential change in the way abbreviations are perceived. Digital technology, including the Internet, has led to the creation of a huge number of abbreviations, especially as online chat, internet messaging (IM) and texting (SMS) have gained popularity. Some familiar acronyms from these media include: **FYI** = For Your Information; **LOL** – Laugh(s) out loud; **BTW** – By the way. Texting, also known as SMS (Short Message Service) requires the writer to include a lot of information into a small space. This has led to a modern form of highly-condensed writing, sometimes surprisingly imaginative: B4 = before; L8r = later; CU = See you.

There are three forms of abbreviation:

- *acronym* - a word formed from the initial parts of a name which can be letters or syllables. The word “acronym” was created by Bell Laboratories in 1943. For example, the *North American Free Trade Agreement* is commonly known as NAFTA.
- *initialism* - formed by combining the first letters in a name or expression
- and each letter is pronounced separately. For example, the *United Nations* is known as UN or *European Union* is known as EU.
- *truncation* - a word is shortened to its first syllable or few letters. For example, Wed. is Wednesday and info is information.

The use of abbreviations has been under scrutiny for some time. There are linguists considering that abbreviations corrupt the language and communication can be confusing if one is not familiar with the meaning of various abbreviations and acronyms. Yet, language has to reflect the changes taking place in the world and the development of society and technology is reflected in the growth of abbreviations. On the other hand, when used properly, many acronyms and abbreviations can enhance communication because more meaning is conveyed in less time and fewer words. Many older acronyms provide fascinating examples of the development of language and changing cultural attitudes, especially relating to the field of customer service, especially in the contexts of IT (which has been an especially fertile field for abbreviations) and healthcare. Nowadays, the world of blogs and microblogs (for example, Twitter limits the length of a message to only 140 – 160 characters) and social networking sites (Facebook) contribute to the creation of new abbreviations and acronyms. However, these social networks are platforms to practise Internet abbreviations rather than to create them.

In business, if a company uses abbreviated acronyms into its external communications is likely to experience misinterpreted messages. People may try and derive their own interpretation and this quickly will turn to misunderstandings. Within a company, though, it is safe to use acronyms and abbreviations (although there might be cases when the same abbreviation stands for different meanings, see the list below), especially in reports, memos and training materials if definitions and meanings are understood or explained, enabling the audience to understand the meanings involved.

3. Business jargon and abbreviations in business communication

On 5 December 2012, Citigroup announced that “a series of repositioning actions that will further reduce expenses and improve efficiency across the company while maintaining Citi's unique capabilities to serve clients, especially in the emerging markets. These actions will result in increased business efficiency, streamlined operations and an optimized consumer footprint across geographies.” (<http://www.citigroup.com/citi/news/2012/121205a.htm>) If the reader is not accustomed with the business jargon, it is difficult to understand Citigroup's intentions. In fact, the company was about to fire approximately 11,000 employees. In the 21st century, business media has been flooded with press release of this type, euphemisms and empty stock phrases. As many people started complaining about it, Forbes launched its second annual *March Madness–style business-speak bracket*, in which phrases like *thought leadership* and *going forward* are mentioned as replacers for *takeaway* and *make it happen*.

The first to complain about the use of business jargon were the Americans. In his article, “Jargon: It's not the business world's fault!”, Friedman makes a short presentation of the evolution of the business jargon in the USA, beginning with 1911, when the engineer Frederick Winslow Taylor published a famous monograph called “The Principles of Scientific Management,” campaigning for a more efficient style of business operation, requiring not charismatic leaders but systematic thinkers. “Taylorism” was soon the subject of academic conferences, congressional investigations, and debates in the popular press. (Friedman, 2013)

Then, in 1914, Douglas S. Martin, in an article for *The Academy and Literature*, wrote: “The spoken [English] of the Americans is now taking on a very pronounced commercial colour, [...] At the tea-tables in the St. Regis, in New York, and the Copley Plaza in Boston...the breezy gossip of the American woman is simply redolent of the broker's office, the curb market and the warehouse.” (Friedman, 2013) The main idea was that business jargon was not as different for everyday talk as one might have expected. Martin was against words and phrases such as: “stop in,” “deliver the goods,” “win out,” “the straight dope,” “make good,” “get away with it,” “put one over,” “show down,” “come across,” “get wise,” “on the level,” “bawl him out,” “got his number,” “get his goat,” “get warm around the collar,” “hit the ceiling,” “fall for it,” “get busy.”

Mark Liberman, a linguist at the University of Pennsylvania, noted on the blog Language Log that this “speak” had become as common in sports, politics, social science, and other spheres as they are in business. <http://languagelog.ldc.upenn.edu/nll/?p=7069>

Liberman argues that people are unconsciously combining their negative feelings about work or “bosses” with their discomfort for new slang. “Different groups—and groups in different settings—do have different ways of talking and writing, and everyone knows this as a matter of personal experience,...But ordinary people have reasons to dislike managers more than they dislike sportswriters or particle physicists.” <http://languagelog.ldc.upenn.edu/nll/?p=7069> “So when a neologism rubs someone the wrong way,” says Liberman, “and their stereotype-forming system is looking for a group to associate with it, ‘managers’ are a likely target.” The conclusion is that business produces a new type of “strange” vocabulary, but doesn't everyday culture do so?

After consulting several blogs (some in favour, others violently fighting against the use of jargon), we were able to make a list of some more commonly used business jargon, considered, though, by some to be the most annoying. What is worth noticing is the fact that most of these phrases are used in everyday speech.

- **Think outside the box:** “In the last two fiscal years, we’ve used *outside-the-box thinking* to facilitate best practices and maximize efficiencies by switching to single- rather than double-ply bathroom tissue.” <http://brandjournalists.com/articles/10-pieces-of-business-jargon-that-suck/>

“Out-of-the-box-thinking” refers to a type of thinking that moves away from diverging directions so as to involve a variety of aspects and which sometimes lead to new ideas and solutions. It is usually associated to creativity. This phrase in itself was clever and illustrative at the beginning, yet not it has come to a point when it is overused and it has lost its power.

- **End user:** “Our new website maximizes interaction and efficiencies for our *end users*.”

An “end user” is the person that a product or service is designed for. The term is based on the idea that the “end goal” of a product or service is to be useful to the consumer. This example is illustrative for the way in which simple ideas are made complex. The end user is actually the customer.

- **Leverage:** “Among the options listed by them are: incentive and compensation adjustments for executives, *leveraged buy-outs* and capital structure changes, focusing on core skills, diversifying internationally while focusing on businesses in which a firm has strong competencies, and buying and selling mature businesses.” (Pop, 2013:32)

“Leverage” has several meanings – it may refer to the action of a lever or to the mechanical advantage of a lever. Also, it means positional advantage; power to act effectively. Yet, the term has become worldwide spread due to the world financial crisis of 2007. Before the term was exclusively used in banking, meaning the use of credit or borrowed funds to improve one’s speculative capacity and increase the rate of return from an investment, as in buying securities on margin (leveraged buyout, leveraged assets et.) The problem is that, at some point, people in business started using it instead of “use”.

- **Push the envelope:** “When she starts to whine about her hours to her manager, she really starts to *push the envelope*.” (Yun, Meissner, 2008:16) The meaning of the phrase “to push the envelope” is to attempt to extend the current limits of performance; to innovate, or go beyond commonly accepted boundaries. The origin of the phrase came into general use following the publication of Tom Wolfe’s book about the space programme - *The Right Stuff*: “One of the phrases that kept running through the conversation was ‘pushing the outside of the envelope’... [That] seemed to be the great challenge and satisfaction of flight test.” (Wolfe, 1979:8) Wolfe is not the creator of the phrase as it was first used in the field of mathematics in its original form – ““push the edge of the envelope.” (<http://www.phrases.org.uk/meanings/push-the-envelope.html>)

The sheer overuse of the phrase has led to being stripped of meaning and, nowadays, it is used incorrectly, for, in its original sense, the word “envelope” referred to an aircraft’s capabilities (speed, durability etc.)

- **Core Competency:** “The primary *core competency* of marketing is the ability to identify with the wants and needs of the target customer and communicate the company's brand image and product value in such a way as to elicit a favorable reaction from that target customer.” (<http://smallbusiness.chron.com/examples-core-competencies-marketing-sales-10240.html>)

Businessdictionary.com defines “core competency” as the “unique ability that a company acquires from its founders or develops and that cannot be easily imitated. Core competencies are what give a company one or more competitive advantages, in creating and delivering value to its customers in its chosen field.” (<http://www.businessdictionary.com/definition/core-competencies.html>) Yet, the word “competent” does not mean. Bruce Barry, professor of management at Vanderbilt’s Owen Graduate School of Business rates the phrase as “silly” - “Do people talk about peripheral competency? Being competent is not the standard we’re seeking. It’s like core mediocrity.” (<http://www.forbes.com/pictures/ekij45qdh/core-competency/>)

- **Touch base:** “Steve Jobs talks about managing people ‘*Touch base frequently* (focus, simplicity, design is how it works)’” (<https://twitter.com/HeinevdM/status/400365079147081728>) The meaning of this phrase is to make contact, to cover all the possibilities. Many say that it has its origin in baseball where the runners need to touch the base to make a run legal.

Also, we incorporate some of the most common abbreviations and acronyms used in business. Some of the abbreviations commonly used in business are easy to understand, while others might be confusing (see PM):

- **People / job titles:** CEO = Chief Executive Officer; CFO = Chief Financial Officer; CIO = Chief Information Officer; MD = Managing Director; PRO = Public Relations Officer;
- **Finance:** CROGI = Cash Return On Gross Investment; COP = Certificate of Participation; CBV = Chartered Business Valuator; CDO = Collateralized Debt Obligation; EBITDAR = Earnings Before Interest, Taxes, Depreciation, Amortization, and Restructuring or Rent Costs; IBF = International Banking Facility;
- **Management:** ARMS = Administrative Resource Management System; BPMS = Business Process Management Systems; BRM = Budget and Resource Management; CAM = Contract Audit Management; PM = Performance Management; PM = Performance Monitor; PM = Procurement Management; PM = Program Management; TMS = Technical Management System;
- **Other business acronyms:** VAT = Value Added Tax; P&L = Profit & Loss account / statement; KPI = Key Performance Indicators; KM = Knowledge Management; RRP = Recommended Retail Price.

4. Research methodology

The purpose of this paper is to examine the effects the use of business jargon and abbreviations has on business communication. For this study we used a descriptive research methodology. A survey was administered to students of the Faculty of Economics. They specialize in different fields such as: International Business, Finance, Accounting (BA) and European Economic Relations (MA). All the students are familiar with business vocabulary as they start studying Business English in the first year. The BA sample is made up of 1st and 2nd year students and there are very few of them who

work. The MA students study Communication in Business English and some of them work for different local companies while others work for multinational corporations, therefore, they are familiar with different types of documents that are used within a company. Also, they are aware of the importance of correct business communication as they have to communicate not only in their native language but also in a foreign language with their business partners.

5. The results of the research

The survey consists of ten questions which are meant to find out whether students are familiar with terms like “business jargon” or “abbreviations” and whether they consider that by using these, communication in business is hindered. Also, the questions included business jargon terms in order to see whether the students are familiar with their use in business or their use in everyday life.

The answers to the first question – “What is jargon?” - show that 83.7% of the students identify the term with special language used by specific groups of people while 16.7% consider it as being “bad language”. Then, despite our expectations, a percentage of 23.3% of the students surveyed do not consider that the use of jargon affects the communication process in business.

The answers to the question whether business jargon has negative effects on business communication are surprising: 41.9% do not perceive that the use of jargon in business is harmful to the communication process, while (even though more than half of the students questioned) only 58.1% are aware of the negative effects of the jargon used in business communication.

When asked whether business jargon: a) helps business people communicate better; b) makes communication more difficult, the students provided unexpected results as 37.2% of them consider that business jargon helps business people communicate better.

Asked to define the term “abbreviation”, the students responded in a percentage of 100% that an abbreviation is a shortened form of a word or name that is used in place of the full word or name and 90.7% consider that people use abbreviations to save time, space and effort in written or oral communication, while the rest think that the use of abbreviations is fashionable.

Regarding whether the use of abbreviations affects communication, 60.5% of the students provide positive answers, while the rest (which is a rather high percentage) do not consider that the use of abbreviations has any effects on the communication process. When asked whether the use of abbreviation has negative effects on business communication, 47.5% provided negative answers, considering that everybody knows what abbreviations stand for.

When asked what “CEO” stands for, 88.7% recognized the abbreviation for Chief Executive Officer, while the rest identify it with Corporate Europe Observatory. This is surprising considering that the Economics students usually come across the former meaning.

5. In conclusion

In the end, one might think that George Orwell may have been a little paranoid, but in our opinion the famous writer was right: fuzzy language can lead to fuzzy (and even dangerous) thinking. The results of the survey applied to Economics students show that even if they have not actually started working, they are aware of the dangers and problems unclear, fuzzy business communication might lead to. Yet, there is quite an unexpected percentage of students who do not perceive business jargon and abbreviations as threats to business communication, perhaps due to the consideration

that the majority of the business jargon and abbreviations are commonly used in everyday speech. There is though a small percentage of 9% who consider that jargon is “bad language”.

In spite of the new trends, of the need to save time, space and money, it is important to write for a general audience. We could not say that jargon is inherently evil. Sometimes it is just a form of technical terminology that gives people involved in a highly specific, shared activity a common frame of reference. When it comes to business English, jargon is sometimes fun as people use new, catchy words or terms. After all, language is a continuously changing thing. Yet, if one wants to use business English in a way that maximizes good communication, he has to be careful about how much jargon he uses in business conversations and meetings. Also, there is no doubt that abbreviations have a significant importance on people’s use of daily language regardless it is in relation to social media or to other means of communication. However, there is an ongoing debate on whether Internet abbreviations, especially, as well as the entire Internet language, will benefit or damage the existing language structure. As the results of the survey showed, the use of abbreviations might be confusing, especially in business communication where the message should get across succinctly.

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THE IMPACT OF SOCIAL MEDIA ON VOCABULARY LEARNING CASE STUDY- FACEBOOK

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Abstract: *The paper aims at investigating the impact of computer and social media in improving students' knowledge of English language namely vocabulary acquisition (focused on Facebook) with intermediate and upper intermediate first and second year ELT students in Economics at the Faculty of Economic Sciences, University of Oradea. Social media technologies take on many different forms including magazines, Internet forums, weblogs, social blogs, wikis, social networks, podcasts, pictures, videos etc. Technologies cover blogging, picture-sharing, wall-posting, music-sharing just to name a few. Nowadays Facebook technology seems to play an important part for the social life of so many becoming more and more popular as a main means of communication, that it could also meet an educational need. Thus it could play a distinguished role in foreign language learning and teaching. Several studies investigate using different technologies in learning and teaching, in particular, foreign language learning. Still, rare studies were interested precisely in the role of Facebook in learning foreign languages. In this study was intended to assess the role and effectiveness of Facebook use in vocabulary learning. Particularly, the research attempts to answer the question: 'Can social media affect students' development and progress in the foreign language?' In order to discover the answer to this question of the study, a project based on Facebook for the experimental group was conceived. It was assumed that significant differences were to be found between the groups using social media for learning purposes and those who did not in developing vocabulary knowledge. The study was conducted with a number of 127 students of the Faculty of Economic Sciences, University of Oradea, 1st and 2nd year students following the specializations: International Business, Management, Marketing, Finances studying in the academic year 2013-2014. The development in each group was measured and it clearly demonstrated a more significant improvement in vocabulary knowledge of the group exposed to the Facebook group. It is a rather innovative study as there are not many similar studies using the value Facebook can add to learning performed in Romania. The results of the study did not support the assumption that the experimental group would outperform the control group, as the differences between the two groups were not that significant. However, there was an improvement in both of the groups from pre-test to post-test scores.*

Keywords: social media; Facebook; learning languages, vocabulary

JEL classification: Y90

1. Introduction The consequences of the fast development in science, technology and media are reflected in the key verbs for foreign languages learning nowadays: challenge, engage, and interact as it is perfectly embedded in the ancient Chinese proverb: *Tell me, I forget. Show me, I remember. Involve me, I understand.*

Therefore the classic language class structure has changed dramatically in point of the methods employed for teaching. Relying on textbooks and course books only in order to increase proficiency and fluency in a foreign language will not yield immediate and efficient benefits. As the Internet grows one of the latest methods of teaching languages in general, vocabulary in particular, is obviously connected to it bringing along clear improvement in the field of foreign language learning. The Internet and computers offer so much especially because mastering a language means more than just words, definitions and grammar rules. Consequently, foreign language classes must take advantage and they actually do from the tremendous potential provided by technical devices as TV, video projector, laptop, DVD player, computer into the classrooms leading to what Krashen (1982:10) calls 'subconscious language acquisition'. Knowing a language requires getting beyond textbooks, it means understanding the cultural dimension as well. Listening to music, watching TV in a foreign language – be it movies, shows, cartoons, using computers effectively, with everything they may offer can turn boring and sometimes ineffective language lessons into real language learning laboratories.

The present study attempts to explore the impact of computers and social media on intermediate and upper intermediate first and second year ELT students. Particularly, the research aims to answer the question '*Can social media affect students' development and progress in the foreign language?*' It is assumed that significant differences will be found between the groups using social media for learning purposes and those who do not in developing vocabulary knowledge. This study focuses on the vocabulary development process, rather than on reading or listening comprehension. While doing this, it uses a vocabulary test applied to participant students twice to assess changes or improvement of performance as vocabulary acquisition is a continuum of development. Another innovation of the study is using Facebook as a medium for language input. There are no similar studies using the value Facebook can add to learning performed in Romania.

2. Main Concepts

2.1. Social Media

Social media is a fairly new concept since almost nobody heard or use social media 10-15 years ago. Nevertheless, nowadays websites such as Facebook, Twitter, and LinkedIn have more than 1 billion users and account for almost 25 percent of Internet use. According to an article posted on Facebook, it appears that only Facebook's monthly active users now exceed 800 million and their daily active users, exceeds 400 million (Facebook a, 2012). It looks like almost overnight, social media has grown indispensable to our lives--from friendship and dating to news, weather forecasts and business issues. Social media is a phrase used to describe various websites or other forms of technology where people can connect and interact with one another and share information. After all, why are people attracted towards using social media? They satisfy two basic human needs: to meet new people and to strengthen existing relationships.

As defined by Andreas Kaplan and Michael Haenlein (2010), social media is 'a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content.'

Researchers argue that the impact of social media relies on the fact that they employ mobile and web-based technologies to create highly interactive platforms via which individuals and communities share, create and co-create, discuss, and modify user-generated content (Ahlqvist, 2008). Mikolaj Jan Piskorski (2011) argues that the secret of successful ones – and here he refers to the business rather than the social success - is that they allow people to fulfil social needs that either cannot be met offline or can be met only at much greater cost. This insight provides another perspective on social media: it does help not only social communication, but also the business world. It implies that companies can leverage social platforms to create a sustainable competitive advantage. Companies need to help people interact with each other before they will promote products to their friends or help companies in other ways.

Examples of Social Media

There are many different forms of social media including Internet forums, weblogs, social blogs, micro blogging, wikis, podcasts, pictures, video, and rating. In 2010 Kaplan and Haenlein created a classification scheme for different social media types by applying a set of theories in the field of media research -social presence, media richness and social processes -self-presentation, self-disclosure. According to them there are six different types of social media: collaborative projects, blogs and micro blogs, content communities, social networking sites, virtual game worlds, and virtual communities.

Technologies cover blogs, picture-sharing, vlogs (video blogs), wall-postings, email, instant messaging, music-sharing and others. Many of these social media services can be integrated via social network platforms.

Some Facts about the Social Media

According to a report by Nielsen (2012) 'In the U.S. alone, total minutes spent on social networking sites has increased 83 percent year-over-year. In fact, total minutes spent on Facebook increased nearly 700 percent year-over-year, growing from 1.7 billion minutes in April 2008 to 13.9 billion in April 2009, making it the No. 1 social networking site for the month.' As of 2012, Facebook has 152,226,000 unique PC visitors and 78,388,000 unique mobile app visitors. Twitter reported 37,033,000 unique PC visitors and 22,620,000 unique mobile app visitors. Pinterest reported 27,223,000 unique PC visitors and 14,316,000 unique mobile web visitors. Google+ reported 26,201,000 unique PC visitors and 9,718,000 unique mobile app visitors.

Whereas according to the Highlights of the Pew Internet Project's research related to social networking (2013) : 'As of 2012, social media has become one of the most powerful sources for news updates through platforms such as Facebook, Blogger, Twitter, WordPress, LinkedIn, Pinterest, Google+ Tumblr, MySpace and Wikia; fully 40% of cell phone owners use a social networking site on their phone, and 28% do so on a typical day; as of September 2013, 73% of online adults use social networking sites.; as of the same September 2013: 71% of online adults use Facebook; 18% of online adults use Twitter; 17% use Instagram; 21% use Pinterest; 22% use LinkedIn.'

On the other hand, from a linguistic point of view, the impact of social media is mirrored in the new words or expressions like: *news feed*, *viral*, *hashtag*, *wiki* –just to randomly pick some- which did not make any sense few years ago, or meant something completely different than they do nowadays. Even respectable dictionaries, such as the Oxford dictionary, add *derp*, *selfie*, *phablet*, *emoji*, *unlike*, and other fashionable items of vocabulary that only recently came into general usage, many driven by these fast-moving trends in technology and culture.

Brief presentation of the media channels for socializing purpose- with reference to their utility for language learning purpose

Twitter – I twitter, do you? - is an online social networking and micro blogging service created in 2006 by Jack Dorsey, Evan Williams, Biz Stone and Noah Glass. The service

rapidly gained worldwide popularity, with 500 million registered users in 2012, who posted 340 million tweets per day as it appears from the List of virtual communities with more than 100 million active users published online. Registered users can read and post tweets, but unregistered users can only read them. Users access Twitter through the website interface, SMS, or mobile device app. It enables users to send and read 'tweets', which are text messages limited to 140 characters, which forces users to choose words carefully and to convey the message clearly. This is excellent for improving your English as unnecessary words are eliminated. Twitter helps users improve English reading skills too. A variety of short messages on a myriad of subjects can be read, therefore users are exposed to reading new words, facing turns of phrase, and jargon, which all helps in building and expanding the English vocabulary.

Facebook According to its own description to be found on the starting page, 'Facebook is a social utility that connects people with friends and others who work, study and live around them', founded on February 4, 2004 by Mark Zuckerberg with his college roommates. Its name comes from a colloquialism for the printed or online directory given to students at some American universities consisting of individuals' photographs and names. Facebook users must register first and then they can create a personal profile, add other users as friends, and exchange messages; it is a web portal for keeping in touch with others. In addition to text, messages can also contain photos, videos, music and links to other websites. Moreover, Facebook can be an excellent tool for building or improving several English skills: writing - users may gain English writing experience through composing various messages; reading skills – users have the chance to read an varied range of messages, leading to learning new words; English in use – users are given the opportunity to study their way with words, as well as their word choice.

LinkedIn If Facebook and Twitter sound a bit frivolous for some tastes, LinkedIn is different. It is a social networking site for professionals. This is an excellent site for connecting with other professionals, be it in business, academia, or other organisations.. LinkedIn offers the possibility of building business English skills through writing profiles, and then keeping them updated. Business English skills are also improved through sending messages to others, reading responses, and replying in kind.

YouTube is a video-sharing website. Users upload, share and view videos on this social networking site. It can be a very useful tool when learning English as it involves listening to the language used in the viewed videos. Users can also improve reading skills when looking through the comments posted in English, situated below each video. Sometimes, YouTube videos are actually text presentations in a slide show format, or have subtitles available, so users can actually read English in each screen shot.

2.2. Vocabulary Learning

Vocabulary, the core of any language, is probably the most challenging and time consuming part of learning a foreign language. It takes time and flows like a continuous process, once you have settled the fundamentals of a language (pronunciation, orthography and basic grammar). Throughout this process, learners become familiarized with the words they come across. As researchers claim (Nation, 1990; Schmidt, 2001) it is frequency of usage and the number of encounters in different forms and contexts that determine the acquisition of new vocabulary.

When teaching vocabulary the context is really important that is why Warschaur (1995) underlines the more opportunities for real communication students might be exposed to when using the Internet and the e-mail system in language learning. Nader (1996) admitted the great challenge for teachers to design individual and group activities using the Internet resources and also praised the benefits of the students searching for them and thus exploring different cultures more directly and effectively.

University language learners studying English as additional subject, not a major one, still have problems in acquiring vocabulary. The assumption is that this might be due to the strategies used in teaching vocabulary. Thus, language teachers and researchers started considering technology as an option to teaching more effectively. It seems that learners show very little effort to deal with their problems about newly learned words when technology is involved (Meara, 1980). During the lesson teachers often assume that students will deal with this problem of vocabulary building outside the class on their own. However, learners do not have enough knowledge about the vocabulary learning techniques and they have difficulty in dealing with this problem themselves.

3. The Study of Using Social Media (Facebook) in Improving Language Learning

Social Media Language Learning (SMLL) is an innovative approach in teaching languages interactively, linking social media channels to language learning. Students are thus encouraged and supported to develop communication and language skills. This method was originally created by a Spanish company called Idioplus from Barcelona. Students are enabled to emerge as much as possible in activities which require the use of language, given that all of them will result in learning. *'Can social media affect students' development and progress in the foreign language?'* In other words, are there any statistically significant differences between the students' vocabulary achievement by means of social media input as compared to their achievement following the traditional instructional method of teaching?

3.1. Significance of the Study

First of all it should be mentioned that even if teaching with technology is a pretty fashionable topic, there are few studies referring to teaching vocabulary with the use of the Internet, and even less or almost no such researches in Romania. Therefore the purpose of the study is to present the benefits of using Facebook in teaching and learning vocabulary. The Facebook site is a valuable communication tool for the students -to find out the latest activities, courses and what is generally happening for and around the English class. It is a valuable way for the students to communicate to each, and to communicate to the college with feedback regarding suggestions for improvement and praise for excellent events and training. Facebook provides our students with a unique and up to date information portal regarding our Faculty, being connected to all the breaking news-from scholarships, timetables and all sort of events. Moreover, it attempts to ring a bell and perhaps dare to contribute to the improving and updating EFL curricula and help designers and EFL methodologists develop teaching materials which suit various ways of teaching and match students' level of achievement in vocabulary.

3.2. Limitations of the Study

This study is limited by the following:

- The number of the participant learners, the sample consisted of 127 students.
- The study is restricted to the vocabulary referring to British and American terms in point of similarities and differences.

3.3. Setting and participants

The study was conducted with a number of 127 students of the Faculty of Economic Sciences, University of Oradea, 1st and 2nd year students following the specializations: International Business, Management, Marketing, Finances studying in the academic

year 2013-2014. The participants of the study took English courses at high school before their undergraduate education in ELT. They all took an entrance exam in English as the necessary condition for them to study English at the faculty. The exam covered questions regarding vocabulary and grammar knowledge. All of the participants were approximately at a similar English proficiency level (i.e. intermediate and upper intermediate) based on their scores obtained at the entrance exam.

3.4. Design and procedure

First of all, the 127 participants were randomly assigned to each group. In Group A (the group exposed to the Facebook posts, or the experimental group), the 70 participants were periodically sent materials and information regarding the vocabulary meant for acquiring and in Group B (the group following only the traditional in-class teaching methods, or the so-called control group) the 57 participants learnt the studied vocabulary items in class, by reading, translating, comparing. Both groups were given the same pre- and post-tests.

Then, the research design of the study was tailored using a pre-test - post-test experiment and group framework to find out the impact of the Facebook instructional program on students' vocabulary achievements. The test consists of multiple-choice questions. The students' previous knowledge was assessed by the pre-test administered to both groups (control and experimental) before the study started. The objective of the pre-test was to assess the students' background knowledge of words. The same pre-test was used at the end of the study as a post-test to assess the students' achievement on the topic, that is the acquisition of the new vocabulary items. The objective of the post-test was to assess the effect of both instructional methods (Facebook and conventional) on learners' achievement.

Facebook exposure At the beginning of each academic year a Facebook Group is set up for the English class use only, with a limited profile. Students are used to rely on the group for receiving materials, information, and support regarding the language matters they are interested in. They are in permanent contact with each other and with the teacher as well. For the purpose of this study, several materials were posted to students in Group A, or the experimental group, those meant to be exposed to the Facebook content. The posts referred to the various differences between British and American terms: different words, spelling, and were presented in an attractive manner, colourful, organized, reader-friendly.

3.5. Steps and Procedures

The research was conducted in the first semester of the academic year 2013-2014.

The Facebook group was set up.

The instruments of the study were prepared.

The related literature about the roles of using technology in teaching and learning vocabulary was reviewed.

The first common test was given to participants in the second week of the semester (6-11 October 2013); after a month the students were divided into the two research groups at random and were exposed either to the Facebook teaching material or to the traditional lecture material (around 10-16 November 2013); the last common test took place at the end of the first semester 6-11 January 2014 after approximately one month from their exposure to the vocabulary items).

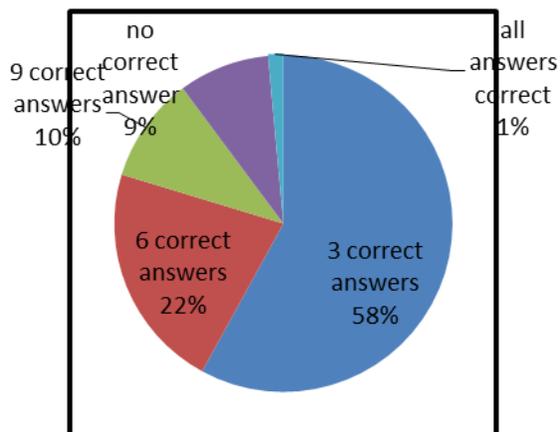
For the confidentiality sake, students were not informed about the aim of the research before they finished with the post-tests. Students were not allowed to use dictionaries or other materials when solving the test. Besides, before the administration of the study the students were reminded that participation was voluntary and there would be no extra marks or rewards. There was a post-test given to both groups.

The results were statistically analyzed in order to reach conclusion and suggest implications and possible recommendations.

4. Results and findings

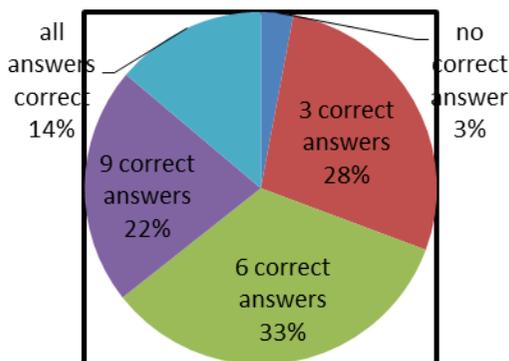
It is clear from Table 1 and Table 2 that there were no statistically significant differences between the performance of the two groups (experimental and control) on the vocabulary achievement in the pre-test: 1% of students in both groups knew all the answers, whereas the majority of 58% proved to be able to answer three questions correctly. There were no major or significant differences between the performance of Group A and B as far as the other items were concerned. This shows that there were no differences in the pre-test for both groups. It is assumed, thus, that both groups had similar knowledge about the target words before they were exposed to the test.

Table 1



Source: authors' research data

Table 2



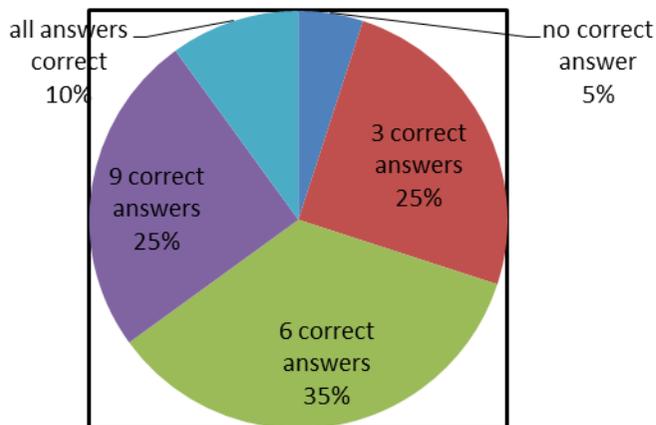
Source: authors' research data

However, the development in each group was measured through the second test. It demonstrates an improvement in each group as it appears in Table 3 and Table 4.

It is obvious from Table 3 and Table 4 that there were statistically significant differences between the performances of both groups - the experimental and control - on the achievement vocabulary post-test. There is an important increase in the number of students giving all the answers correctly: 14% in Group A as compared to the first test when the percentage was 1% and 10% in Group B as compared to the first test when the percentage was the same 1%. Thus in spite of the difference compared with the pre-test of both groups, the difference acquired by Group A contrasted to Group B is not very significant. The percentage of no correct answers decreased significantly with both groups: From 8% to 3% in Group A and from the same 9% to 5% in Group B, thus, the difference acquired by the two groups is insignificant. This is the case for the 3 correct answers entry, where the percentages decreased for both groups, whereas the difference between the two of them is not important 28% in Group A and 25 in Group B from a common 58% in the pre-test. The results of the study did not support the assumption that the experimental group would outperform the control group, as there were no significant the differences between the two groups. However, there were improvements in both of the groups from pre-test to post-test scores.

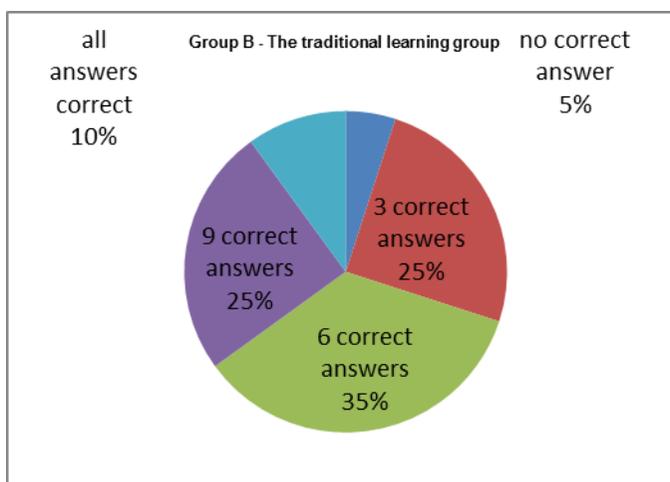
Nevertheless, the overall differences are slightly in favour of the Facebook instructional strategy as revealed for the experimental group. This means that the Facebook strategy in teaching vocabulary proved a little bit more effective than the traditional method, even if not necessarily crucial.

Table 3



Source: authors' research data

Table 4



Source: authors' research data

5. Conclusion

The intent of this paper was to investigate teaching vocabulary through Facebook. It has been assumed that technologies should be used as instructional tool for vocabulary acquisition. It has also been argued that this type of learning is beneficial for foreign language learners, as it considerably builds confidence and increases learners' interest in the topic. The reasons could be the frequency of exposure as a result to an expanded language input. The study showed that students improved in vocabulary performance and confidence (even if slightly) after being exposed vocabulary via Facebook as compared to the case of students benefitting from traditional instruction only. The participants in Group A in the study appreciated this type of vocabulary instruction they were really motivated to challenge themselves to improve their English. Moreover, the participants began commenting and sending some ideas related to the target topic to the teacher and to each other on Facebook. The lessons via Facebook seemed more appealing to students. Working on the Internet and dealing with each other through Facebook anytime and anywhere is trendy nowadays. Consequently, Facebook could

become a very effective tool and medium for backing the traditional learning and for self-learning English vocabulary.

There are some recommendations following the findings of the study:

1. Adopting technology in general and Facebook in particular as a teaching strategy in universities when teaching English skills for effectiveness and better academic achievement.
2. For generalization, validity and applicability, similar studies should be conducted on other language aspects and skills.

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DIE WICHTIGSTEN METHODEN DES FREMDSPRACHENUNTERRICHTS

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Abstract: *The paper presents some of the most important methods in teaching foreign languages. The first part of the paper places the teaching methods in the historical background, in middle ages people use to learn languages like latin or greek, but this changes radically in the 19th century, when new languages like english or french are introduced, this leads to new methods in teaching foreign languages, to new perspectives in approaching foreign languages. The methods presented in my paper are the translation method, used till the 19th century, the behavioral method, the audio-lingual method, the communicative method and learn by teaching method.*

Keywords: *teaching methods, foreign languages*

JEL codes: Z 00

Die Entwicklung der Methoden des Fremdsprachenunterrichts steht im engen Zusammenhang mit den historischen Ereignissen. Es wurden die neueren Sprachen in den Schulunterricht eingeführt, wie Englisch oder Französisch, so wurden zunächst die Methoden des Unterrichts aus den alten Sprachen (Griechisch und Latein) übertragen.

Mit den sich wandelnden Anforderungen an den Fremdsprachenunterricht, ändern sich auch die Methoden. Die Schüler sollen die lebende Sprache lernen, die sie schriftlich wie mündlich auch außerhalb schulischer Aufgabenstellungen verwendet werden können. Sie sollen sich an die aktuellen Bedürfnisse der Gesellschaft anpassen. Für Lehrende ist die Kenntnis der Grundzüge von Methoden notwendig und nützlich. So ist es möglich, Lehrwerke von der jeweils zu Grunde liegenden Methode her einzuordnen. Man soll die richtige Methode für die, die jeweilige Zielgruppe benutzen.

Der Begriff Methode/Methodik ist aus dem griechisch-lateinischen Wort *methodos* oder *methodus* abgeleitet und bedeutet etwa: Zugang oder Weg, der zu einem bestimmten Ziel führt.

Die Arbeit will sich die wichtigsten Methoden zuwenden und ihre Unterschiede und Gemeinsamkeiten aufzeigen.

Grammatik – Übersetzungs – Methode

Die Grammatik – Übersetzungs – Methode wurde vom altsprachlichen Unterricht (Latein, Griechisch) übernommen und auf den Unterricht moderner Fremdsprachen übertragen. Bis zum Ende des 19. Jahrhunderts war sie die an den Gymnasien und Hochschulen - an anderen Schulformen wurden keine Fremdsprachen unterrichtet - verwendete Methode. Sie zielte neben dem bloßen Erlernen der Fremdsprache nach dem damaligen neuhumanistischen Bildungsideal auf die allgemeine Geistesschulung der Lerner ab.

Das Modell des Sprachunterrichts war die geschriebene Sprache der schöngestigen Literatur. Die Sprache wurde als Gebäude aufgefasst, das nach logischen Regeln aus bestimmten Bausteinen gefügt ist. Die Lerner sollten die Konstruktionsregeln der Sprache verstehen und anwenden lernen. Ausgangs- und ausschließliche

Unterrichtssprache in der Grammatik – Übersetzungs – Methode ist die Muttersprache. Die gesprochene Zielsprache spielt keine Rolle, stattdessen wird ausschließlich die Schriftsprache eingeübt. In erster Linie steht das Erlernen der gesamten Grammatik nach einem festgelegten Curriculum. Nachdem die Grammatik durch Übersetzungen und Lückensätzen erlernt wird, wird Lektüre und Übersetzung zielsprachlicher literarischer Texte betrieben.

Der Unterricht nach der Grammatik – Übersetzungs – Methode bestand aus 3 Phasen: aus der Einführungsphase, in der Grammatiklehrstoff präsentiert wurde; aus der Übungsphase, in der Sätze zum Grammatiklehrstoff gebildet wurden; aus der Anwendungsphase, in der das Lesen, das Schreiben und das Übersetzen als Anwendung des Lehrstoffes geübt wurden. Der Vorteil der Grammatik – Übersetzungs – Methode ist die gute kognitive Durchdringung des Stoffes und die gute Vermittlung von Grammatik und Schriftsprachbeherrschung. Der Nachteil der Grammatik – Übersetzungs – Methode ist dass die Sprechfertigkeit wegen der Vernachlässigung der Kommunikation mit Menschen nicht geübt wird.

Behavioristische Methoden

Zu den behavioristischen Methoden zählen die Audiolinguale Methode und die audiovisuelle Methode. Die Inhalte bestehen zumeist aus Dialogen über Alltagssituationen. Als Sprachebene gilt die gesprochene, die Dialogsprache, wobei stets Einsprachigkeit vorherrscht.

Die Übungen beinhalten Satzmusterübungen und Situationsspiele. Der Vorteil ist dass die Sprachstrukturen automatisiert werden. Beim Erlernen von Fremdsprachen mit anspruchsvoller Aussprache ist die audiolinguale Methode außerordentlich effizient. Der Nachteil ist daß, das Lernen als langweilig empfunden werden kann; dies trifft besonders zu, wenn der Schüler das Lerntempo nicht individuell steuern kann. Wenn auch die Schriftsprache erworben werden soll, muss die audiolinguale Methode durch andere Methoden ergänzt werden.

Audiolinguale oder Audiovisuelle Methode

Im Universalwörterbuch Duden werden die Begriffe audiolingual und audiovisuell folgenderweise definiert: audiolingual [zu lat. audire=hören und lingua=Zunge]:[im Sprachunterricht] vom gesprochenen Wort ausgehend; audiovisuell: zugleich hörbar und sichtbar. Im Sprachunterricht geht es im ersten Fall um den Einsatz der Tongeräte wie z. B. Kassettenrecorder, CD-ROMs, im zweiten Fall um solche Medien wie Videorecorder, Audiokurse mit Lehrbüchern, Computer.

Diese Methode erwuchs aus einer Verbindung von behavioristischer Lerntheorie und linguistischen Strukturalismus. In den USA hatte sich der Strukturalismus als linguistische Grundlage des Fremdsprachunterrichts in den 40er Jahren durchgesetzt. Dabei wurden die Arbeitsweisen strukturalistischer Sprachforschung direkt als methodische Prinzipien auf das Fremdsprachenlernen übertragen. Bei dieser Methode wird der natürliche Spracherwerb gefördert: man soll eine Fremdsprache so lehren, wie die Mutter ihr Kind die Muttersprache lehrt. Die Sprache gilt als ein Bündel von Sprechgewohnheiten, als verbales Verhalten.

Der Ziel der Methode war die Entwicklung des Sprachkönnens und nicht mehr des Sprachwissens. Zuerst eine wichtige Rolle spielt die mündliche Kommunikation, die

Authentizität der Sprachvorbilder. Man übt die Sprachmustern durch Imitation und häufiges Wiederholen. Im Unterricht benutzt man die Muttersprache nicht mehr. Charakteristisch für diese Methode sind die folgende Übungen: Satzmusterübungen, Substitutionsübungen, Einsetzübungen. Man verwendet Nachspiele nach Modelldialogen.

Die audiovisuelle Methode ist eigentlich eine Weiterentwicklung der audiolinguale Methode. Der Prinzip der audiovisuellen Methode ist folgendes: die Sprache mit optischem Anschauungsmaterial zu verbinden, wo immer möglich. Man präsentiert Bilder oder Bildfolge und auf Tonband aufgenommenen Dialoge. Man erklärt die Bedeutung der einzelnen Gesprächseinheiten. Danach lernt man auswendig die Dialoge durch Wiederholung von Bildern und Texten. Der Schüler wird aufgefordert Dialoge zu den Bildern zu machen. Diese Methode legt viel Wert auf die geschprochene Sprache, man übt Satzstrukturen, man lernt sie auswendig und im Unterricht verwendet man technische Hilfsmitteln.

Kommunikativ – Pragmatisch – Orientierte – Methode

Die kommunikative Methode stellt in den Mittelpunkt den Schüler. Nach einer Phase der Stoff-Faszination und der Konzentration auf Objektivierbare und mit objektiven Testverfahren messbare Lernziele im Bereich der sprachlichen Systeme ist für den gegenwärtigen Stand der Diskussion eine stärkere Hinwendung zum Lernenden als dem Subjekt des Lernprozesses und zum Lernprozess selbst kennzeichnend (Neuner et al 1981)

Diese Methode hat sich in den 70er Jahren aus pragmatisch-funktionale und pädagogische Gründe entwickelt. Es entsteht eine neue Gruppe von Lernenden wie die Hauptschüler, Erwachsenen, die die Veränderung der Unterrichtsmethoden erforderten.

Im Zentrum dieser Methode steht der Schüler, als Subjekt des Erziehungsprozesses. Der Lernende ist jetzt ein aktiver Partner im Erziehungsprozess: man verwendet nicht nur Einzelarbeit, sondern auch Partnerarbeit oder Gruppenarbeit. Der Lehrer spielt eine neue Rolle, er wandert sich in einen Helfer im Lernprozess, der die Schüler zum Fremdsprachen motivieren soll. Die neuen Kenntniss sollen dem Schüler helfen, um sich in der fremden Welt zu recht zu kommen. Die Landeskunde spielt eine wichtige Rolle auch, die sollen die Welterfahrungen des Schülers erweitern. Man verwendet meistens authentische Sachtexte.

Andere Methode

Unter diesem Begriff lassen sich verschiedene Sprachvermittlungsverfahren zusammenfassen: Lernen durch Lehren, Community Language Learning, Silent Way, Suggestopädie, Tandem-Lernen, Total Physical Response.

Die Methode Lernen durch Lehren ist in Deutschland eine sehr verbreitete Unterrichtsmethode. Hier bringen sich die Schüler gegenseitig den Lernstoff bei. Für Nieweler, den Herausgeber des Handbuchs zur Französischdidaktik (2006) ist Lernen durch Lehren „eine radikale Form der Schüler- und Handlungsorientierung“. Zwischen den Lernern entsteht durch intensive Interaktionen eine Vernetzung mit entsprechenden Netzwerkeffekte. Im Rahmen dieser Interaktionen werden Informationen zu Wissen verwandelt“.

Community Language Learning ist eine Methode die sich an Erwachsene wendet, die Fremdsprachen in Gruppen von zwei oder drei Personen lernen. Die Lehrende haben die Aufgabe, Ängste bei den Lernenden abzubauen und ihnen die Sprache als Mittel der Kommunikation nahe zu bringen. Das Lernen soll als gegenseitiges Lernen in Gruppenarbeit stattfinden und nur eine Aufgabe oder Übung je Sitzung behandelt werden. So bleibt den Lernenden genügend Zeit zum Nachdenken, Überlegen, Lernen und Austausch der Erfahrungen beim Überdenken und Lösen der Aufgabe.

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***SECTION: ECONOMICS, BUSINESS ADMINISTRATION, TOURISM AND
STATISTICS***

***SUB-SECTIONS: BUSINESS ADMINISTRATION, ECONOMIC STATISTICS
AND MODELLING, TOURISM***

FROM SLOW FOOD TO SLOW TOURISM

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Abstract: *One of the effects of globalization is the faster pace of our lives. This rhythm can be noticed in all aspects of life: travel, work, shopping, etc. and it has serious negative effects. It has become common knowledge that stress and speed generate serious medical issues. Food and eating habits in the modern world have taken their toll on our health. However, some people took a stand and argued for a new kind of lifestyle. It all started in the field of gastronomy, where a new movement emerged – Slow Food, based on the ideas and philosophy of Carlo Petrini. Slow Food represents an important adversary to the concept of fast food, and is promoting local products, enjoyable meals and healthy food. The philosophy of the Slow Food movement developed in several directions: Cittaslow, slow travel and tourism, slow religion and slow money etc. The present paper will account the evolution of the concept and its development during the most recent years. We will present how the philosophy of slow food was applied in all the other fields it reached and some critical points of view. Also we will focus on the presence of the slow movement in Romania, although it is in a very early stage of development. The main objectives of the present paper are: to present the chronological and ideological evolution of the slow movement; to establish a clear separation of slow travel and slow tourism, as many mistake on for the other; to review the presence of the slow movement in Romania. Regarding the research methodology, information was gathered from relevant academic papers and books and also from interviews and discussions with local entrepreneurs. The research is mostly theoretical and empirical, as slow food and slow tourism are emerging research themes in academic circles.*

Keywords: *fast food; slow food; travel; tourism.*

JEL classification: *L66; L83*

1. Introduction

In the second part of the 20th century, there was a revolution in eating based on the emergence of foods that need little or no preparation. According to some authors (Myhrvold et. al. 2011) this revolution started with companies like Coca-Cola, Danone and latter on McDonald's and Kentucky Fried Chicken. The main cause of this revolution was formation of the middle class in the United States, and later in Europe. "Millions of people did not have the time, the skills, or the help to cook for themselves-but they did have enough money to eat well" (Myhrvold et. al. 2011:20).

The downside of this revolution was the fact that although food was available to people, health problems started to appear, which were caused by eating. Both the contents of food and the eating habits had (and still have) a negative impact on the health of individuals.

For example, obesity is considered to be caused, at least partially by the increase in the number of fast-food restaurants in the US (Currie et. al., 2009). Or the high fructose syrup, which was introduced in mass production in the 70s and 80s is linked to diabetes and other metabolic problems (Goran et al, 2012; Parker et.al., 2010). Mass media has not been ignorant to these facts and so, documentaries and magazines have appeared that discuss in detail the problems of food and eating habits (Tabel 1).

Table 1: Documentaries regarding food and diet

Title (director)	Year	Themes
Supersize me (Spurllock)	2004	The impact of a McDonald's based diet on the health of an individual
Food Inc. (Kenner R.)	2008	The negative impact of the food industry on farmers, animals, consumers and the environment
Food matters (Colquhoun J.)	2008	The importance of food for the health of the consumers and the implications of the drug industry
The weight of the nation (n/a)	2012	An analysis of the diet and food issues in the USA, during the 12 episodes of the series
Fed Up (Soechtig S.)	2014	New trends in dieting and the health hazards generated by the consumption of sugar

Source: www.imdb.com

Considering all these problems and their effects, a counter-revolution started in Italy, named Slow Food. This new philosophy is based on the concept of slowing down, opposed to the “insidious virus Fast Life, which disrupts our habits, pervades the privacy of our homes and forces us to eat Fast Foods.” (Slow Food Manifesto, 1989). The movement started with the Slow Food movement in Italy in the 80s and 90s, but has extended to other countries in Europe and later the world. Slow Food is considered “the gastronomic version of Greenpeace: a defiant determination to preserve unprocessed, time-intensive food from being wiped off the culinary map” (Osborne in Hall, 2012: 109). The concept of slow has been applied later in other fields: travel and tourism, urbanism, fashion, culture and even money and religion. In the present paper we will follow the history of the Slow Food movement, its evolution and transformation.

1. The first step: the emergence of *Slow Food*

There are authors who consider Krippendorf as being the first advocate for slowness: “switch off the time machine. Take off the watch. Get rid of time pressure, the deadline, the agenda. Escape from time” (Krippendorf, quoted by Lumsdon and McGrath, 2011), but it is almost unanimously accepted that the father of the Slow Movement is Carlo Petrini.

The first step took place in 1985, when the Arcigola foundation was established by Petrini and other enthusiasts in the town of Bra, to protest against the opening of the first McDonald's restaurant in Rome (Heitmann et al. 2011). In the last 25 years, Petrini has been considered “the prophet and guiding light of the Slow Food Movement” (Popham 2009).

The *de facto* moment for the emergence of the Slow Food Movement was on the 10th December 1989, when the Slow Food Manifesto was read in Paris in front of delegates from 15 countries: “Our defense should begin at the table with *Slow Food*. Let us rediscover the flavors and savors of regional cooking and banish the degrading effects of *Fast Food*.” (Slow Food Manifesto, 1989)

The next year, in 1990, the first Slow Food International Congress was held in Venice, Italy. In the years that followed, the movement has extended to several countries: Germany, Switzerland, Japan, USA, UK etc.

The Slow Food Movement has numerous projects: the Ark of Taste, the University of Gastronomic Sciences and Terra Madre Day etc. which are trying to achieve the main

goals of defending food biodiversity, developing horizontal (consumer-consumer) and vertical (consumer-producer) networks, and enhance information and education in the field of food and gastronomy.

The Ark of Taste was launched in 1996 and it has the following objectives: „To protect the small purveyors of fine food from the deluge of industrial standardization; to ensure the survival of endangered animal breeds, cheeses, cold cuts, edible herbs - both spontaneous and cultivated – cereals and fruit; to promulgate taste education; to make a stand against obsessive worrying about hygienic matters, which kills the specific character of many kinds of production; to protect the right to pleasure.” (Slow Food, 1997) The Ark of Taste consists of a list of products divided into several categories (breads, breeds, cheese, fish, honey, oils, pasta, spirits, and wines).

Table 2: Slow Food International Congresses

No.	Year	Town	Country
1	1990	Venice	Italy
2	1997	Orvieto	Italy
3	1998	Turin	Italy
4	2003	Naples	Italy
5	2007	Puebla	Mexico
6	2012	Turin	Italy

Source: http://www.slowfood.com/about_us/eng/history.lasso

At this moment, Romania has 10 products in the Ark: Cheese from the Bucegi Mountains, red onion of Turda, hearth bread, Saxon villages preserves and several breeds of pigs, sheep and chicken (<http://www.slowfoodfoundation.com/pagine/eng/arca>).

The second project is the founding in 2004 of the University of Gastronomic Science. Its objective is to “create an international research and education center for those working on renewing farming methods, protecting biodiversity, and building an organic relationship between gastronomy and agricultural science.” (<http://www.unisg.it/en/storia-e-missione/>) The University offers undergraduate, graduate and masters programs in English or Italian, focused on food, culture and sustainability.

Terra Madre Day is celebrated each year on the 10th of December. It is a worldwide celebration of local food. In 2013, it was celebrated by over 185.000 people attending 750 events in 130 countries. (<http://www.slowfood.com/terramadreday/>) The day was celebrated in Romania, in Bucharest and Turda, where local dishes were cooked and tasted by participants.

There are several critics of the slow food concept. Firstly, some argue that this concept is not sustainable at a global level. Some authors (Van Der Muelen, 2008; Lindholm and Lie 2013), ask if small-scale local food production systems can solve global problems at hand. Locally grown food by small scale farmers can contribute to the health and well-being of certain regions (towns), this is not a solution for feeding 7 billion people.

Secondly, Laudan (2001) considers that slow food is simply nostalgia for “a time when families and friends met to relax over delicious food and to forget that, far from being an invention of the late 20th century, fast food has been a mainstay of every society”.

Thirdly, there is a certain interest conflict between on one hand the social goals of the movement and the economic goals (profit) of the entrepreneurs that are part of the movement. This conflict might lead to a fracture between the globalized Slow Food Movement and its creators, the small agriculture businesses in Northern Italy (Van Der Muelen, 2008).

Fourthly, some (Eriksen, 2007:182) argue that the Slow Movement can be criticized for representing an affluent middle class community concerned chiefly with self-realization

and personal well being. So, The slow movement is not radical enough in the fight against globalization.

2. The second step: Cittaslow

The concept of *Cittaslow* is based on Petrini's principles: „pleasure before profit, human beings before head office, Slowness before speed” (Honore 2004). The Movement of Cittaslow was born in 1999 through Paolo Saturnini's, past Mayor of Greve in Chianti, a little town of Tuscany brilliant intuition. The following years more and more cities joined the movement, and by November 2013, the list of slow cities contains over 100 towns from 28 countries. (Table 3). Cittaslow is basically an urban social movement against standardization and also a model for local governance.

The towns on the list have no more than 50.000 inhabitants, as it was argued that small towns offer the best opportunities for easy, enjoyable living (Miella 2008). The CittaSlow manifesto contains numerous pledges for the member cities, such as: cutting noise and reduce traffic; increasing green spaces; supporting local farmers and the shops, markets and restaurants that sell their produce; promoting technology that protects the environment; preserving local aesthetic and culinary traditions; and fostering a spirit of hospitality and neighbourliness. (Honore 2004). The mandatory indicators which have to be met by cities interested to become members have been split into six categories: environmental policies, infrastructure policies, quality of urban life policies, agricultural, touristic and artisan policies, policies for hospitality, awareness and training, social cohesion and partnerships (Cittaslow, 2014).

The advantage of Cittaslow is the fact that designated cities must go through a rigorous certification and periodic reviews, as compared to ecotourism destinations, which lack an international certification system (Lowry & Lee, 2011).

Table 3: Number of towns members in the Cittaslow network

No.	Country	Number of towns
1	Italy	73
2	Germany	12
3	Poland	12
4	South Korea	11
5	Turkey	9
6	France	8
7	Portugal	6
8	Spain	6
9	Great Britain	6
10	Others	37

Source: http://www.cittaslow.org/download/DocumentiUfficiali/CITTASLOW_LIST_november_2013.pdf

Romania is not yet a member of the network, but is considered by many to have a serious potential in order to implement the above mentioned pledges (Crangus)

3. The third step: slow travel and slow tourism

The philosophy of the Slow Food Movement can be easily applied to tourism. „Central to the meaning and concept of Slow Tourism is the shift in focus from achieving a quantity

and volume of experiences while on holiday towards the quality of (generally fewer) experiences.” (Heitmann et al. 2011).

There isn't an exact moment when slow travel emerged, as in the case of slow food, but most academics agree it was first defined in the second part of the 2000s.

Gardner (2009) author of “A manifesto for slow travel” considers that slow travel „is about deceleration rather than speed. The journey becomes a moment to relax, rather than a stressful interlude imposed between home and destination. Slow travel re-engineers time, transforming it into a commodity of abundance rather than scarcity.”

From the perspective of Dickinson (2009), slow tourism consists of fewer vacations and longer stays, air travel is not used, but other forms of transport which are more environmentally friendly, and transport becomes part of the tourist experience.

Table 4: Slow travel v. fast travel comparison

<i>Characteristics</i>				
Mode of travel	Slowness	Travel experience	Environmental Consciousness	Sense of place
Walking/cycling	Unhurried	Travelling through the landscape	Low consumption of fuels	Cultural exchange (attachment)
Airplane	Hurried	Travel corridor	High consumption of fuels	Minimal cultural contact (detachment)

Source: author's adaptation of Lumsdon and McGrath (2011)

Heitmann et al. (2011) believes that slow tourism is characterized by “the enjoyment of discovery, learning and sharing. This ‘slowing’ of the pace of a holiday provides opportunities to interact and connect with local people and places on a deeper level.”

Lumsdon and McGrath (2011) consider that slow tourism “in essence is about slowing down, travelling shorter distances and enriching the travel experience both en route to and at the destination.”

Hall (2011) views slow tourism as a macroeconomic concept and it compares it to steady-state tourism, rather than a form of tourism.

Also, slow travel can reduce the pressure on climate change, as it “could help create a modal shift in transport to the least polluting systems. Given that one such modality is rail, shifts may not be as difficult as imagined”. (Burns and Bigging, 2009)

From the start we have to notice that travel and tourism are used simultaneously, but the reality is quite different. Travel involves the shift from point A(home) to point B(destination). So, the slow component is mainly observed in the means of transportation: avoiding air travel, and insisting on walking, hiking, cycling.

This is not the case of tourism. Because of its complexity, the slow component in tourism can be observed in several fields: transportation, accommodation (using small scale guest-houses), food (respecting the principles of slow food) and culture (engaging with the local culture and traditions).

So, slow travel is essentially a part of slow tourism, related to the means of transportation used in order to get to and from the destination. From a statistical perspective, slow tourism represent 10% of the European tourism market and is on the rise (Lumsdon & McGrath, 2011)

Slow tourism in Romania benefits from the image of former Olympic champion Ivan Patzaichin, who has become the promoter of this form of tourism practiced in the Danube Delta. Other destinations for tourists are Sibiu, Brasov, Dobrogea and the George Enescu music festival. Impressions about Romania are mostly positive, but

significant difference can be noticed between Bucharest and rural areas of the province (<http://slowtalk.com/groupee/forums/a/tpc/f/>).

4. Conclusions

We consider sustainable development, in general, and sustainable tourism, in particular, to be mainly theoretical concepts, with a small number of examples, coming from the field of practice. In this scarcity, we have identified a new philosophy and an adjacent movement which try to reduce the crevasse between sustainability and everyday consumers.

As we could notice, the Slow Movement has spread throughout the world and is finding more and more supporters and fans that put its principles into practice. By respecting its principles, people learn to get back in touch with nature, they try to reduce the fast pace of life and enjoy social interactions.

Unfortunately, the slow philosophy has a few flaws. Firstly, through *Slow Food*, we will not be able to feed 7 or 8 billion people. Although it represents a healthy alternative to industrialized agriculture, *slow food* can only be a choice for people in the developed world. At the same time, by consuming local products, consumers avoid imports from developing countries, for which agriculture might represent the only economic activity.

Secondly, the Cittaslow concept eliminates from the start cities with population over 50.000 inhabitants, so it is not suitable for large human settlements. A second problem is the high level of concentration of the member cities (more than 50% of the members come from Italy).

Thirdly, slow travel and tourism are increasing, but by avoiding air transport, several destinations (the Maldives, and other Small Island States) will have to face a decrease of the number of tourists, which will reduce the economic benefits for these countries (most of which are also developing). Also from an international point of view "among policy-makers there is little sign of acceptance of a developing alternative sustainability paradigm based on ideas such as degrowth, steady state tourism and slow tourism." (Bramwell and Lane 2011)

In academic books, the forms of tourism are classified according to several criteria (motivation, destination etc.). In the case of slow tourism, and other forms (ecotourism, volunteer tourism, pro-poor tourism) we have to admit that there is a secondary motivation – promoting sustainable tourism. Either through protecting the environment, helping the needy or supporting local businesses and traditions sustainable tourists get a higher level of satisfaction from their holiday experience.

Nevertheless, slowness in general and slow tourism in particular can be beneficial as means of implementing sustainable development principles, at least partially. Because of its complexity, we can't hope to find a single solution or a "wonder-remedy" for all the issues in the world, but slowness might be the start.

In conclusion, we consider that the slow movement with all its components represents one of the few actions of individuals towards a sustainable civilization. But, it is not *the solution* for all of the world's problems and it cannot be applied worldwide.

Acknowledgments

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INVOLVEMENT OF LOCAL PUBLIC ADMINISTRATION ON THE DEVELOPMENT OF RURAL TOURISM

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Abstract: *In this paper we try to show the perception of the main stakeholder on the rural tourism field, local government, on the development of this economic activities. We believe that a revision of an important part of approaches that have appeared in the literature in terms of the concept of rural tourism, in terms of methods of analysis of tourism activities and, not least, requiring the use modern techniques for foresight indicators by which to make assessments on these activities. The local public administration is responsible for policy formulation, research and planning, development of basic infrastructure, the development of certain landmarks, establishing and managing service delivery standards, establishing management measures and recovery planning and environmental protection, setting standards for training and improving employment, setting standards for maintaining public health and safety. In this paper we try to show as well the main factors of the emergence and development of rural tourism in order to establish priorities in the joint action of local people, entrepreneurs, tourists and local and national administrations. In many countries, the tourism industry fall within government priority. Tourism has been identified as one of the primary industries with potential to support local communities in developing economic diversity. In this research, it was also used descriptive analysis of the variables and comparative analysis using Kruskal-Wallis H and Mann-Whitney U test. Kruskal-Wallis H test. The Kruskal-Wallis test aims at comparing several independent samples when, as is the case of our research, the dependent variable is ordinal. The test is based on rank and hierarchy of data analysis. Scores are ranked from lowest to highest, ignoring the groups they belong to, and then calculate the sum of ranks for each of the groups. The question refers to how much respondents considered that are due to the development of rural tourism attractions in the region Crișana. Respondents could answer one of the following: a very small extent, small extent, the average measure, largely respected very much.*

Keywords : rural tourism, difficulties, Crisana region, Romania

JEL Classification : M21, R11

1. Introduction

The factors that we analyzed in the some types of questionnaires that included both aspects is the responsibility of local government and the central public government. The issues examined were not grouped by types of respondents for not induce some pressure on them and avoid possible distortions of responses. I also didn't ask what the government didn't make, but I asked what factors led to the development, although follow difficulties in the development of tourism in the region analyzed.

Mixing several questions we can summarize that the respondents received the following question : *To what extent do the following factors led to the development of rural tourism in the region Crisana, from Romania ?*

1. State of the roads connecting the town ;
2. Status of road signs ;

3. The status of walking trails ;
4. Status tourist routes ;
5. Condition of access to sights
6. Status sightseeing ;
7. Status indicators for sightseeing ;
8. Specific investments ;
9. Appropriate infrastructure ;
10. Development strategy and long- term tourism activity ;
11. Promoting tourism heritage of the area ;
12. Increasing interest administrative ;
13. Improve infrastructure;
14. Restoration of historic monuments ;

From the literature we can draw a number of conditions necessary for the development of rural tourism and a number of motivations for its support. Implement policies and travel plans is the responsibility of both the administration and the private sector entrepreneurs.

The public sector is responsible for policy formulation, research and planning, development of basic infrastructure, the development of certain landmarks, establishing and managing service delivery standards, establishing management measures and recovery planning and environmental protection, setting standards for training and maintaining public health and safety.

The private sector is responsible for development of accommodation services, travel agency, the specific activity of commercial enterprises with tourism development and promotion of tourist attractions through specific marketing activities, based on existing infrastructure provided by government public. In this paper we try to find the difficulties, limitations of rural tourism development in Crisana region from perspective of local government.

Rural tourism has developed due to revenue growth (it is mostly discretionary income), due to increased leisure life and diversification motivations and desires of tourists. Tourism development is favored by improving infrastructure, historical monuments and architectural restoration and promotion of environmental conservation. Rural areas have a special attraction for tourists because of the distinct characteristics associated with mystical, cultural, historical, ethnic and geographical. For progress together with profit for those involved, it requires several components: attractions, investment, appropriate infrastructure, services and diversified hospitality promotion. To run this set of factors need to join entrepreneurs and public administrations. From the literature we can draw a number of necessary conditions for the development of rural tourism and a number of motivations for its support.

The public sector is responsible for policy formulation, research and planning, development of basic infrastructure, the development of certain landmarks, establishment and management of service delivery standards, establishing management measures and recovery planning and environmental protection, setting standards for training and improve employment, maintaining public health and safety.

The private sector is responsible for the development of accommodation services, travel agency operations, the activity of commercial tourist enterprises, development of landmarks and advertising through specific marketing activities, all based on existing infrastructure provided by public administration.

To show the difficulties and limitations of rural tourism development in the region Crisana we conducted a questionnaire that addresses local government.

2. Materials and methods

To conduct this research has been through several successive stages interrelated as follows:

- Defining the research topic
- Setting researched population and territory in which the investigation
- The choice of research (depending on budget)
- Presentation of the hypothesis and research objectives
- Determining the sample size and its features
- Preparation of the questionnaire and the interviewers
- Making preliminary investigation and selection of interviewers
- Data collection by the questionnaire
- Processing, analysis and interpretation of data
- Conclusions

In this research, it was also used descriptive analysis of the variables and comparative analysis using Kruskal-Wallis H and Mann-Whitney U test.

Kruskal-Wallis H test. The Kruskal-Wallis test aims at comparing several independent samples when, as is the case of our research, the dependent variable is ordinal. The test is based on rank and hierarchy of data analysis. Scores are ranked from lowest to highest, ignoring the groups they belong to, and then calculate the sum of ranks for each of the groups. The question refers to how much respondents considered that are due to the development of rural tourism attractions in the region Crişana. Respondents could answer one of the following: a very small extent, small extent, the average measure, largely respected very much.

Mann-Whitney U test is used for the difference between independent groups for which the dependent variable is expressed in ordinal (ranking), or when, even if quantitative, does not support a parametric test (t test, ANOVA).

3. Steps of research

a. Defining the research topic - setting limits and difficulties in the development of rural tourism in the region Crisana, from Romania.

b. Setting researched population and territory in which the investigation - we chose to study local government Crisana region - of the 185 municipalities in the region Crisana 105 answered the questionnaire. We received the answers and from entrepreneurs, residents from rural areas, rural tourism professionals and tourists.

c. Presentation of the hypothesis and research objectives. Assumptions from which we started are that Crisana region shows a great tourism potential in rural areas, but this potential is not exploited well. For this we try to find out the difficulties faced by those involved, with the hope that we can deliver some solutions to better exploit this potential. For all the research we chose to question local government, entrepreneurs, residents, tourists and tourism specialists. For this paper we present only the difficulties that exist in terms of local administration.

d. Determining the sample size and its features. To determine the sample size we started that Crisana region are 185 mayors, so administrative institutions, as follows: 55 mayors in Arad county, 90 mayors in Bihor county, 23 mayors in Hunedoara county and 17 mayors in Salaj county. Sample size I set it with indications [1]. It follows that in a population of 185 administrative units, the volume of sample is 384. Having more answers will be working for a sample volume of 391 respondents, so N=391.

e. Preparation of the questionnaire and the interviewers. The questionnaire consists of 38 questions. Questionnaire method was through e-mail and complete the questionnaire online . The questionnaire is still on the Internet [2].

Although we guarantee the confidentiality of responses and did not send identification data required for the respondents, most have left both identification data and contact information.

The most important questions to determine the difficulties facing rural tourism in the region Crisana were concentrated in the middle questionnaire emphasizing the development factors of economic activities.

f. Making preliminary investigation and selection of interviewers. I didn't make a preliminary investigation and I didn't use some operators interview. I have personally contacted the municipalities in the region and I managed all correspondence.

g. Data collection by the questionnaire. After checking the questionnaire I conducted several documentaries trips in the region. I visited many pensions and villages where I talked with the owners of those pensions and mayors of villages. I left the questionnaire and asked the e-mail them. A few days later I contacted them again and I asked to complete the questionnaire online.

h. Processing, analysis and interpretation of data. For analysis we refer to all questions. Please express your opinion on the : Status of road signs; Status roads linking to the village; The status of tourist routes; Status tourist routes; Status of access roads to tourist attractions; Status of tourist objectives; Status of signs for tourist objectives. As response alternatives we chose : Poor; Small; Acceptable; Good and Very good.

Coding responses to questions regarding the influence of various factors on the development of tourism we calculated an average score of responses for each factor.

$$S = \frac{5 \cdot N_1 + 4 \cdot N_2 + 3 \cdot N_3 + 2 \cdot N_4 + 1 \cdot N_5}{\sum_{i=1}^5 N_i} \quad 1.$$

Were: N sample size, N=391;

N_i , $i=1, \dots, 5$ – possible variations of response, attributes aspect under questioning (N_1 - great importance, N_2 - high importance, N_3 - medium importance, N_4 - little importance, N_5 - very little importance.)

We obtained as specified in the table below.

Table nr.1. Score and ranking the factors examined

The factors analyzed	N – Valid answers	The average score
	Valid	
1. Promoting tourism heritage of the area	391	3,25
2. Improve infrastructure	391	3,17
3. Restoration of historic monuments	391	3,06
4. Status of road signs	391	3,04
5. Status sightseeing	391	3,02
6. Increasing interest administrative	391	2,88
7. Development strategy and long- term tourism activity	391	2,87
8. State of the roads connecting the town	391	2,83
9. Specific investments	391	2,80
10. Appropriate infrastructure	391	2,77
11. Condition of access to sights	391	2,67
12. Status indicators for sightseeing	391	2,45
13. Status tourist routes	391	2,33
14. The status of walking trails	391	2,28

Source: own processing software SPSS

According to the classification presented in Table 1 government should involve much more specific investments in infrastructure, improve access roads to tourist attractions, especially natural indicators for mounting sights, setting new tourist routes and marking.

Analyzing both the previous ranking, of the 391 respondents and the analysis of whether or not significant differences in responses between groups of respondents, by applying Mann - Whitney U, for each factor of 14, the result follows table. (1 - There are significant differences between the views; 0 - No significant differences between the views). *Note: Current number of factors corresponds to the list presented in the introduction.*

From the point of view of the average score in the overall standings, taking into account all the 391 responses, the lowest scores are recorded by factors 3 and 4, so the status indicators tourist routes, with a score of 2.28, and the status of tourist routes with a score of 2.33. These two factors with scores below the mean value of 3 is considered difficult to develop tourism. The most important factor of development, according to respondents, is to promote heritage tourism in the area, with a score of 3.25.

Also note that between entrepreneurs and residents and between residents and specialists there is a total consensus views. So entrepreneurs, residents and tourism experts have the same opinion about the influence of these factors analyzed. The biggest differences between the respondents are between administration, entrepreneurs and residents on the one hand and, as expected, and tourists, on the other. Differences recorded 5 and even 6 of the factors analyzed from a total of 14 questions, factors.

By analyzing each of the items we note that there is a total consensus among respondents only factors condition of access to the attractions, landmarks status, promote heritage tourism in the area and infrastructure improvements.

Combining the analysis of the average score with existence or not of differences between groups of respondents views, factor with the lowest score, 2.67, and has a total agreement between the views of respondents is the condition of access to the sights.

Table 2. Applying the Mann - Whitney U

Groups of respondents	Factor														Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Nr.crt															
The average score	2,83	3,04	2,28	2,33	2,67	3,02	2,45	2,80	2,77	2,87	3,25	2,88	3,17	3,06	
Administration - entrepreneurs	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
Administration - residents	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Administration - specialists	1	1	0	0	0	0	0	0	1	1	0	0	0	0	4
Administration - tourists	1	1	1	1	0	0	1	1	0	0	0	0	0	0	6
entrepreneurs - residents	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
entrepreneurs - specialists	0	1	0	1	0	0	0	0	1	0	0	0	0	0	3
entrepreneurs - tourists	1	1	1	1	0	0	1	0	0	0	0	0	0	1	6
residents – specialists	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
residents – tourists	0	0	1	1	0	0	1	1	0	1	0	0	0	0	5
specialists - tourists	0	0	0	0	0	0	0	0	1	1	0	0	0	0	2
Total	3	5	3	4	0	0	3	2	3	3	0	1	0	1	

Source: own processing software SPSS

Given this analysis, further we will analyze the factor condition indicators tourist routes with the lowest mean score of 2.28 and total consensus between the views of respondents.

In our opinion and to analyze factors of importance and existence of infrastructure development strategies and long-term tourism activity, but we don't want a big research paper and these factors will be the subject of other papers that will be submitted for publication in certain journals specialist or to be supported conferences in the field.

4. The analyze of factor status of indicators tourist routes

Descriptive analysis of responses on the Status indicators tourist routes table 3. As I said, this indicator has the lowest average score, with the value of 2.28 and is the general opinion a factor that stunted its development. Regarding this factor, almost two thirds of respondents, 61.4% consider that the state indicators tourist routes is small, even poor. 25.3% believe that the status indicators tourist routes is acceptable, while only 13.3% said that they are in good condition and very good. These values are represented in Figure 1.

The general opinion on the status indicators tourist routes is reflected almost identically on all categories of respondents, entrepreneurs are those who still think more unfavorable as the other categories, while among tourists there is a relatively high percentage (19.8%) who I think the status indicators tourist routes is good or very good.

Table 3. Descriptive analysis on status indicators tourist routes

		frequency	percentage	the percentage of valid	cumulative percent
Answers available	poor	99	25,3	25,3	25,3
	small	141	36,1	36,1	61,4
	acceptable	99	25,3	25,3	86,7
	good	46	11,8	11,8	98,5
	very good	6	1,5	1,5	100
	Total	391	100	100	

Source: own processing software SPSS

Comparative analysis of answers on the status indicators tourist routes. The opinions about the status of indicators of tourist routes there are statistically significant differences between the different categories of respondents, which showed the results of statistical analysis $\chi^2(4) = 28.129$, $p = 0.001$, table 4. In this case, it seems that the best opinion have tourists (average rank is approx 230), while the worst opinion have entrepreneurs in rural areas (average rank = 154), table 5.

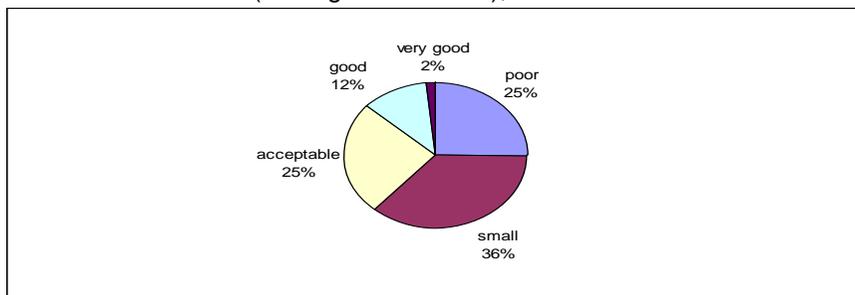


Figure 1. Distribution of answers to influence indicators of tourist routes

Source: own processing software SPSS

Table 4. The values obtained by applying the Kruskal Wallis H

Parameters	Please express your opinion on: [The status of indicators tourist routes]
χ^2	28,129
d_f	4
p	0,001

Source: own processing software SPSS

Table 5. Comparative analysis on the influence of indicators of tourist routes

Please express your opinion on: [The status indicators of tourist routes]	Respondents	N_i	Average rank
	rural local government	105	170,78
	rural entrepreneurs	15	154
	residents of rural	75	171,35
	travel Specialists	34	184,85
	tourists	162	229,99
Total	391		

Source: own processing software SPSS

The analysis of responses on the influence of status indicators of tourist routes by groups of respondents is presented in table 6.

Table 6. Analysis of responses by groups of respondents

Respondents		The status indicators of tourist routes					Total
		poor	small	acceptabl e	good	very good	
Rural local government	number	41	30	22	10	2	105
	percentage	39	28	21	9,5	1,9	100
Rural entrepreneurs	number	4	9	2	0	0	15
	percentage	26,7	60	13,3	0	0	100
Residents of rural	number	25	28	16	5	1	75
	percentage	33,3	37	21	6,7	1,3	100
Travel specialists	number	6	19	7	2	0	34
	percentage	17,6	56	20	5,9	0	100
Tourists	number	23	55	52	29	3	162
	percentage	14,2	34	32,1	17,9	1,9	100
Total	number	99	141	99	46	6	391
	percentage	25,3	36,1	25,3	11,8	1,5	100

Source: own processing software SPSS

Comparison between categories of respondents opinions twos reveals that significant differences in their views on the state indicators are status of indicators between respondents representing administration and tourists ($U = 6040.5$, $z = -4.147$, $p = 0.001$) between entrepreneurs and tourists ($U = 708.5$, $z = -2.787$, $p = 0.005$) and between residents and tourists ($U = 4248.5$, $z = -3.875$, $p = 0.001$), taking into account the materiality adjusted to 0.005, table 7. (We accept the null hypothesis H_0 , there are significant differences between respondents' opinions if, $p \leq 0,005$, and we don't accept the null hypothesis H_0 , accept hypothesis H_1 no significant differences between respondents' opinions if, $p > 0,005$.)

Table 7. Applying the Mann - Whitney U test

Pair of respondents	Calculate statistical parameters				Decision - accepted:
	U	W	Z	p	
Administration - entrepreneurs	750	870	-0,313	0,754	H_1
Administration - residents	3888,5	9453,5	-0,149	0,881	H_1
Administration - specialists	1613	7178	-0,885	0,376	H_1
Administration - tourists	6040,5	11605	-4,147	0,001	H_0

entrepreneurs - residents	523	643	-0,454	0,65	H ₁
entrepreneurs - specialists	208,5	328,5	-1,129	0,259	H ₁
entrepreneurs - tourists	708,5	828,5	-2,787	0,005	H ₀
residents – specialists	1164	4014	-0,771	0,441	H ₁
residents – tourists	4248,5	7098,5	-3,875	0,001	H ₀
specialists - tourists	2045,5	2640,5	-2,468	0,014	H ₁

Source: own processing software SPSS

5. Conclusions

In this paper we analyzed other factors. Analyzing respondents' opinion on the state road signs, it appears that the vast majority (40.7%) believe that their condition is acceptable. Relatively equal percentages are those who believe that the state indicators is good (23.5%) and modest (23%). Only 7.2% believe that the status signs is very good, while 5.6% believe that their condition is poor.

Respondents' opinion on the state of the roads that connect rural villages is similar to that regarding the state road signs, but the percentage of those who believe that the road condition is poor is slightly higher in this case 17.1%. With regard to this factor 30.4% believe that the state of roads is acceptable, and 24.6% that is good.

Respondents' opinion on the state of tourism routes is identical indicators regarding the state of signs tourist routes. Thus, 56.3% believe that the state tourist routes is modest or poor, 29.7% think it is acceptable, while only 14% say that it is good or very good.

Regarding the condition of access to the sights, prevailing opinion that it is modest or poor (43.8%), possibly acceptable (35%). Only 21.2% of respondents said that the condition of access roads is good or very good.

Opinion of the majority of respondents (40.2%) on the state of the sights is that it is acceptable. 33.5% think it is good or very good, while 26.4% believe that the state is modest sightseeing or poor.

Opinions on the state indicators for sights are similar to indicators regarding the state of tourist routes. The vast majority of respondents had a negative opinion, 53.5% stated that indicators is modest or poor condition. 30.4% of respondents believe that the signs are in acceptable condition and only 16.1% believe that their condition is good or very good.

By analyzing each of the items we note that there is a total consensus among respondents about the fact that some of them have stimulated the development of tourism or even curbed it, such as: condition of access to the sights, the state of objects tourism and infrastructure.

Another general opinion is that either the volume of investments was not specific enough, but do not know their value, or efficiency of these investments brought no improvement in conditions offered to tourists.

We want to draw attention to the road infrastructure. I noticed that rural tourism is developed in communes is one of the main arteries of traffic, with very few exceptions to this rule.

So it requires an intervention of administration for rehabilitation of road infrastructure. We note, however, that not only provides a specific infrastructure development of rural tourism. This is coupled with traffic in the area. But we believe that improved infrastructure would result in even more tourists to think twice whether to like a classic tourism, famous resorts, or rural tourism.

However the future looks promising for rural tourism due to a growing interest to spend time in the countryside and outdoor activities and free time due to growth and duration of holidays. This we consider promising future and because entrepreneurs are not needed investment funds too large, but important condition is that the government should provide the necessary infrastructure.

In our opinion the components for tourism to progress plans should be completed with some very well documented and carried out by experts in the field and, most importantly, a strategy for medium and long term development of business tourism strategy must be part of the overall development strategy of the area.

In general, the personal contribution of the author was to:

- identify a number of factors that influenced the development of rural tourism;
- to process, using SPSS software, an extensive database specific methods statistical and mathematical processing, database put together by completing questionnaires to 391 respondents;
- to carry out a research to a large volume of articles and publications;
- to select different authors opinions on major issues concerning rural tourism development factors;
- to try to prioritize these factors according to the perception of respondents selected with the intention to highlight those who favored the development, factors that can be considered as difficulties and limitations of the development of economic activities.

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IMPLEMENTING FISCAL OR MONETARY POLICY IN TIME OF CRISIS? RUNNING GRANGER CAUSALITY TO TEST THE PHILLIPS CURVE IN SOME EURO ZONE COUNTRIES

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Abstract: *This paper aims to provide empirical evidence about the theoretical relationship between inflation and unemployment in 9 European countries. Based on two major goals for economic policymakers namely, to keep both inflation and unemployment low, we use the ingredients of the Phillips curve to orient fiscal and monetary policies. These policies are prerogative for the achievement of a desirable combination of unemployment and inflation. More in detail, we attempt to address two basic issues. One strand of the study examines the size and sign of the impact of unemployment rate on percentage changes in inflation. In our preferred econometric model, we have made explicit the evidence according to which one unit increase (%) in unemployment reduces inflation of roughly 0.73 percent, on average. Next, we turn to the question concerning the causal link between inflation and unemployment and we derive a political framework enables to orient European policymakers in the implementation of either fiscal or monetary policy. In this context, by means of the Granger causality test, we mainly find evidence of a directional causality which runs from inflation to unemployment in 4 out of 9 European countries under analysis. This result implies that political authorities of Austria, Belgium, Germany and Italy should implement monetary policy in order to achieve pre-established targets of unemployment and inflation. In the same context, a directional causality running from unemployment to inflation has been found in France and Cyprus suggesting that a reduction in the unemployment level can be achieved through controlling fiscal policy. However, succeeding in this goal may lead to an increasing demand for goods and services which, in turn, might cause a higher inflation than expected. Finally, while there is no statistical evidence of a causal link between unemployment and inflation in Finland and Greece, a bidirectional causality has been found in Estonia. This implies that pre-established targets of inflation and unemployment can be achieved by political authorities by coordinating the monetary and fiscal policy.*

Keywords: *Econometric Analysis; Fiscal Policy; Inflation; Monetary Policy; Unemployment.*

JEL classification: *C01; E52; E31; E52; E62; E63.*

1. Introduction and aim of the study

This article is grounded on the view that, especially during recessions, GDP can be raised through stimulating aggregate demand. Boosting aggregate demand during hard economic times represents, therefore, a key challenge to be put at the top of the political agenda if unemployment is intended to be reduced to the pre-crisis levels. As a starting point for discussion, we base this paper on the Keynesian general theory and combine the ingredients of the Phillips curve. Given this theoretical framework, we here propose a basic econometric model to be used while deciding between monetary and fiscal policy. The overarching goal of this paper implies developing a theoretical and econometric framework which helps policymakers to understand if it is aggregate demand that reduces unemployment or if it is a low level of unemployment that boosts aggregate demand. Understanding the causal link is central while implementing macroeconomic policies. The objective of this paper is therefore twofold: on the one hand we preliminary estimates the pure effects of unemployment on percentage changes in inflation. On the other hand we try to estimate what leads to what namely, if it is a low level of unemployment that causes inflation -via aggregate demand- or vice-versa. The provision of factual evidences about the causal link should, in turn, reflect in a sort of trade-off between monetary and fiscal policy. In order to discuss the above mentioned topic, this paper is organized as follows: section 2 reviews the literature by enquiring into the stylized facts characterizing the linkage between unemployment and inflation. It also highlights *why* the theories underlying such a relationship are crucial in terms of policy responses to high unemployment rate. Section 3 approaches econometric techniques in order to both estimate pure effects of unemployment on percentage changes in inflation and the direction between inflation and unemployment. Section 4 concludes and discusses policy responses at the country level.

2. Unemployment and inflation: a brief literature review and some theoretical implications

The history teaches us that from time to time negative fluctuations in the GDP growth exacerbate the economic cycle. Short periods of stagnation and recession are however followed by periods of rapid economic growth, boom or expansion. Frankel and Rapetti (2009), for instance, explain the current global economic crisis as a period in which *“the tranquility of states of full-employment gradually leads to a diminishing perception of risks and increasingly optimistic expectations about the future. It is also during periods of tranquil expansion that ‘profit-seeking financial institutions invent and reinvent ‘new’ forms of money, substitutes for money in portfolios, and financing techniques for various types of activity”* (Minsky, 1986, p.199). *“As financial innovation and optimistic expectations develop, additional demand for goods and assets is created. Asset prices increase, giving rise to additional profit opportunities which attract new investors. This positive feedback characterises the booming phase of the cycle. (...) At some point, some events calls agents’ attention to the high degree of exposure to risk in the system and a phase of financial distress begins.(...). In this contractive phase, pessimistic expectations are dominant and negative feedbacks are the rule. The deflationary developments in the financial markets make most agents either liquidity-constrained or bankrupt, in both cases affecting their spending decisions negatively. Private consumption falls and investment collapses, further fuelling the deflationary trends. What started as a contraction in the financial sector has now spread to the whole economy: (...). In Minsky’s view, government regulation cannot eradicate this cyclical pattern completely, but can soften it considerably so as to prevent great crises from happening (again)”* (Frenkel and Rapetti, 2011, p.687). Some stylized facts can be inferred from the above mentioned studies: the first one relates to upwards and downwards movements of average consumer prices during the phases of boom and

recession, respectively. The second one relates to high levels of unemployment during the phases of recession and low level during periods of boom or expansion. As a corollary of these features, we may use the above framework to theoretically explain causes of the current economic crisis. We may also want to describe a stable empirical relationship concerning the patterns of unemployment and average consumer prices that may serve for advising policy actions. There is a sizable literature shedding light on the relationship between these two variables. The most important study clearly refers to the Phillips curve. In 1958 New Zealand born economist, Alban William Housego Phillips, regressed data on unemployment and the rate of change of money wage rates in the United Kingdom from 1861-1957. He found an inverse relationship and stated that lower unemployment in an economy is correlated with a higher rate of inflation. Looking at figure 1 below, we can find evidence of such a relationship in a set of European countries during the period 1980-2012

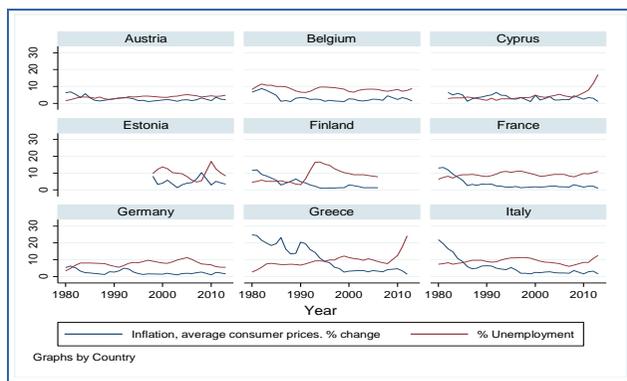


Figure 1: Trend in inflation and unemployment in nine European countries (Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece and Italy.) from 1980 to 2012.

Source: Own elaboration based on IMF statistics (*World Economic Outlook, 2013*).

The implications behind that study were that governments or monetary authorities can control either inflation or unemployment by means of Keynesian policies. In other words, after deciding the best combination between unemployment and inflation, they could tolerate a given target of inflation in order to lower unemployment. They can, however, contract aggregate demand in order to get lower inflation rates, but at the cost of higher unemployment. In this regard, fiscal policy (i.e., deficit spending) and monetary policy are the two main tools used by governments to raise aggregate demand. As a consequence, they can have prominent effects not only on the aggregate demand but also on output, employment and on the inflationary process.

3. Measuring the impact of inflation on unemployment rate: a basic econometric estimation

Official data interpolated through economic techniques give us a sort of stylized picture of the overall relationship between inflation and unemployment rate. As a starting point for discussion, figure 2 below suggests that 1 unit positive percentage change in inflation causes $-\beta^* 0, 01$ reduction in unemployment. This is to say, when monetary authorities inject liquidity into the economic system through leveraging on the interest rate, 1 percentage point increase in the inflation rate reduces unemployment of roughly 0.85 percent, on average.

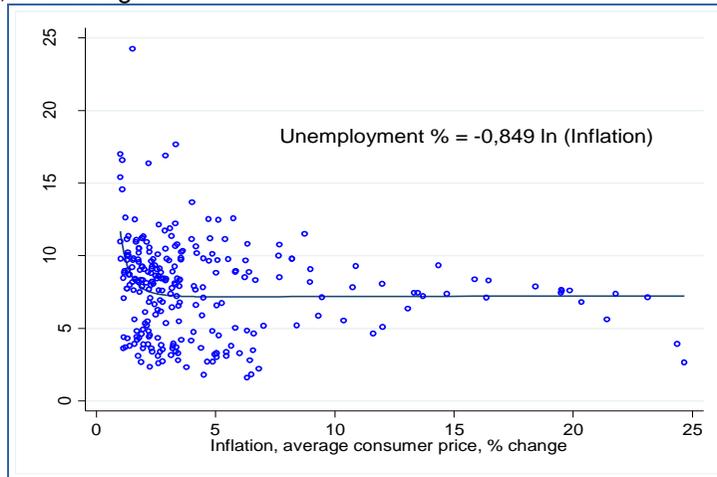


Figure 2. Relationship between unemployment rate and percentage change in inflation for 9 European countries (Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece and Italy). Time series 1980-2013.

Source: Author's elaboration based on *IMF statistics (World Economic Outlook 2013)*.

It is straightforward that by using the nonlinear equation in figure 2, we can only get a naive regression. At the country level, some drawbacks are both related to constraints in estimating average effects of inflationary process on the unemployment rate and in the understanding of the most suitable policy response to be implemented. With this frame of reference, we intend to progress as follows. 1) We preliminary use more appropriate econometric techniques in order to test pure effects of unemployment on inflation rate in 9 pilot European countries. 2) We then check for robustness of what leads to what. More in detail, we test Granger causality in the same 9 pilot European countries in order to validate the idea according to which a higher inflation reduces unemployment (or vice-versa).

3.1 Estimating pure effects of unemployment on percentage changes in inflation using RE or FE model

A basic approach to analyze the relationship between percentage changes in inflation and the unemployment rate draws heavily on the baseline equation (1):

$$\%_{i,t} = \alpha + \beta_1 U_{i,t} + \gamma_t + c_i + \varepsilon_{i,t} \quad [1]$$

Where index i denotes country and t denotes time (from 1980 to 2012), U is the unemployment rate, ΔInf stands for the percentage change in inflation from one year to the next, γ is a time effect, c is a country effect and ε is the error term. Both predictor and outcome variables are measured in percentage points.

The inclusion of longitudinal data within our dataset suggests developing a model that includes random or fixed effects (hereafter RE and FE, respectively). The intent here is to control for omitted characteristics, including unobserved characteristics of country. From a very general perspective, the idea behind the use of a RE or FE model is to estimate that coefficient which represents the average effect of Δinf when U changes across time and between countries by one unit

Table 1: Estimated coefficients by means of both RE and FE models. Results obtained using fixed-effects (FE) estimators with cluster-robust standard errors (clustering by country). Asterisks denote significance levels: (**): significant at 5%. Hausmann test is reported at the foot of the table.

Explanatory variables	FE last square dummy variable	FE	RE
	Inflation, consumer price, percentage change		
Unemployment rate	-.7329523** (.0869501)	-.7329523** (.0869501)	-.6719924** (.0956051)
Belgium	3.845947**		
Cyprus	1.124.548		
Estonia	6.498206**		
Finland	4.873054**		
France	4.90494**		
Germany	2.675665**		
Greece	1.213173**		
Italy	6.781328**		
Intercept	5.527627**	10.23372**	9.802691**
Adj. R2	3,013888889		
Pr>F	0.0000	0.0000	0.0000
Within		1,54166667	1,5416667
Between		1,39166667	1,3916667
Overall		0,12708333	0,1270833
TEST			
Correlation between predictor and entity's error term		-0.5031	0 (assumed)
Hausmann Test	0.000		

Source: author's elaboration and calculation

For the FE model the estimated equation becomes:

$$\Delta Inf_{i,t} = \beta_1 U_{i,t} + c_i + \varepsilon_{i,t} \quad [2]$$

Where c_i ($i = 1, 2 \dots 9$) is the unknown intercept for each country. It is worth noting that the slope coefficient is the same from one country to the next. What is varying in this equation is the c_i term (that varies across country but not over time). It is also interesting to notice that by estimating a FE least square dummy variable (LSDV) model we can absorb country specific effects. The first column in table 1 above lists estimated coefficients.

On average, one unit percentage change in unemployment reduces inflation of roughly 0.73 percent. Figure 3 below provides a graphical exploration at the country level

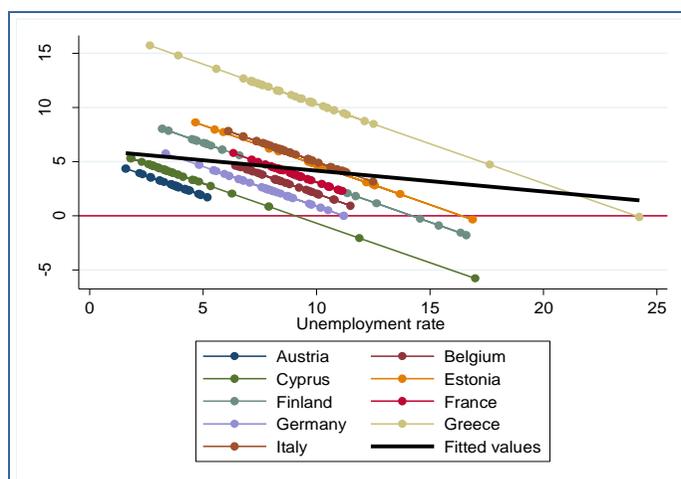


Figure 3. FE with LSDV model. Fitted values.

Source: author's elaboration based on estimations in table 1 (first column).

By contrast, the rationale behind the use of a RE model is the assumption (validated by statistical test)¹ that entity's error term is not correlated with the explanatory variable. By using a RE model, the estimated equations becomes:

$$\Delta \ln f_{i,t} = \beta_1 U_{i,t} + u_{it} + \varepsilon_{i,t} \quad [3]$$

Where u_{it} is the between-entity error. This model allows including time invariant variables.

The estimated coefficient in the RE model reveals that one unit percentage change in unemployment rate reduces inflation by 0.67 percent, on average. Another interesting result inferred by the above reported estimations relates to the intercept. The intercept in the model suggests the average value of inflation (% changes) when the total labour force is engaged in productive activities². From an economic perspective, such a situation involves inflation rising as a consequence of positive changes in GDP growth and a fall in unemployment rate up to 0 percent. In this context, the economy would move along the Phillips curve. We finally point out that according to the Hausmann test the FE model is strongly preferred. It is worth noting that our data validate the Phillips curve thus suggesting a sort of trade-off for decision makers.

3.2 From unemployment to inflation: what leads to what? Testing Granger causality

Deciding between a fiscal or a monetary policy means to understand what leads to what, *i.e.* investigating the empirical causality between unemployment and inflation (or vice-versa). According to the Phillips curve, decision makers may decide to stimulate aggregate demand through implementing instrumental variables (public expenditure or interest rate) in order to reduce unemployment (or inflation). More specifically, while policy actions should be constrained with low levels of unemployment and high inflation, they should be boosted with high level of unemployment and low inflation. The above implemented model has provided us with information about the position and slope of the Phillips curve: on the one hand, the position identifies the attainable goals. On the other

¹See test reported in table 1 above.

²Statistically, the unemployment rate equals 0.

hand, the slope of the curve identifies the trade-offs since a steep curve involves a big change in inflation for a small change in unemployment. A flat curve implies a small change in inflation for a big change in unemployment. As a consequence, once both the position and slope of the Phillips curve has been identified (and the quantifiable target established), policymakers act on either fiscal or monetary policy. In this context, our dilemma is based on the causal link of the relationship. To provide a meaningful example, let us assume that a low level of unemployment would boost aggregate demand that, in turn, will cause a high level of inflation. It is straightforward that the established targets of unemployment and inflation need to be achieved through stimulating fiscal policy and by means of public spending that encourages economic activities. By contrast, assuming that the causal link runs from inflation to unemployment, then the proper policy to be implemented is the monetary one. As a corollary of this preamble the following analysis intends to investigate the causal relationship between unemployment and inflation. The approach used to explore this link is to use the Granger causality test which allows us to determine whether positive percentage changes in inflation cause low rates of unemployment or vice-versa. The Granger causality test is structurally shaped in the form of a Vector Autoregressive model (hereafter VAR). Conceptually, such a test allows us to determine if lagged values of a time series X might cause a time series Y. The Granger test can be used as a proof of causality especially when the economic theory does not provide us with enough information. We preliminarily specify a very general possible relationship between percentage changes in inflation and unemployment according to Loganathan *et al.* (2011):

$$\Delta Inf_t = f(U_t) \text{ or vice-versa} \quad [4]$$

Where ΔInf_t is the percentage change in inflation from 1980 to 2012 and U_t is the unemployment rate in the same period. Before testing the causal relationship, it is important to perform the unit root test, namely the Dickey Fuller one, for each variable in the analysis. The importance to check for the presence of unit roots mainly deals with possible non-stationary processes of the variables in the model. When it happens, we need to make them stationary by taking the first, second or even higher differences. Such a test is reported in table 2 below

Table 2: Dickey-Fuller test for unit root with critical values at 1% (*), 5%(**) and 10% (***).

Augmented Dickey Fuller Test for unit root (constant and trend)							
Country	Variable	Difference	Test statistic	1%	5%	10%	MacKin non approximate p-value for Z(t)
Austria	% Inflation	Δ	-5.405*	-4.38	-3.6	-3.24	0.000
	% Unemployment	Δ	-4.672*	-4.38	-3.6	-3.24	0.008
Belgium	% Inflation	Δ	-3.167**	-4.38	-3.6	-3.24	0.021
	% Unemployment	Rate	- 3.715**	-4.38	-3.6	-3.24	0.003
Cyprus	% Inflation	Δ	-3.442**	-4.38	-3.6	-3.24	0.009
	% Unemployment	Δ	-2.720***	-4.38	-3.6	-3.24	0.070
Estonia	% Inflation	Δ	-3.807**	-4.38	-3.6	-3.24	0.009
	% Unemployment	Δ	-3.875**	-4.38	-3.6	-3.24	0.008
Finland	% Inflation	$\Delta 2$	-3.094**	-4.38	-3.6	-3.24	0.027
	% Unemployment	Δ	-2.958***	-4.38	-3.6	-3.24	0.039
France	% Inflation	Δ	-3.102**	-4.38	-3.6	-3.24	0.026
	% Unemployment	Δ	-3.283**	-4.38	-3.6	-3.24	0.015
Germany	% Inflation	Δ	-4.092**	-4.38	-3.6	-3.24	0.006
	% Unemployment	Δ	-3.247***	-4.38	-3.6	-3.24	0.075
Greece	% Inflation	$\Delta 2$	-4.278**	-4.38	-3.6	-3.24	0.003
	% Unemployment	Δ	-3.693**	-4.38	-3.6	-3.24	0.002
Italy	% Inflation	Δ	-3.674**	-4.38	-3.6	-3.24	0.024
	% Unemployment	Δ	-3.701**	-4.38	-3.6	-3.24	0.022

Source: author's elaboration and calculation.

We have pointed out that the Granger causality theory specifies whether lagged values of a time series (let us say Y) causes a time series X. Based on this assumption we now turn to question concerning the optimal lag order to be included in the Granger causality analysis. The most common approach to select and pre-estimate the lag order for a Vector Autoregressive (VAR) model deals with the use of "information criterion". We display in table 3 below the results of the most common approaches used while deciding about the lag length in a VAR. They are Akaike's information criterion (AIC) and Hannan-Quinn information criterion (HQIC). It is important to notice that the lag with the smallest value is the order selected by each criterion and the asterisk, "**", appearing next to the statistics indicates the optimal lag to be included in the Granger analysis (the confidence interval was set at 95%).

Equation 7 <i>(Causality: Cyprus)</i>	ΔUnemployment does not Granger cause ΔInflation	0.006	Rejected	More than 1 year later	Fiscal policy
	ΔInflation does not Granger cause ΔUnemployment	0.695	Not rejected		
Equation 8 <i>(Causality: Estonia)</i>	ΔUnemployment does not Granger cause ΔInflation	0.000	rejected	2 years later	Bidirectional causality: coordination of fiscal and monetary policies
	ΔInflation does not Granger cause ΔUnemployment	0.002	Rejected		
Equation 9 <i>(Causality: Finland)</i>	ΔUnemployment does not Granger cause ΔInflation	0.437	Not rejected		No empirical evidence of causality
	ΔInflation does not Granger cause ΔUnemployment	0.795	Not rejected		
Equation 10 <i>(Causality: France)</i>	ΔUnemployment does not Granger cause ΔInflation	0.006	Rejected	More than 1 year later	Fiscal policy
	ΔInflation does not Granger cause ΔUnemployment	0.280	Not rejected		
Equation 11 <i>(Causality: Germany)</i>	ΔUnemployment does not Granger cause ΔInflation	0.063	Not rejected	1 year later	Monetary policy
	ΔInflation does not Granger cause ΔUnemployment	0.000	Rejected		
Equation 12 <i>(Causality: Greece)</i>	ΔUnemployment does not Granger cause ΔInflation	0.065	Not rejected		No empirical evidence of causality
	ΔInflation does not Granger cause ΔUnemployment	0.772	Not rejected		
Equation 13 <i>(Causality: Italy)</i>	ΔUnemployment does not Granger cause ΔInflation	0.503	Not rejected	More than 1 year later	Monetary policy
	ΔInflation does not Granger cause ΔUnemployment	0.001	Rejected		

Source: author's elaboration and calculation.

4. Concluding remarks and policy implications

Economic implications behind Phillip's discovery relates to an important political framework: the short-run inverse relationship between unemployment and inflation which leads policymakers to make hard decision. In this regard, lowering one variable results in raising the other. The two-step analysis discussed earlier has been central in understanding the magnitude of the effects of unemployment on inflation and the causal link between inflation and unemployment. In this regard, in our preferred model, *i.e.* the FE one, we have found evidence that one unit percentage increase in unemployment reduces inflation of roughly 0.73 percent, on average. Although the estimated parameter of interest is useful to detect average changes in inflation when one unit change in unemployment occurs, the presented model does not inform us about the causal link between the two variables of interest. The existence of a causal link from inflation to unemployment, and vice-versa, has therefore been detected by means of the Granger

causality test (results are reported in table 4). The econometric framework reveals a directional causality running from inflation to unemployment in 4 out of 9 European countries namely, Austria, Belgium, Germany and Italy. Such a causality implies that the monetary policy is the most suitable one since by acting on the interest rate monetary authorities may decide the desired combination between unemployment and inflation. Indeed, since high levels of unemployment are mainly caused by low inflation, injection of liquidity -through lowering the interest rate- may improve labour market outcomes. It is however worth noting that the timing effects of the monetary policy can be strongly different from one country to another due to country specific characteristics. The above econometric scenario also suggests a directional causality going from unemployment to inflation. This is likely to be evident in France and Cyprus: in these countries, a reduction in the unemployment level will likely boost aggregate demand via an increase in the marginal propensity to consume. The rationale behind this assumption can be summed-up as follows: as the job creation mechanism is generated (through fiscal policy actions), national output tends to increase. This causes a positive effects in nominal wages. Consumers demand more goods and services which reflects in an increasing average consumer prices of goods and services. Finally, given the bidirectional causality detected in Estonia, a coordination of the monetary and fiscal policy would be highly recommended.

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PERCEPTION OF MANAGERS ON PERFORMANCE - EMPIRICAL STUDY CONDUCTED IN THE HOSPITALITY INDUSTRY ENTITIES IN ROMANIA

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Abstract: *We seek performance. We want to become performers, but undoubtedly most often we forget to get down to the essence of things, wondering "What is performance?". But what is meant by performance in the hospitality and tourism industry, an industry that is booming at world level, but which, at the same time, in the local area, faces an environment increasingly difficult? What is the perception of managers about this concept? This was one of the questions addressed to managers in the hospitality industry Bihor within a broader empirical research that targeted the importance of accounting information for the management of entities in this sector. The basis of the empirical research is a survey conducted between November 2012 and January 2013, the working tool used being a questionnaire that consists of 38 questions administered on the ground and online. The total population consists of 146 economic entities in the sector in Bihor; the sample consists of 91 tourist entities and the response rate is 62.33 % as a result of research in the field. 83.5% of the managers surveyed said that the most important factor influencing the performance in this sector is the occupancy rate of the capacities available, in second place as a factor of influence being the demand for services and travel packages offered, in the view of 75.8 % of respondents. It is surprising that less than 50% of the managers surveyed identified as a factor influencing the performance the accounting result of the business. Based on these results we also wanted to identify what measures are taken by managers in the sector to increase occupancy rate. The research conducted adds value to the indigenous research on issues regarding management accounting in hospitality and tourism industry, but also in the perception of performance, paving the way for future research. As limitations of our research we can identify the restricted area of application of the questionnaires (Bihor county), but also the large number of questions in the questionnaire that required maximum concentration, managers getting bored while completing the questionnaire.*

Key words: performance; accounting information; managers; hospitality industry.

JEL classification: M 41, L 83

1. Introduction

Hospitality and tourism industry is the one industry that plays a major role in the national economy by its contribution to the national income; better use of resources on territorial level; economic growth of some areas lacking soil or subsoil assets; stabilization of labor force; stimulating element of the global economic system; means of diversifying economic structures; factor of training and education; regulator of the external balance of payments.

Tourism and hospitality means, firstly, all activities in which man spends leisure time and, secondly, the industry of goods and services created to meet the desires, preferences and motivations requested by tourists at their holiday destinations. Thus, tourism results from the combined effect of several industries: construction, electronics and electrotechnics, wood and textile industry, agriculture and food industry. Based on these aspects we can conclude that the tourism product is superior only to the extent that these supplying sectors contribute to its construction by provision of high quality

elements. Economic entities operating in the hospitality and tourism industry cannot be performant unless they provide guests with high quality tourism products.

2. State of art

Performance was approached and treated differently over time: the extent to which an organization achieves its goals without excessive effort from its members (Georgopoulos and Tannenbaum, 1957); the entity's ability to exploit the environment to acquire scarce resources that are essential to its operation (Yachtman and Seashore, 1967); different performance with respect to actors and stakeholders: for a category the financial-accounting dimension will prevail, for the other the dimension product offered - satisfied consumers or the socio-political dimension (Freeman, 1984, 2010); performance has several meanings of which 3 are key: a success (each entity will have its own representation of success and performance will vary from one entity to another); result of action; the action itself as performance is more of a process than an outcome (Bourguignon, 1996); performance measurement actually means measuring the three dimensions that comprise it, *Economy - Efficiency - Effectiveness* (Bouquin, 2004); organizational performance represents the actual results of relevant activities within the departments of the organization over a period of time (Ya-Hui Ling and Hung, 2010, Keng-Sheng Ting, 2012).

Measurement of performance can be achieved by several indicators: share price, return on capital, profit rate, turnover, customers' satisfaction, employees' satisfaction, productivity, economic value added (EVA), market value added (MVA).

There are voices saying that, in the light of the new realities, the traditional methods of performance measurement, measuring the value of entities in this sector, are no longer adequate. Thus Sequeira, in 2000, suggests the management teams in the hospitality industry should adopt techniques of application of economic value added. He recommends EVA for the management decisions in the cases of reviewing leasing contracts, of capital investment to renovate tangible assets of the entity, and when dealing with special projects as well. Sequeira says that for a hotel the value created occurs when economic return of the project is greater than the cost of capital. Siyong Lee conducted an empirical study on 53 entities in hospitality industry, pursuing the correlation between the economic value added and the share price on the stock exchange during 1997-2000. Kim also had a contribution on the introduction of EVA in the hospitality industry. In 2006 she conducted a study on EVA in this activity sector for the period 1995-2001. She only considered a sample group from the hospitality industry as a whole, without further analysis on subsectors. Another, more recent study is conducted by Lee Seoki and Woo Gon Kim on three sectors of the hospitality industry i.e. hotels, restaurants and casinos. In this study they analyzed 353 entities, namely: 46 hotels, 134 restaurants, 135 casinos and 38 companies that organize cruise tours and theme parks. The study consists in a comparative analysis of six indicators for performance measurement as follows: on the one hand, EVA, REVA, MVA, and, on the other hand, three traditional indicators for performance measurement: ROA, ROE and CFO. Yet, after numerous empirical studies developed in the hospitality industry, there is no claim that EVA can be the best model for performance evaluation that can be applied in this sector.

3. Research method

But what is meant by performance in the hospitality and tourism industry? What is the perception of managers of these entities on the performance in this sector in Romania? What factors influence performance? In the view of the management team does performance have anything to do with accounting information? What importance is given to the accounting information during the managerial process? Eager to find out the

answer to these questions we started an exploratory empirical research that describes and analyzes human behavior with respect to this issue and is based on a questionnaire applied to the managers in hospitality industry. In this regard there were selected 146 economic entities that are legally constituted as share companies and limited liability companies (from the 230 units of tourists' accommodation licensed to operate according to information published on the ministry website <http://www.mdrt.ro/ro/turism/unitati-clasificate>). There were removed from our research a number of 84 economic entities that had other forms of legal constitution (i.e. sole proprietorship, registered sole trader, family business).

The questionnaire contains 38 closed and semi-closed questions divided into four parts as follows: *Part I Data on the economic entity* and *Part IV Personal profile of managers* that contain general questions concerning the characteristics of entities in the sample and the profile of the managers of these entities; *Part II Aspects regarding the importance of accounting information* and *Part III Aspects regarding organization of management accounting and of cost management* comprising questions on the perception of managers in the sector about the usefulness of accounting information, the perception of performance, the factors influencing performance in this sector in the managers' view, the exploitation of these data for grounding the decision making process and for a good management of the capacities available.

4. Descriptive analysis of responses

The general questions of the questionnaire relate, on the one hand, to the issues that shape the identity of respondents and, on the other hand, to the characteristics of the entities under study.

In the first part *Data on the economic entity* the questions focused on the distribution of entities with respect to classifying accommodation units and the additional facilities available (therapy base, leisure possibilities), the turnover and the total asset value.

Of the 91 tourism units with accommodation functions in the sample, 35 were urban and rural guesthouses, 28 hotels, 14 hotel complexes, 10 were operating as motels, hostels or mini-hotels, 3 as tourist villas and one as a chalet. The percentages of the tourism units, according to GD no. 1267/2010 on issuance of certificates of classification, of licenses and of patents for tourism and MDRT Order no. 1051/2011 approving the Methodological Norms regarding the issuance of certificates of classification, of licenses and of patents for tourism, are as follows: 13.18% 4 star entities, 34.06% 3 star entities, 24.17% 2 stars entities. Most guesthouses are classified as having 3 daisies (51.42 %), the others are: 11.42% 2 daisies, 8.57% 4 daisies, 2.85% 1 daisy; while the other guesthouses were graded with stars, among them one of even 4 stars.

Regarding the size of turnover, 54.9% of the entities have a turnover of between 35,000 and 7.3 million Euro, 37.4% have a turnover of less than EUR 35,000 and 5.5% of the entities have a turnover bigger than 7,300,000 Euro. A percentage of 2.2% of the managers surveyed considered that the answers to these questions are confidential, so they did not answer.

With regard to Part IV of the questionnaire, this contains again general questions, but these refer to the profile of the managers. Regarding profession, the vast majority of managers declare themselves economists (58.24%), while nearly 25% of the managers surveyed state they are engineers. An important percentage of entities in the hospitality industry in Bihor have managers of other qualifications than those explicitly mentioned by us (13.19%). As for the sex of the managers in this sector, things are balanced: 50.5% were men and 49.5% women.

Part II and Part III of the questionnaire include questions regarding the purpose and the frequency of the use of accounting information, the organization of managerial accounting and of cost management in the hospitality industry and tourism, the

perception of managers on the performance of the entities in the sector and which the factors that can influence it may be.

5. Research hypothesis testing

In what follows we will analyze the validity of a research hypothesis regarding the performance at the level of the sample and we shall generalize the results to the level of the total population. In what this research hypothesis is concerned, we considered that it should be separated into two sub- hypotheses because, in our opinion, the factors of influence of the performance of an entity in the hospitality industry can be divided into two groups.

Hypothesis H1: The perception of managers on the performance of an entity in the hospitality industry influences their measures for increasing occupancy.

The questions on bases of which we shall test the validity of this hypothesis are III.13 a, b and III.12.

These are:

III13. In your view, what are the factors influencing the performance of an entity in the hospitality industry?

- Occupancy of available capacities
- Demand for the services and tourist packages offered
- Contribution of each service or tourist package offered to the profit of the entity
- Accounting result of the entire activity
- Other (Specify)

III12. What measures are applied within your entity in order to increase occupancy?

- Conclusion of agreements with professional associations or sports clubs
- Provision of themed services and packages (Christmas, New Year, Valentine's Day, Easter Holidays, Honeymoon)
- Discounts through loyalty cards
- Offering subscriptions for outpatient treatment
- Offering promotional prices and fees (below cost)
- Other (Specify)

We will review at first the distribution of the responses of the managers in the sample to each of the two questions.

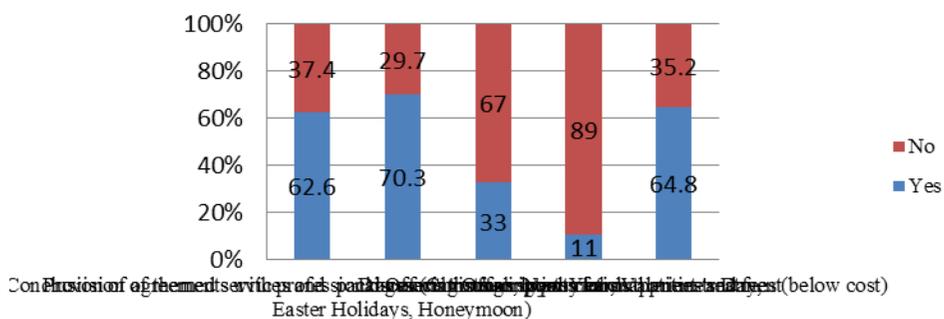


Figure 1: Managers' opinion on the factors influencing the performance of an entity in the hospitality industry

Source: own elaboration based on the answers in the questionnaires

Regarding the *factors that influence the performance of an entity in the hospitality industry*, most of the managers consider that the most important fact is the *Occupancy of the available capacity*, a factor mentioned by 83.5% of the managers, on second place we find the *Demand for the services and tourist packages offered*, a factor

mentioned by 75.8% of the managers surveyed. Somewhat surprising is the fact that only 45.1% of the managers interviewed mentioned as a factor of influence in the performance analysis, the *Accounting result of the entire activity*.

We are inclined to think that this is the perception of managers on the hierarchy of factors that influence the performance of an entity in the hospitality industry only in the current circumstances of an economy affected by global economic crisis. We rely on the fact that in discussions we had on the ground with the managers, many of them stated that after 2008, the year the effects of the crisis began to be felt, the strategy adopted by them was to maintain the activity of the entities they were leading at the subsistence level, i.e. at an equilibrium point, without necessarily thinking in terms of results.

Next, we present the distribution of the responses of managers in the sample, regarding the *measures applied to the entities in the sample in order to increase occupancy*.

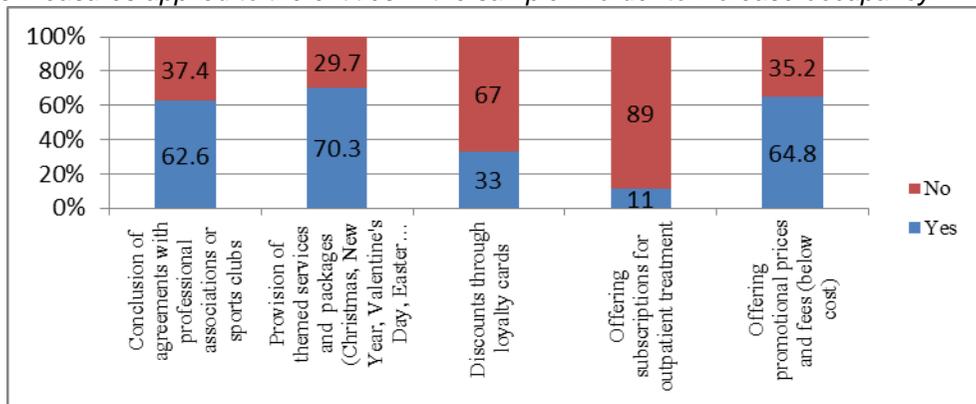


Figure 2: Measures applied to the entities in the sample in order to increase occupancy

Source: own elaboration based on the answers in the questionnaires

Regarding the *measures applied to the entities in the sample in order to increase occupancy*, most of the managers choose *Provision of themed services and packages (Christmas, New Year, Valentine's Day, Easter Holidays, Honeymoon)* while the least appealing measure is *Offering subscriptions for outpatient treatment*, which was chosen by only 11% of respondents.

As we mentioned earlier, this research hypothesis was divided into two sub-hypotheses because we considered that the factors of influence of the performance of an entity in the hospitality industry can be broken down into two groups as follows: a first class, that of factors of influence with commercial content (occupancy rate and demand for the services offered), factors whose influence shall ultimately show in the financial statements, and the second group, containing factors of influence with accounting content (contribution to profit of each product or service offered and the accounting result of the entire activity) .

H1a – for whose validation we use two questions: Question 13 with answer choices a and b and Question 12 with all answer choices

H1b – for whose validation we use the same questions, namely: Question 13 with answer choices c and d and Question 12 with answer choices c, e.

To validate the first research sub-hypothesis we proceed as follows:

- for question III13, we assign importance scores to each answer, as follows: 2 points are allocated to those managers who said that factors that influence the performance of the entity in the hospitality industry are *Occupancy of available*

capacities and *Demand for the services and tourist packages offered*, one point to those who mentioned only one of the two factors and 0 to those who chose none of these response options.

- for question III12, we assign points according to the number of measures taken by managers to increase occupancy.

The first step in our approach of validation of this research hypothesis is the elaboration of the table of correlation between the answers to the two questions. This is presented in Table 1.

Table 1: Distribution of the answers for the variables used in validation of hypothesis H1a

		<i>Factors that influence the performance of the entity</i>			Total
		0.00	1.00	2.00	
<i>Measures applied to the entities in the sample in order to increase occupancy</i>	1.00	2	5	2	9
	2.00	1	8	21	30
	3.00	2	10	19	31
	4.00	0	1	14	15
	5.00	0	2	3	5
	6.00	0	0	1	1
Total		5	26	60	91

Source: own elaboration based on the answers in the questionnaires

Analyzing the distribution of choices, we can notice a positive correlation between the answers to the two questions. Thus, we can notice that 60 of the 90 managers surveyed (65.93%) considered that both factors of commercial content suggested by us (*Occupancy of available capacities* and *Demand for the services and tourist packages offered*) are important for reflecting the performance of the economic entities in the hospitality industry but still only 14 of them (23.33%) mentioned that they use 4 of the 6 measures in order to grow the occupancy rate. From our sample of 91 managers, 31 (34%) said that they use 3 of the measures identified by us for the increase of occupancy rate and, surprisingly, it was only one to confirm use of all the five measures suggested by us and he even added another one in the field *Other (Specify)*.

Validation of the research hypothesis is made applying the method χ^2 .

The table of frequencies recalculated by help of formula $n_{ij} = \frac{n_{i \bullet} \cdot n_{\bullet j}}{n}$ is presented as follows:

Table 2: Table of recalculated frequencies associated to Table 1.

		<i>Factors that influence the performance of the entity</i>			Total
		0.00	1.00	2.00	
<i>Measures applied to the entities in the sample in order to increase occupancy</i>	1.00	4.58	2.29	2.61	9
	2.00	0.26	0.04	0.08	30
	3.00	0.05	0.15	0.10	31
	4.00	0.82	2.52	1.71	15
	5.00	0.27	0.23	0.03	5
	6.00	0.05	0.29	0.18	1
Total		5	26	60	91

Source: own elaboration based on the answers in the questionnaires

With the help of the formula $\chi^2_{\text{calculated}} = \sum_i \sum_j \frac{(n_{ij} - n'_{ij})^2}{n'_{ij}}$ we shall determine the

value $\chi^2_{\text{calculated}} = 16.25$.

Since this value is greater than 0, it can be said that at the level of the sample the perception of managers on the performance of an entity in the hospitality industry influences the measures applied in order to increase occupancy rate.

To extend our result to the total population - all managers in Bihor county, the following hypotheses are issued:

$$H_0 : \chi^2 = 0 \text{ and alternative hypothesis } H_1 : \chi^2 \neq 0$$

The calculated value, 16.25 is compared with the table value, determined for 10 degrees of freedom, and a probability of 95%, which in our case is 18.31. Since the calculated value is smaller than the table one, the null hypothesis cannot be rejected.

Conclusion: Hypothesis H1a: The perception of managers on the performance of an entity in the hospitality industry influences their measures for increasing occupancy is not validated.

H1b The perception of managers on the performance of an entity in the hospitality industry influences their measures for increasing occupancy

To validate the second research sub-hypothesis we proceed as follows:

- for question III13, we assign importance scores to each answer, as follows: 2 points are allocated to those managers who said that factors that influence the performance of the entity in the hospitality industry are *Contribution of each service or tourist package offered to the profit of the entity* and *Accounting result of the entire activity*, one point to those who mentioned only one of the two factors and 0 to those who chose none of these response options.

- for question III12, we assign importance scores to each answer, as follows: 2 points are allocated to those managers who said that measures taken by them to increase occupancy rate are *Discounts through loyalty cards* and *Offering promotional prices and fees (below cost)*, one point to those who mentioned only one of the two measures and 0 to those who chose none of these response options.

The first step in our approach of validation of this research hypothesis is the elaboration of the table of correlation between the answers to the two questions. This is presented in the next table.

Table 3: Distribution of the answers for the variables used in validation of hypothesis

H1b

		<i>Measures applied to the entities in the sample in order to increase occupancy</i>			Total
		0.00	1.00	2.00	
<i>Factors that influence the performance of the entity</i>	0.00	19	39	0	58
	1.00	2	8	16	26
	2.00	0	4	3	7
Total		21	51	19	91

Source: own elaboration based on the answers in the questionnaires

Analyzing the distribution of choices, we can notice a positive correlation between the answers to the two questions. Thus, we can notice that only 7 of the managers in our sample (7.69%) considered that both factors of accounting content are important for reflecting the performance of the economic entities in the hospitality industry and from these 3 use both measures identified by us as being directly connected to the accounting results (*Discounts through loyalty cards* and *Offering promotional prices and fees (below cost)*) to grow the occupancy rate.

Validation of the research hypothesis is made applying the method χ^2 .

The table of frequencies recalculated by help of formula $n'_{ij} = \frac{n_{i \bullet} \cdot n_{\bullet j}}{n}$ is presented as follows:

Table 4: Table of recalculated frequencies associated to Table 3.

		<i>Measures applied to the entities in the sample in order to increase occupancy</i>			Total
		0.00	1.00	2.00	
<i>Factors that influence the performance of the entity</i>	0.00	13.38	32.51	12.11	58
	1.00	6.00	14.57	5.43	26
	2.00	1.62	3.92	1.46	7
Total		21	51	19	91

Source: own elaboration based on the answers in the questionnaires

With the help of the formula $\chi^2_{\text{calculated}} = \sum_i \sum_j \frac{(n_{ij} - n'_{ij})^2}{n'_{ij}}$ we shall determine the

value $\chi^2_{\text{calculated}} = 45.22$.

Since this value is much greater than 0 it can be said that there is a very strong connection between variables at the level of the sample.

To extend our result to the total population - all managers in Bihor county, the following hypotheses are issued:

$$H_0 : \chi^2 = 0 \text{ and alternative hypothesis } H_1 : \chi^2 \neq 0$$

The calculated value, 16.25 is compared with the table value, determined for 4 degrees of freedom, and a probability of 95%, which in our case is 9.49. Since the calculated value is much greater than the table one, there is a connection between variables at the level of total population as well and this connection is very strong – the result is guaranteed with a probability of 95%.

Conclusion: H1b The perception of managers on the performance of an entity in the hospitality industry influences their measures for increasing occupancy is validated with a 95% probability.

6. Conclusions

Our study is much broader but in this paper we presented only a few aspects of the managers' perception on performance, resulting from a survey conducted, and we tested some hypotheses regarding performance.

Results obtained:

- For 83.5% of the managers surveyed performance means a high rate of occupancy of available capacities, while only 45.1% of them see performance in terms of accounting result of their business, even if 58.24% of managers declared they were economists by formation;

- 70.3% of the managers said they take into consideration the customization of offers and the provision of themed packages in order to increase occupancy, on the second place as such method being the offer of promotional prices and fees, as opted by 64.8% of the managers;

- At the sample level, the hypothesis that managers' perception on the performance of an entity in the hospitality industry influences the measures taken for increasing occupancy is validated with a probability of 95%.

We believe that the research we conducted brings elements of novelty and originality to the domestic research in the field of managerial accounting in the hospitality industry, though it has limitations: particularities of the formulation of the questions in the questionnaire, the fact that it was conducted only within entities in Bihor county, the selection of the sample.

This study will further investigate into the perceptions of the managers in the hospitality industry on various issues related to the exploitation of the information provided by management accounting, the particularities of cost calculation in this branch of activity and also different management practices in the sector.

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QUALITY MILESTONES OF THE SUSTAINABLE TOURISM

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Abstract: *At this stage there are numerous studies about how tourism activity is related and affects the environment. The purpose of this paper is to examine theoretically, and to analyse activities that occur in hotels, linking this activity to the principles and activities that reduce the tourism negative environmental impact. When we have the objective to discuss sustainable development we must balance between a trilogies that enclose the following three concepts: economic, social/ equity and ecology/environment. In fact in our opinion we agree that "sustainable development is a fractal" concept. Sustainable development is examined here, specifically - taking account of the activity of accommodation in hotels, and also the frame that such activity must integrates. The principles of sustainable development are the most important factors beside clients` expectations, such that to maintain a standard that not only is high, so the coefficients satisfy tourists, but to suit the requirements sustainability, which in this instance means rationalization repeated on different levels and plans (this concerns to energy consumption, water, to waste disposal, etc.). The relationship between tourism and the environment is particular complex, since these two factors are interrelated, and each of them is, at their turn characterised by complexity and variability. The fundamental premise for a friendly, high quality tourism is harmony on the one hand, with the operators (for sustainable development) and secondly with tourists (for a correct use of the facilities). As a syntagma, this can mean: the promotion and adoption of "green behaviour". It is believed today that more and more hoteliers should adopt this behaviour, an ecological framework in which hotel has the benefits of normal economic activity, showing competitiveness, but customer satisfaction in the highest grade (quality) remains the central plan in spite of rigors required by the so-called: "green behaviour"! As a final remark, we mention as milestone of ecological behaviour (green) connected to sustainable development are certification to ISO 14001 and eco-labelling of accommodation.*

Key words: *sustainable development; tourism; environment; eco-label; quality*

Cod JEL: *Q01, L15, L83,*

Motto:

*"Our goal is a delightfully diverse, safe, healthy and just world, with clean air, water, soil and power —economically, equitably, ecologically and elegantly enjoyed."*³

Introduction

When we have the objective to discuss sustainable development we must balance between a trilogy that enclose: economic, social/ equity and ecology/environment, in fact we agree that "sustainable development is a fractal" concept. "The Fractal Frontier is a geometrical algorithm which balances and integrates the triple-bottom-line needs of people, planet and profit. In this context a holistic fractal matrix becomes increasingly detailed, and guides effective decisions for sustainable results" (Matthews, 2012). The

³ McDonough, William & Brungart, Michael

sustainable development matrix (McDonough, Brungart: 2002: 79) of, a tool developed by UNO (Seth, 2007: 102) it is a Sierpinski's (equilateral) Triangle:



Figure 1. Cradle to Cradle Design™ Framework or “C2C” source (McDonough, Brungart: 2002: 79)

In the literature we found an interesting model that explains the required comprehensive idea we refer in this paper.

There are some comments to make upon this model (Cradle to Cradle Design™ Framework or “C2C” (McDonough, W.; Brungart, M.; 2002: 46)

- it use fractal geometry, transform the mathematical concept into an ecological one -as “fractal ecology”;
- it integrate the trilogy economy- ecology- -equity into the sustainability triangle and it demonstrates how the “3e” integrate into sustainable development;
- it is considered: “world’s first and only model that graphically and conceptually identifies the instruction to achieve sustainable results, regardless of application” (Mock,T; Wernke,T.; 2011: 89);
- it is an instruction set / a "code" that are designed in order to define our condition sustainable land with various fields; Besides all human efforts (large and small) that can produce lasting results. This set of instructions / 'code' is a universal code that must shape the outputs, in order to produce repeatable and scalable results. Whether you are interested in economic development, food production, tourism and other fields of sustainable development, the same core set of instructions apply if sustainable results are desired.

This triangle, drawn by fractal geometry helps us to analyze the problems of sustainable development, because it shows how ecology, economy and equity is related, among other values, and we show how each level of decision has impact on all the above - mentioned planning three. Each of the fractal can be an asset. The aim is to design and balance the equation. So what we need to do is to move around as required fractal geometry, so that a new plan can generate value in each category (ecology/ environment; economy; equity/ society/ community).

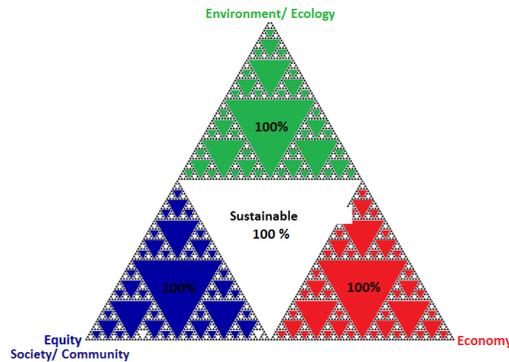


Figure 2. Cradle to Cradle Fractal Framework (C2C Fractal Framework) –adapted
 Source: McDonough, W.; Brungart, M. 2002: 79

We propose to make an inventory of the conceptual framework used in sustainable tourism. But generally it is accepted as a sort of tourism activity that characterized by attempting to make as low as possible an impact on the natural environment and local culture, while helping to generate economic value and employment for local people. In our opinion, the closest definition to sustainable tourism is that, which it's using the "*responsible tourism*" as paradigm.

The aim of sustainable tourism is to ensure that development brings a positive experience for its actors - local people, tourism companies and the tourists themselves. It is said that sustainable tourism is an adopted practice in successful eco-tourism (Edgell, 2006: 19).

To have sustainable tourism it must be aware of all three legs of the triangle: economic, social, environmental: economic prosperity, sparing use of natural resource and environment and communities (human resources, civil society).

At last decade the relationship tourists -hotelier, in sustainable development has become a priority, it has become more comprehensive by applying environmental management tools.

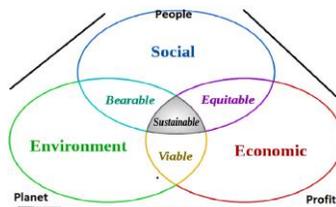


Figure 3. The three target dimensions of sustainable development
 Source: Bayer, F.; Vogel, T.; Pleia, V.A.; 2013: 12

Tourist activity is mostly related to "natural resources", which obviously for sustainable development require certain instruments future oriented.



Figure 4. Relationship between sustainable tourism and some related concepts that constitute the MILESTONES OF SUSTAINABLE TOURISM

Source:

The systemic relationship between tourism and environment is feasible. We can see here a relationship full of potential, based on the strength of a lot of complex inter-dependencies that are established between elements of each. In these days, the world it is speaking about: good quality, friendly environment, health and harmony of the environment. In tourism and its actors (tour-operators tourism, tourists, local community) those above named, must ALL be in harmony. Sustainable tourists can reduce the impact of tourism in many ways (Swarbrooke, 1999: 13), as well as:

- Informing themselves of the culture, politics and economy of local communities visited;
- Respecting and acting to conserve cultural heritage and traditional values, local traditions, customs;
- Understanding and tolerance upon local culture;
- Supporting the integrity of local cultures;
- Supporting local economies by purchasing local goods;
- Using the least possible amount of non-renewable resources;
- Conserving resources by interacting with businesses that are environmentally conscious.

United Nations and WTO reported World Tourism Barometer Reported that the impact is even greater as we know that tourism is considered the World's Largest Service Sector Industry, and this service evolved ascending, (reaching 1.035 Billion tourists in 2012, up from over 983 million in 2011, and 940 million in 2010). (*World Tourism Barometer* 2011; 2012; 2013)

Also the tourism sector is a major provider of jobs and income, and when we talk about business in hostelling, the more we could say that the impact in sustainable development is more acute in terms of the environment, resources and local communities. The location where the hotel is located is important. The concern of the tourists to the targeted area is directly related to the interests of investors to recover their investment. This is why there it is little ecological operation of hotels, the situation changes if certain measures are taken. In recent years there is more and more change on this plan of the development of sustainable environment.

Through this study we want to make an inventory of effects on the natural environment of the hotel business and also we examine possible to draw several conclusions for making a more aware management, for an accountable relationship between environment and hotelier. It is recognized that economic investors' interests are in conflict with the interests of the natural environment. The most times the investors tend to prefer the profit at any cost, money to the detriment of the environment, and of the life. Therefore, often in short term results are less noticeable but with implications that alter environmental issues, but also the socio-cultural ones.

If we refer to the fact, that there are different degrees of tolerance, which means that the number of people which possible can hit a stable area, following a certain local lifestyle.

Any exploitation above the limit will create alternation and changing socio-cultural and natural environment also. These are the reasons that experts draw attention to this kind of impact that ultimately compromise the attractiveness of the area, making a particular destination to be increasingly more avoided.

Environment and the Hotel

Currently in the world there are hundreds of thousands of hotels, which clearly have a great impact on the environment by interacting with it, like any other productive business, often being consuming resources, up to exhaustion, modifying their or destroying their, leading them to the long-term unwanted effects. These, and many others, are the reasons why the concept of “sustainable development” in tourism have expanded into this particular plan that is hostelling.

Below we make a list of activities considered sustainable in contrast to the corresponding unsustainable activities. (adapted from Swarbrooke, 1999:)

<i>Sustainable</i>	<i>Non-sustainable</i>
General concepts	
Slow development	Rapid development
Controlled development	Uncontrolled development
Appropriate scale	Inappropriate scale
Long term	Short term
Qualitative	Quantative
Local control	Remote control
Development Strategies	
Plan, then develop (eco-design)	Develop without
Concept-led schemes	Project-led schemes
Concentrate on physical elements of landscape	Concentrate on "honey-pots"
Pressure and benefits diffuses	Increase capacity
Local developers	Outside developers
Local employer	Imported labour
Vernacular architecture	Non-vernacular architecture
Tourist Behaviour	
Low value	High value
Some mental preparation	Little or no mental preparation
Respect local customs & traditions	Disrespect/ignore local customs & traditions
Quiet	Loud
Learning local "language"	No learning local "language"
Tactful and sensitive	Intensive and insensitive

Many tourism-related activities have a direct or indirect impact on the natural environment, on physical structure of the place, on the bio-diversity. The natural areas are damaged by arranging tourist facilities, but the presence of the tourists can destroy local flora and fauna. Hotels using large amounts of water can contribute to water pollution, and/or to drying of the soil.

Taking into account our approach we will present the life cycle of tourist accommodation services (www.incdpm.ro/ro/ in Stefanică 2013: 616).

Figure 5. Life cycle of tourism accommodation services (adapted)
Source: Stefanică 2013: 616 www.incdpm.ro/ro/

Analyzing the effect of the activity of a hotel that is designed and constructed so as to provide quality services to the guest.

In these circumstances the respect for the natural environment and sustainable development need to consider that the big challenge is maintaining the level of comfort, convenience and benefits to tourists. The facilities provided should be designed to be

efficient, to save resources, remaining at the same time comfortable and useful as customers demand and expect.

Relative impact on the environment and suggestions for improvement are associated with each of the phases of the product life cycle classic, finding here, as well as: the growing period, plateau of maturity, and finally the track of losses also.

Europe has developed different systems of certification, from certification on local level, to national level in some cases at national level (the Swan or the Green Key- Greenland, Denmark and European Nordic Countries; Green Certificate -Latvia; La Clef verte-France; Legambiente Turismo -Italy; Milieubarometer -Netherlands; Hiiumaa Green Label -Estonia; Eco-Romania-Romania), and at last European eco-label. All can be applied to tourist hotel structures if they meet certain conditions if meet ecological principles of sustainability. For instance in hotel industry, the ECO-label must comply, the following provisions and conditions:

- An offer of services that is responsive and attentive to the issue of the environment (protective reasoned);
- an offers potentially interested in using an eco-label;
- Proof existence of certain technical conditions (green energy, waste management, water saving, etc);
- The development of programs / national-oriented sustainability;
- A special care about particularity of local conditions as: climatic conditions, geographic-physical structure/ biodiversity, traditions, customs, culture, behaviour and consumption;
- Some official/governmental advice support, even financial aid/ grants in the spirit of sustainability;
- People sensitized to environmental issues, particularly in improving environmental quality in relation to tourism, in particular the services offered by the hotel.

Openness of hoteliers to environmental issues can be measured by the presence of any measures taken to protect the environment management, such examples are:

- Prevalent use of eco-labelled products;
- Using of energy saving systems;
- Employees aware, sensitive and responsive to environmental issues;
- Customer awareness concerning his behaviour to environment (sustainably, careful and harmless).

- Generally, in the activity and the various issues of the hostelry business management, as presented above featured as ecologic, should be analyzed, and once identified environmental hazards, for them must be proposed mandatory solutions, taking into account the following:

- Protecting the landscape and beauty of the area;
- Protection of biodiversity;
- Educating employees and tourists ecological spirit by providing complete and credible information;
- Integrated Environmental values in the Operations Management (may use some international standard or ecological scheme/ initiatives);
- use of "green marketing";
- Minimizing the impact on the structure, integrating it into the surroundings;
- Reducing energy costs through efficient and economical suitable practices ;
- Diminish and dispose of waste, using more the method of "3R" -(Reduce, Reuse, Recycle);
- Minimizing environmental risks (floods, air pollution, fires, pesticides, water pollution, noise, soil pollution, inadequate waste disposal and sewage waste etc.).
- Specialized tour guides, to conduct harmless tourism, lacking environmental hazards;
- Environmental Audits regularly operated;

- Promoting and supporting responsible tourism.

Attention and interest of hoteliers operators starts from business requirement, it is about the necessity to differentiate the quality of service to others of the same kind which is available on the market. Offer comes to meet the demand, and in recent years, demand, manifested need, consumers are manifested more and more, they are oriented towards quality products characterized as healthy and eco-friendly.

And more, the good quality products should be verified. In this regard, several initiatives voluntary stakeholders to have their own domain rules and standards were made known in time. Thus, emerged a number of guidelines, codes of conduct, best practices, labels oriented quality of accommodation and the environment.

The interest in the use of eco-labels increases when the hotel management understands the advantage of differentiating the hotels in question by using certification scheme / eco-labelling. Definitely this is a proved competitive advantage, an because of this should not be neglected, but we must recall the fact can create conflict in the chain, by copying and reproduction, again and again. In spite of this inconvenient in last years amounted to encourage the market to continue and expand the sustainable improvements, more and more hoteliers.

It is known that the inclusion of the European Eco-label, an label dedicated to the tourism facilities is more retrieved in broader tourism program supported and funded by the EU to promote the EMAS, environmental management and in particular for ISO 14000 standards family, these are leading to an accurate application of the principles of protecting the natural environment, environmental measures and sustainable development internationally.

Some stakeholders have established The International Hotels Environment Initiative (IHEI), this is European initiative, IHEI is located In Denmark at Copenhagen. This is a charity program developed by the international hotel industry for the benefit of all hotels and the environment. Their aim is to promote the benefits of environmental management as an integral part of running a successful, efficient hotel business. (Fletcher, 2013:6) This initiative uses various tools such as:

- Dissemination of information related to the field of sustainable development and hostelling;
- Environmental policy instrument;
- Eco-design;
- Life Cycle Analysis;
- Environmental Management;
- Prevention of pollution;
- Other appropriate purpose.

Contemporary tourists are more interested in the problems of the natural environment, this is one of the reason they feeling the need for a formal certificate of quality hotels. Thus the hotelier business moves rapidly towards the introduction and use of tools for environmental management that are both more credible and more visible, being recognized internationally and now so often operates public. There seems to be a trend for increased use of ISO 14000 and EMAS in cooperation with the EU Eco-label. There are regulations approved by European Parliament and Council, already had revised eco-label in UE, and expands the scope of the European Eco-label for tourism, focusing on the hotel business.(Tomescu:2011: 695)

International Regulations officially recognized by International Bodies indicate the possibility of improving the quality of services in hotels, through measures we already have named above, such as rationalization of services, resource and use the excellent organic products (inventory, cleaning products, food products, environmentally sound products, whose quality has been recognized by the EU-Eco-label or national eco-labels instead of the traditional ones etc.).

In last five years Romania increased interest in applying the principles of sustainable development and sustainable tourism in the last 6-7 years too. (Ștefănică: 2013:620) Services are considered areas where you can make as many improvements. These improvements may include elements of organization or technology. We can talk about this after are discovered the losses or defects, after installation of biological treatment plants, and after the costs it will be reduced through:

- Design, construction of buildings, furniture, and inventory purchase with eco-friendly materials;
- Design and implementation of energy-saving and water installations;
- Using sensors to turn on / off the light and water or other energy consumers;
- Electrical installations that operate with magnetic keys;
- Use of renewable energy sources etc;
- Increased use of recyclable products.

Conclusion

The relationship between tourism and the environment is particular complex, since these two factors are interrelated, and each of them are at their turn characterised by complexity and variability. Milestones of sustainable tourism are the three spheres (ecology, economy, and environment) and related concepts enclosed in Sustainable development Matrix.

The fundamental premise for a friendly, high quality tourism is harmony on the one hand, with the operators (for sustainable development) and secondly with tourists (for a correct use of the facilities).

Specifically in a eco hotel, environment protection issue should still allow the levels of services to remain high to ensure customer satisfaction. It would be helpful if the tourist customer would be sensitive to this problem would involve he himself. He must be informed about the initiative taken by the hotel concerning compliance principles to sustainable environment, and to customers it may be asked to cooperate in this regard. Obviously the local community would react to such initiative, and the image of such an organization would be well received, and more, obtaining environmental quality label (EU-Eco-label) would be a double guarantee, both for quality and for interest in sustainable tourism.

The ability of operators to promote the protection and conservation of resources that presenting their main activity will be the strength of development in tourism business and competition in tourism. No doubt the use of eco-labels, internationally visible, can be seen as a positive thing by the hotel, only if are accompanied by economic benefits, competitive and commercial, that can add value to such initiatives, as the European Eco-label is for instance.

In terms of environment, the life cycle stages, on that we should focus, are those that precede the services (emplacement and construction of the hotel building), but also involves the current services. Generally the structure of the location is considered an important aspect, but in particular only as initiative of this branch.

Activities taking place in an eco certificate hotel are under the sway of the principles of sustainable tourism development.

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SUB-SECTION: ECONOMICS

FROM INDUSTRIAL DISTRICTS TO FIRMS NETWORKS: THE ITALIAN CASE

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Abstract: *The local source for competitiveness is vital to achieve static and dynamic economies of scale for firms; it is useful to interact with the aim of learning and innovating. The local system can create benefit by opening to international markets and it should be a good source of knowledge and technology. Nowadays, the concept of industrial district, usually characterized by the spatial proximity of the involved firms, may evolve into firms network; this may emphasize the advantages deriving from cooperation, without the need of spatial proximity. Firms networks may represent the evolution of industrial districts, where territoriality is overcome by the dissolution of borders. The importance of firms networks is increased since they intensify information exchange, continuous learning, stimulate economies of scale, allow economic development and give more market opportunities. Firms networks share different aims, resource, common interests and factors, like material and immaterial inputs and outputs. This new form of cooperation may allow to overcome physical distance and replicate knowledge and information. Firms networks may represent a success organizational forms that may give impetus to development in an economy. They are based on mutual trust between partners and are created over time to facilitate information circulation, knowledge dissemination and innovation. Trust reduces uncertainty and transaction cost and limits the opportunistic behaviour by free-rider agents. The aim of the paper is to assess the determinants for firms networks training in the Italian context using regional data. Particularly, the firms networks development needs key factors such as ICTs diffusion, high rate of social security, open capability, R&D activities. These factors constitute the basis for a new kind of capital, the so called "network capital". It consists of collaborative practices in a network as the result of cooperation in the ICTs era. Network capital may be considered as social capital evolution in a globalized context. The entrance in the knowledge economy era, in which technological advancement runs very quickly and the pace of innovation is intensified, significantly reduces the exploitation of competitive advantages. Industrial districts, therefore, should develop, improve and change their shape in a new competitive environment, where the globalization of markets cancels the boundaries of many firms that collaborate beyond national boundaries. The paper analyzes the firms networks determinant for Italian regions and the role of network capital as pre-condition for their development. The multidimensional scaling analysis is the chosen methodology that allows us to identify the relations among Italian regions in terms of proximity/distance with respect to considered determinants, and to provide a spatial representation of them.*

Keywords: Industrial districts; Firms networks; Network capital; Multidimensional scaling;

JEL classification: D71; L22; R23.

1. Introduction

In this paper we want to investigate the firm network as possible evolution of the industrial district, in which firms compete and cooperate in a global context and

territoriality is overcome by the annulment of the boundaries.

The concept of industrial district is quite complex for many economic and social aspects, closely correlated. In this aggregated form there is a population of small firms that orbit around a local production, in a specific geographical area in which agents interact. The notion of industrial district can be traced back to Alfred Marshall, who was the first that observed the phenomenon of concentration of production in the space and its persistence over time in 1891.

The district is characterized by temporal and geographical stability: the core of firms that belong to it, is concentrated in a certain area. The industrial district expands and grows in a stunning way until it occupies most urban centres or by conquering the peripheral areas. Thus, a fundamental characteristic that distinguishes the industrial districts is the spatial element, where firms carry out production activities with a strong tendency towards specialization. The competitive ability depends on area, on socio-cultural conditions and on tacit knowledge. The territory influences innovation processes. The spatial proximity certainly distinguishes the industrial district: it allows information dissemination as source of innovation, and the concentration of experts in a certain field, who work in a specific area, increasing the average level of productivity. The concentration of firms in a specific geographic area simplifies the dissemination of the exchange of information, the circulation of new ideas and it facilitates knowledge and innovation diffusion. The distinctive factors of an industrial district are different, such as the concentration of productive and R&D activities at the sectorial and regional level. Moreover, an industrial district is characterized by common environment at social and cultural level, by relations among economic agents, both in formal and informal networks. Economies of agglomeration are also crucial; their strength and effects depend on the interaction among actors operating in the area.

In the recent literature Cainelli and Iacobucci (2005) argue that the benefits of agglomeration are changing. The concentration of the local systems is leading to new agglomerative forces that operate in specific contexts. The authors, therefore, argue that the new economies of agglomeration are characterized by a lower cost to acquire information related to competitors or suppliers. These types of economies can be characterized by a greater ease to develop new knowledge in a particular context and this is expected to promote the growth and development for firms.

Globalization has led to substantial changes in the way of compete and communicate and it has led a new form of capital, the so called "network capital" (Simpson, 2005). It is a global development driver that may allow firms to create cooperative relationship even if there are located far from each other. Network capital has positive outcomes, such as providing income generation opportunities, avoiding criminal activities or the diffusion of intolerant social values. Network capital may also favour the formation of a firms networks, able to create cooperative forms and share knowledge on a large scale. This may allow to generate new business in competitive markets even if firms are far from each other, to intensify information sharing, to stimulate continuous learning. This new cooperative structure allows a faster flow of information, a shared knowledge, and an efficient and rapid exchange of resources. Firms networks ensure, moreover, specialization, efficiency, and therefore, high levels of productivity (Porter, 2010), and they may be considered as an evolution of industrial districts without the need of spatial proximity.

The paper deals with the possible evolution of industrial districts into firms networks and analyzes the role that network capital can play as key factor of this evolution (see par. 2). In the third section we present a data analysis using a multidimensional scaling methodology, in order to identify groups of Italian regions that show similar

characteristics with respect to the determinants of the network capital (see par. 3). In par. 4 conclusions are provided that summarize the results achieved by the statistical analysis.

2. The evolution of industrial districts: firms networks and network capital

Becattini (2007) is the greatest researcher in Italy in the field of industrial districts. He supposed that the territory is an hidden dimension of crucial importance since it includes a large number of places in a non-random way and it is the element that characterizes the production. The district, therefore, can be thought as a set of goods produced in a specific place. The socio-cultural context is intertwined with the productive phenomenon: in an area the living and working relations coexist in a complementary manner.

There are three essential advantages interpreted as externalities for firms located in a district. The first one is a shared market for skilled workers with specific capabilities. The second advantage is the availability of obtaining non-negotiable input provided by local suppliers. The third advantage derives from a simple and easy transmission of new knowledge, ideas and information spillovers. This allow a better production function through improvements in technology, production and organization.

The agglomeration is supported by factors such as the presence of specific inputs at the local level, the presence of knowledge spillovers and it is encouraged by the job offers with a high degree of training in the local area. The spatial proximity is an advantage for firms, given the reduction of transaction costs and the presence of agglomerations of firms in the area. It facilitates the creation of benefits such as internal economies of scale, which allow inputs to be easily accessible; furthermore, cost of subcontracting associated with them are reduced when they are produced in the considered area.

The training and the creation of the district, according to Becattini, happens if there are favourable socio-cultural features that drive agents to cooperate, and their development takes place if there is the presence of local, naturalistic and geography favourable conditions. Districts are entities characterized by some socio-economic factors: the presence of active small and medium firms; the presence of a community of people and the presence of external economies of agglomeration although internal to the district; regional stability; industrial atmosphere which has strong influences on professionalism and specialization of workers involved in cooperation; natural area circumscribed and historically determined; specialization of products and sectors in each area; the wrapped relations among firms and the presence of high predisposition to technological innovation and predisposition to optimization. District, therefore, is a local development and industrial organization model, based on the union of small and medium-sized firms that are located in geographically defined areas. In this contest, in which social interactions are located, the so called social capital plays an important role: cognitive resources, standards and information that are expressed in the trust, which leads to the achievement of objectives that are difficult to reach. Social capital in the industrial districts generates economic advantages and allows leaner and faster circulation of information.

Each local system is also created through the integration of codified knowledge, that is more explicit, and tacit knowledge, that is contextualized and more difficult to learn, but it is crucial since the two types of knowledge are mutually reinforcing in the socio-economic process of their production, in which all types of knowledge coexist and circulate. The fluid knowledge circulation occurs since tacit knowledge, not coded and non conventional, once entered into the system and once codified, can be easily transmitted. The local community of firms operating in the area and then in the district,

is the main vehicle of a common values system that involve different levels, such as work, reciprocity relationships, dissemination of new knowledge and elements of evolution and change.

Nowadays, there is a new phase of economy: the Information Age, and its functional structure is the network society (Van Bavel, Punie, Tuomi, 2004). Network capital may therefore become an important asset for economic and human development. Cooperation among firms is an accelerator of development process, and the investment in network capital is essential for new models of collaboration in the globalized society (Wellman, 2001). Network capital can be considered a combination of different features. It derives from a cooperation via electronic network and promotes the practice of collaboration. Such cooperation includes sharing of information and it produces team work among firms, the creation of common rules and the achievement of shared aims. Network capital is produced by contributions and wilful actions and it may be actionable in the firms, although they are localized far from each other. Network capital may be fundamental for the knowledge generation, and this is an added for intensive processes related to scientific setting, R&D investment, cooperation and development. In a firms network, the kind of capital may play a role analogous to whom social capital plays in a industrial district (se also Colantonio et al., 2012).

In this context, the firms network may represent the evolution of the districts. The transformations on structure and organization for firms are a specific need. Industrial districts, therefore, may develop, improve and change their form in a new competitive environment, where the market globalization annuls the boundaries of many companies that collaborate beyond regional territory. Firms are thus operating in dynamic scenarios.

Soda and Zaheer (2009) argue that networks are composed of several elements: the "nodes" that indicate the entrepreneurs involved in the network, and the "links" that represent the relationships that are created among them; the entrepreneurs cooperate and use shared rules.

The nodes can also be interpreted as network systems and can be constituted by different entities. They are legally autonomous units, such as the case of consortia and professional associations and they are entities internal to firms, such as offices, and they represent individuals. The nodes, independent entities, interact with others to exchange energies and values. Firms networks, therefore, are a set of nodes and relationships that connect and coordinate firms located in a large area, giving them the opportunity to reach a increasing global development. The networks are stable forms of coordination among firms, they have common goals and are located in an intermediate position between the market and the hierarchy. The objectives of the firms networks are: working together even if firms are located far from each other; sharing resources and expertise; reaching a common goal.

3. Data, methodology and results

To reach our purpose, which consists in identifying the key factors (socioeconomic development, R&D resources, security and ICTs diffusion) that could facilitate the formation of firms nodes and the development of firms networks in the Italian regions, we use a multidimensional scaling analysis. Multidimensional scaling is a useful tool through which it is possible to produce a graphical representation of a pattern of objects, in this case the 20 Italian regions, based on the degree of similarity/dissimilarity between them. The goal is to provide a representative map that best approximates the distances observed among Italian regions, concerning the presence of factors that determine development through network capital. This statistical method attempts to build a configuration of the various entities, merged in a small number of dimensions (two in our case).

This is done by defining relations between regions in terms of proximity/distance with respect to the considered indicators.

The resulting positioning map has the property to partition the regions into homogeneous groups, so as that the degree of association between two regions is maximal if they belong to the same group and minimal otherwise.

We considered a matrix of 20 regions and 12 indicators, representing four sets of variables: those related to economic development, R&D, security and ICTs diffusion (see Table 1). Data refer to the period 2010-2012. Data were normalized within each considered variable, in order to avoid possible distortions due to different ranges and magnitudes. The model's goodness of fit was assessed via the *RSQ* (0,986), that indicates the proportion of variability explained by the corresponding dissimilarity distances, and the *Stress Index* (0,053).

As a general rule, results are found to be robust when the size k achieves an *Stress Index* value lower than 0,15. A two-dimensional model was judged to be acceptable according to the values of the previous indexes.

The correlations between dimensions and variables for the selected period (see Table 1) was useful for naming the axes. The resulting two-dimensional images are shown in Figure 2. The horizontal axis represents the variables concerning economic development; the vertical one is mainly related to security.

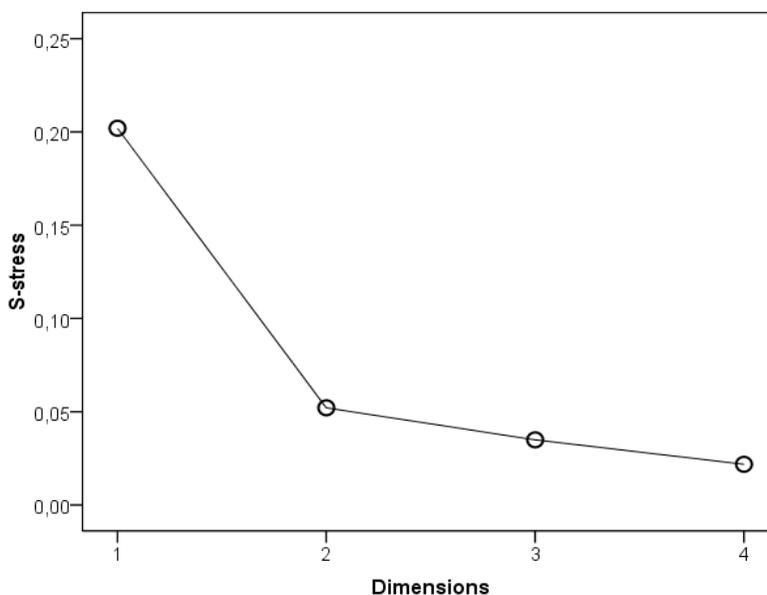


Figure 1: S-stress dimensions diagram

Source: Our elaborations on *Istat* data

Table 1: Correlations between variables and dimensions ($r > |0,5|$)

Variables	Dimension 1	Dimension 2
GDP per capita	0,90	
Industry labour productivity	0,86	
Export capabilities	0,75	
Innovative capabilities	0,82	
Graduates in sciences	0,68	-0,53
Employed in R&D	0,97	
Illegal work rate	-0,91	
Petty crime index in cities		-0,70
Racquet index	-0,68	-0,53
Level of Internet use in firms	0,91	
Web site diffusion in firms	0,84	
PC diffusion in firms		0,79

Source: Our elaborations on *Istat* data

specific area, increasing the total level of productivity.

Over the past years, substantial changes have been in the way of communicating and cooperating. This happened thanks to the ICTs advent and globalization. Firms networks have been generated as evolution of Industrial districts, even though firms are located far from each other. In firms networks the capital structure changes and it becomes "network capital" which may be thought as a determinant of development at global level. Network capital could become an important asset for economic and human development. It can be considered a combination of different features. Network capital derives from a cooperation via ICTs and promotes cooperation.

Firms in the networks operate in dynamic scenarios, characterized by a number of factors such as integrated markets and innovation. The flow of knowledge exchange takes place on a global scale and firms of the networks exchange information and create lasting relationships. In this paper we have identified a number of variables that may promote the formation of nodes of firms and it is important to emphasize that the presence of high network capital supports the creation of firms networks. The multidimensional scaling method showed how the most dynamic regions in Italy have the highest economic development level and usually the highest number of nodes (with the exception of some outliers). Many other aspects of firm networks training and development should be investigated in further analysis.

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RESTORATION AND SUSTAINABLE VALORIZATION OF CULTURAL HERITAGE AND REGIONAL POLICY IN NORTH-WEST REGION OF ROMANIA. CASE STUDY OF REVITALIZATION OF THE ORADEA FORTRESS

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Abstract: *The paper presents cultural heritage, cultural tourism potential of North-West Region of Romania face to face with restoration and sustainable valorization of cultural heritage as a major domain of intervention of regional policy in Romania. Due to Romanian regionalization form, the Regional Operational Programme (ROP) is currently the only programme of regional policy in Romania in 2007-2013. One of the major domains of intervention of ROP 2007-2013 in Romania was restoration and sustainable valorization of cultural heritage. The first paper specific objective is to explore projects contracted until 31.12.2013 in the field of restoration and sustainable valorization of cultural heritage in North-West Region of Romania and their regional development relevance in the context of existing regional development strategies. The second paper specific objective is to present a model of restoration of cultural heritage in a sustainable way throughout the case study of Revitalization of the Oradea Fortress in order to introduce it in the tourism circuit - that could become an example for other cultural sites around the region and a succes story in the field of cultural tourism based of ROP 2007-2013 experience. Exploring rich cultural heritage of the North-West Region face to face with poor condition of cultural heritage sites and investments required in order to introduce them in touristic circuit, the paper concludes that all contracted projects are relevant for sustainable valorization of regional cultural heritage and cultural tourism potential in the context of existing regional development strategies, but they contributed only partially to regional specific needs. Also, the paper concludes that number of ROP 2007-2013 projects implemented in the field of cultural heritage is surprisingly small, area of interest of these projects is rather narrow and analyzes the most important causes for these gaps. Based on the case study presented, the paper suggests that a combination between devoting substantial own resources, perseverance and innovativeness in implementing and promoting projects could be an important condition for success for highly expensive, long lasting and highly innovative cultural heritage projects.*

Keywords: *cultural heritage, cultural tourism, regional policy, Regional Operational Programme 2007-2013, North-West Region of Romania, Revitalization of the Oradea Fortress Case Study*

JEL classification: O22, L83

1. Introduction

Over the past 20 years, cultural tourism becoming one of the most dynamic elements of the international tourism and a major area of growth ([Zeppel and Hall, 1991](#)). Despite global economic challenges, international tourist arrivals grew by an average of 4-5% a year (WTO, 2014). According to the latest UNWTO World Tourism Barometer, international tourist arrivals grew by 5% in 2013, Europe led growth in absolute terms (WTO, 2014) and remain "the world's No 1 tourist destination" (EC, 2010), Central and Eastern Europe being one of the leading sub-regions with 7% growth well above

European average (+5%) (WTO, 2014). In this context, cultural tourism is seen more and more as a quality tourism and a desirable market, because it is generally high-spending tourism - tourists that practice cultural tourism spend more per day and stay longer than tourists who practice traditional forms of tourism, and is usually undertaken by highly educated individuals who stimulate cultural activity in the destination (EC, 2014; Richards, 2007; Richards, 2001). Consequently, cultural tourism has become a major issue in regional development policy, a main challenge being how to market the attractiveness of a certain region in order to generate growth of tourist arrivals and spending (Giaoutzi and Nijkamp, 2006). This challenge is stronger in Central and Eastern Europe, including in Romania, due to difficulties to transform cultural heritage in competitive tourism products, packages or destinations at global level, considering major investments needed, limited resources, poor condition and low accessibility of cultural heritage objectives (Hall, Smith and Marciszewska, 2006; Coles and Hall, 2005). The sustainable development of cultural tourism is highly dependent in Central and Eastern Europe of EU funds and public administration capacity to develop effective management strategies for conservation, sustainable valorization and responsible introducing in touristic circuit of cultural resources (Spenceley, 2008; Mowforth and Munt, 2008; Robinson and Picard, 2006). Also, an important challenge for Central and Eastern Europe is to identify and develop cultural tourism niches (creative tourism, educational tourism, cultural volunteer tourism, gastronomic tourism, religious tourism, wellness and spa tourism etc.) in place of a "mass market" for cultural tourism (CE and EC, 2013).

The present paper has been developed in the framework of a larger research about the evaluation of the EU Regional Policy through Regional Operational Programme (ROP) 2007-2013 for the North-West Region of Romania (Dodescu and Chirila, 2013a; Dodescu and Chirila, 2013b; Stănculescu, Dodescu and Chirila, 2012). One of the major domains of intervention of Regional Operational Programme 2007-2013 in Romania was restoration and sustainable valorization of cultural heritage. The present paper specific goal is to explore projects contracted and completed until 31.12.2013 in the field of restoration and sustainable valorization of cultural heritage in North-West Region of Romania, to evaluate these projects relevance for sustainable valorization of regional cultural heritage and cultural tourism potential in the context of existing regional development strategies. The paper presents a model of restoration of cultural heritage in a sustainable way throughout the case study of Oradea Fortress (North-West Region, Romania) that could become an example for other cultural sites around the region and a succes story in the field of cultural tourism based of Regional Operational Programme 2007-2013 experience.

2. Cultural heritage and cultural tourism potential of North-West Region of Romania

Even is large recognized as notorious problematic to define cultural heritage, that can has both global and local importance (Smith, 2009), based on UNESCO, Romanian Ministry of Culture and North-West Regional Development Agency data, without the intent of an exhaustive list, some milestones of North-West Region cultural heritage are:

- 8 Wooden Churches of Maramures included in UNESCO World Heritage: Barsana, Budești, Desesti, Ieud Deal, Poienile Izei, Surdesti, Plopiș, Rogoz (UNESCO, 2014);
- 4.017 heritage buildings, out of which 995 are designated as national interest objectives (RNWRDA, 2013), out of which: 4 urban historic centers: Cluj, Oradea, Dej, Gherla (RMC, 2010), 10 urban ensembles of particular architectural value: "Bistritz" medieval fortress, "Kornmarkt" Bistrita, Turda, "Canonical string"- Oradea, "Oradea II" , "Samuil Vulcan Market" - Beius, " Mihai Viteazul Market" - Cluj-Napoca, "Storehouse of

Salt"- Sighetu Marmatiei, "Freedom Market" - Sighetu Marmatiei, "Freedom Market"- Satu Mare (RMC, 2010), 19 important urban streets of particular architectural value declared as urban ensembles in Sighetu Marmatiei, Zalau, Satu Mare, Carei (RMC, 2010), numerous monuments and architectural ensembles, archaeological sites, Roman forts (Porolissum; Militar Castrum and Vicus; Fort of Bologa, Fort of Romita), medieval fortresses (Oradea, Ardud, Satu-Mare, Bogdand, Liteni, Bologa etc.) (RNWRDA, 2014; RMC, 2010), fortified settlements (Șimleu Silvaniei, Dăbaca, Bonțida etc.) (RNWRDA, 2013; RMC, 2010), castles (Wesselenyi - Jibou, Karolyi - Carei, Csaky-Almașu etc.) (RNWRDA, 2013), historic cities trade fairs (Gherla, Crasna) (RNWRDA, 2013) etc.;

- religious objectives with historical or architectural significance: 4 cathedrals (Greek Catholic Cathedral "St. Nicolae" Oradea, Orthodox Archdiocese Cathedral Cluj-Napoca, Armenian Catholic Cathedral Gherla, Roman Catholic Cathedral Satu Mare), Merry Cemetery Săpânța, churches, monasteries etc. (RMC, 2010);

- museums and public collections, art galleries, artistic events etc. (RNWRDA, 2013; RMC, 2010);

- popular cultural heritage of great originality: specific architecture of the villages from Northern Transylvania, wood, popular costumes and everyday utility objects decoration art, unchanged traditions and customs, traditional rural life, traditional ethno-cultural and religious manifestations (RNWRDA, 2013).

Wooden Churches of Maramures included in UNESCO World Heritage, picturesque towns with historic centers and urban ensembles of particular architectural value, wealth of historical monuments, Roman forts, medieval fortresses, castles with stylistic authenticity, multi-confessional religious objectives, churches with historical or architectural significance, popular cultural heritage of great originality etc. represent a high potential for developing cultural tourism in the context of an integrated regional tourism. Even if the importance of developing an integrated regional tourism is acknowledged (Regional Development Plan 2007-2013, Regional Development Plan 2014-2010, many projects financed from structural funds, cross-border cooperation for Bihor and Satu-Mare counties and spill-over effects of cultural tourism development in the neighboring county of Hungary etc.), the number and diversity of information tools to promote the cultural tourism are obviously insufficient and there are not yet diversified integrated tourist packages. Although there were increases in gross investments in tourism, they have focused mostly on accommodation infrastructure and, eventually, gastronomy and food components, but far less the tourist services and activities that tourists can carry on the cultural heritage potential offered by the different areas the region. The capitalizing of cultural heritage potential requires major investments for conservation and restoration of cultural heritage objectives (majority of them has been severely affected in time), solving the problems related to reduced availability of sightseeing, especially due to poor road infrastructure, the infrastructure and functionality problems in order to introduce these objectives in tourist circuit (lack of parking spaces, lack of facilities for visiting cultural tourist attraction: access roads, landscaped stairs, lookout points etc., lack of tourism promotion centres, point of information and specific tools for promoting cultural tourist attraction etc.) and coherent regional cultural preservation planning.

3. Regional policy in North-West Region of Romania and restoration and sustainable valorization of cultural heritage

In the context of low regional attractiveness for foreign tourists (the North-West region ranks fourth nationally, foreigners preferred almost exclusively Cluj, Bihor and Maramures counties), low use of tourist accommodation capacity (under 40% in all counties in the region) and decreasing trends of tourist arrivals, overnight stays (drastic drops of tourist arrivals in motels, tourist chalets, villas, camps, school camps) under the

impact of the economic-financial crisis (RNIS, 2012), the development of cultural tourism became of particular importance. Compared to more advanced forms of regionalization from other EU Member States such as Germany, Belgium, Austria, Italy, Spain, France, Romania's existing "regionalization formula" is limited both in terms of resources and competences – existing regions of development were created more as units of observation for collecting data according to regional standards of EU policies and operational response to the requirements of EU regional policy in accordance with criteria that allow absorption of structural funds than for larger functions or purposes at regional level such as: urban development, infrastructure development, environmental protection, improvement of social services, supporting the business environment or cultural heritage. The Regional Operational Programme 2007-2013 (ROP) was in the current "formula" of regionalization, the only programme of regional policy in Romania in 2007-2013 (RMRDPA, 2014). One of the major domains of the Regional Operational Programme of Intervention 2007-2013 in Romania is *restoration and sustainable valorization of cultural heritage*. The objectives of this major domain of intervention were: increasing the importance of tourism and culture as factors that stimulates economic growth and sustainable development; extending the tourist season; increasing the number of tourists through valuing local and regional cultural tourism potential on national and international tourist market (RMDPWH, 2008). Consequently, this major domain of intervention finances projects aimed at the preservation, restoration, strengthening, rehabilitation, protection of tourism potential of UNESCO heritage and national cultural and local urban heritage according with UNESCO World Heritage List in Romania and Romanian Ministry of Culture List of historical monuments. In North-West region, at 31.01.2014, according to the North-West Regional Development Agency data (RNVRDA, 2014b), the ROP 2007-2013 absorption rate for the major domain of intervention 5.1 - *Restoration and sustainable valorization of cultural heritage and the creation or modernization of related infrastructure* is 32,56%, for the total financial allocation of 31,45 mil. Euro, the situation of applied, contracted and completed projects being as follows: 21 applied projects – financial allocation requested: 55,63 mil. euro; 11 contracted projects – financial allocation requested: 31,10 mil. euro; 4 completed projects – amount reimbursed: 10, 24 mil. euro. According with North-West Regional Development Agency data (RNVRDA, 2014c), the projects contracted through ROP 2007-2013, on the 5.1. MID *Restoration and sustainable valorization of cultural heritage and the creation or modernization of related infrastructure* in the chronological order of the contracts' signing are as follows⁴:

- 11.04.2009: *Circuit of medieval fairs in Northern Transylvania - Karolyi Castle from Carei, Karolyi from Ardud*, Beneficiaries: Carei Municipality Territorial Administrative Unit, Ardud Town Territorial Administrative Unit, Total value of the project: 23.179.393,00 lei, out of which grant assistance: 18.371.945,00 lei;
- 11.06.2009: *Revitalization of the Oradea Fortress in order to introduce it in the tourism circuit*, Beneficiary: Oradea Municipality Territorial Administrative Unit, Total value of the project: 36.780.329,12 lei, out of which grant assistance: 28.717.702,60 lei;
- 16.12.2009: *Restoration of historical and cultural heritage of Salaj County Council - Buildings of the County Military Centre, County History Museum and Art Gallery*, Beneficiary: Sălaj County Territorial Administrative Unit, Total value of the project: 25.424.792,84 lei, out of which grant assistance: 17.740.229,06 lei;

⁴ According with *National Bank of Romania*, annual average exchange rate in 2009- 2013 was between 4,2 - 4,4 lei/Euro.

- 21.06.2010: *Restoration and sustainable valorification of Calvaria Roman Catholic Church*, Beneficiary: Romanian language Roman Catholic Parish, Satu-Mare, Total value of the project: 6.550.619,62 lei, out of which grant assistance: 5.408.206,44 lei;
- 30.06.2010: *Restoration and rehabilitation of the wooden church of St. Archangels Michael and Gabriel-Rebrisoara, in order to introduce it in the tourism circuit*, Beneficiary: Orthodox Parish Gersa, Gersa, Bistrița-Năsăud, Total value of the project: 1,729,129.25 lei, out of which grant assistance: 1,424,891.58 lei;
- 30.06.2010: *Circuit of wooden churches in Northern Transylvania*, Beneficiary: Maramureș County Council, Total value of the project: 19.099.090,52 lei, out of which grant assistance: 15.160.569,62 lei;
- 12.04.2012: *Restoration of the wooden church Buzesti from Farcasa village, Maramures, in order to introduce it in the tourism circuit*, Beneficiary: Farcasa Hall, Farcasa, Maramureș, Total value of the project: 3.940.916,86 lei, out of which grant assistance: 2.384.907,00 lei;
- 26.10.2012: *Circuit of Roman forts from Salaj county*, Beneficiary: Partnership of Salaj Territorial Administrative Unit, Buciumi Territorial Administrative Unit, Mirsid Territorial Administrative Unit, Total value of the project: 35.859.112,00 lei, out of which grant assistance: 25.431.180,00 lei;
- 29.01.2013: *Structural and architectural rehabilitation of the Reformed Church CJ-II-mA-07759 and related wall inside from Sic, Cluj county*; Beneficiary: Reformed Parish Sic, Sic, Cluj, Total value of the project: 10.029.034,00 lei, out of which grant assistance: 7.671.817,00 lei;
- 25.04.2013: *Creating the German center of Bistrita by rehabilitating historic building "Silversmith House"*, Beneficiary: Bistrița-Năsăud Territorial Administrative Unit, Total value of the project: 2.458.680,00 lei, out of which grant assistance: 1.765.986,00 lei;
- 18.09.2013: *Rehabilitation of Reformed Church CJ-II-MA-07380,16 Kogalniceanu Street. 16 of Cluj-Napoca, Cluj County*, Beneficiary: Central Reformed Parish nr. 1, Cluj-Napoca, Total value of the project: 18.912.243, 00 lei, out of which grant assistance: 14.951.382, 00 lei.

4. Case Study of Revitalization of the Oradea Fortress

Description of project: Former medieval fortification Oradea turned 900 years from the first documentary attestation and is considered one of the most representative Italian Renaissance Fortresses in Central and South-Eastern Europe. The "*Revitalization of the Oradea Fortress in order to introduce it in the tourism circuit*" is an on-going project conducted in North-West Region of Romania, between June 2009 - December 2015, by the Oradea Municipality Territorial Administrative Unit, total value of the project: 36.780.329,12 lei (around 879.9121,77 EURO at June 2009), out of which grant assistance: 28.717.702,60 lei, contribution of the beneficiary: 7.477.075,65 lei. The project aims to reintroduce the *Fortress of Oradea* in tourism circuit at regional, national and international level as a representative centre for regional cultural heritage, creating additional revenue at regional and local level and new jobs in the field of culture, tourism and related economic sectors. Potential target groups will be: tourists, local government, local institutions, cultural institutions and NGOs and their employees currently located in Oradea Fortress who will benefit from improving working conditions, Oradea residents, cultural NGOs and their members etc. (RNVRDA, 2014c, Oradea Municipality internal data, Revitalization of the Oradea Fortress project website).

Context: The analysis of statistical data on tourism activity in Bihor (BCDS, 2012) indicates the following trends for 2007-2011: the number of tourist arrivals in the establishments of tourists' reception with functions of tourist accommodation in Bihor

County increased slightly (0.44%) in 2011 compared to 2007, but significantly from 2010 (17.63%) while the lowest was recorded; number of tourist arrivals in accommodation structures related to tourism or adventure tourism: tourist chalets, villas, camps, school camps, however, is almost insignificant (numbers in the thousands of tourists per year); the number of foreign tourists in Bihor county is low - 38 939 in 2011, but an increase of 30.65% comparing with 2010, the number of nights spent by tourists in the establishments of tourists' reception with functions of tourist accommodation in Bihor County increased by 13.42% in 2011 compared to 2010, respectively with 18.02% for foreign tourists, though the values from 2011 are lower than in 2007; net use index of tourist accommodation capacity in operation in Bihor county is low - 38.4% in 2011, with a slight increase compared to 2010, but a big drop from 2007, when register 47%.

Problem addressed: On the one hand, rehabilitation of the Oradea Fortress, that on starting date of the project, was abandoned by the military garrison and had reached an advanced stage of ruin; on the other hand, attracting new tourists for a longer stay, even in the winter months, especially foreign tourists, for the following forms of tourism: cultural, religious and heritage (organized groups that come with a specific purpose of visiting the city, especially due to the tomb of St. Ladislau), thermal tourism (Baile Felix, Baile 1 Mai are thermal spas nearby Oradea), events tourism (festivals), ecotourism (youth, especially foreign tourists for organized excursions), business, exhibitions and conferences tourism (business meetings, professional meetings, exhibitions, conferences, symposia, book launching etc.)

(Oradea Municipality internal data, *Revitalization of the Oradea Fortress project website*).

Approach: This project uses an integrated approach that provides: strengthening, preservation, restoration and functionalizing of 8 buildings totalling approx. 13,514.7 square meters building, about 190 rooms and 13514.25 square meters exterior surfaces; the reintroduction of functions compatible with the monument by creating 19 touristic and cultural functions: City Museum, Lapidarium, Bread Museum, Fortress Library, exhibition spaces, traditional centres (medieval restaurant, centre for promoting crafts and traditional art) etc.; increasing the accessibility of the monument: the restoration, development of access roads, outdoor lighting and decorative landscaping; creating and hosting a cultural consortium, holding 2 annual festivals and other 20 small cultural events; extending tourist season by introducing Oradea Fortress in European tourist and cultural circuit; revitalization of traditional economic activities in the Fortress etc. (Oradea Municipality internal data, *Revitalization of the Oradea Fortress project website*).

Impact: 27.028 square meters proposed interventions (buildings, green spaces and access roads), 119 new jobs created, increase energy efficiency by 100%, facilitate the access of tourists at rehabilitated heritage objective with 100%, 10.125 visitors until 2015, extension with 200% of the tourist season (more visitors in the winter months), increase the number of tourists in 2015 with 300%, 10 annual festivals organized, 60 small cultural events conducted by in first 3 years after implementation (*Oradea Municipality internal data, Revitalization of the Oradea Fortress project website*).

Considerations for success: The most important issue for the project success is, in our opinion, good governance of Oradea Municipality reflected in the capacity to generate and co-finance a cultural heritage tourism project at this scale. The project was declared *best practice example* for ROP Axis 5: Sustainable development and tourism, DMI 5.1. Restoration and sustainable valorization of cultural heritage and the creation / modernization of related infrastructure, and Oradea Municipality - an institution example of good practice for developing unique combination of communication tools to promote the "Fortress of Oradea" (conferences and press releases, leaflets, brochures, guides,

multimedia virtual tour, project website etc.) (RNVRDA, 2014c, Oradea Municipality internal data, Revitalization of the Oradea Fortress project website). Also, the project responds in an innovative way to the challenges of cultural tourism nowadays, developing cultural tourism niches (creative tourism, wellness and spa tourism, gastronomic tourism, religious tourism, educational tourism, cultural volunteer tourism etc.)

Conclusions

Exploring rich cultural heritage of the North-West Region and considering that most cultural heritage sites are in poor condition and require investments for rehabilitation, infrastructure, access and functionality in order to introduce them in touristic circuit, number of ROP projects applied and implemented in the field of cultural heritage is surprisingly small and area of interest of these projects is rather narrow: 5 churches restoration/rehabilitation projects (2 orthodox wooden churches, 2 reformed churches, 1 roman catholic church), 3 circuit tourism projects (circuit of medieval fairs in Northern Transylvania, circuit of wooden churches in Northern Transylvania, circuit of Roman forts from Salaj county), 2 rehabilitating historic buildings projects (Salaj County Military Centre, History Museum and Art Gallery; "Silversmith House" from Bistrita), 1 fortress rehabilitation project (Oradea Fortress).

Nevertheless, all above projects are relevant for ROP 2007-2013 as sectorial program in Romania of EU regional policy, for North-West Regional Development Plan 2007-2013, are in accordance with region potential for cultural tourism development, but contributed only partially to regional needs in the field of cultural heritage. In our opinion, the most important causes are: amounts allocated were insufficient for this area of intervention that demands major investments, projects ranging from a value of 1,7– 85 million lei (around 0,37 – 18,88 mil. euro), minimum percentage of the applicant's own contribution being 2% (RMDPWH, 2008), the impossibility of involvement of the private sector as far as local and central public administration authorities, religious establishments, NGOs and partnerships between these were the eligible beneficiaries (RMDPWH, 2008), low inclination and practice in the field of partnerships in local public administration, lack of expertise in project writing and project management and lower ability of local public administration, especially in smaller towns and communes, to generate cultural heritage tourism projects.

However, it is also true that the ROP 2007-2013, the only operational program managed at regional level in Romania, determined important steps in the direction of know-how transfer, multi-level governance and partnership culture in regional cultural tourism. The experience of beneficiaries and regional development agency in the implementation and monitorization of restoration and sustainable valorisation of cultural heritage projects can substantiate in our opinion, both North-West Regional Development Plan 2014-2020, and regional decentralization of regional cultural tourism, at least for UNESCO cultural heritage and national heritage.

Finally, is there a role for local governance in regional cultural tourism relative to other actors (European, national, regional authorities)? The situation in the field of cultural heritage in North-West Region of Romania suggests the fact that the Romanian local government has limited resources to act outside the EU funds in the broader cultural tourism field. The case study of *Revitalization of the Oradea Fortress in order to introduce it in the tourism circuit* presented suggests that, in a climate of competition between local governments at regional level to attract tourists and investors, will earn only those who devote substantial own resources and prove their perseverance and innovativeness in implementing and promoting projects, knowing that cultural heritage projects are highly expensive, long lasting and highly innovative projects.

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EDUCATIONAL IMPACT ON THE ROMANIAN'S MACROREGIONS

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Abstract: *In the conditions of continuous changing of educational systems from all around the world, we notice these systems are becoming less a public good and merely a manifestation of an economic sector. Meanwhile a part of the Romania's population develops concerns for perfecting their own education and also the education of their family's members, it is observable how mass-media give us some series of "examples" trying to prove right the idea of succeeding in life without "studying too much". In order to give a pertinent opinion regarding this matter, I decided to carry on this study, aiming to identify a link, a pattern, between the level of education existing in a region and the level of development of that region.*

Keywords: *education, economic development, macroregions, PIB per capita, income per capita*

JEL classification: *A13, I21, I25, J11*

Generally, the education is considered one of the main factors generating and promoting economic growth and development. If some years ago there was a high consideration for the necessity of benefiting from the educational system for the most of the population, without any regard for the schooling level, nowadays it seems there is a focus on the higher education. This one is considered to have a greater impact on the national economy, not only because of the higher taxes on the revenue received by the national budget (the revenues are direct proportional with the years of studying), but due of the connected effects generated: the increase in the savings and investments rates, the development of the entrepreneurial behavior, the concerns regarding health, the decrease of natality and also the pressure put on the environment's resources, etc.

Even if the education's role is generally accepted being one of the fundamental elements which allow economic growth and development acceleration, there still are several questions needing to be carefully answered: which of the three levels of education influences mostly the economic environment? Primary school, gymnasium, high school, higher education or post university? If education presents such a great importance for the economic environment, for the economic growth and development, why is the Government so little involved in supporting it?

The answers were given in various ways during the time by several economic schools. Some of the researchers chose to apply some rigid accountancy methods with regard to macroeconomic data, analysing the correlations between the identified changes in the schooling levels and the alteration of the aggregate production.

Although I managed to find a wide bibliography concerning this matter, the applied methods, also extremely varied, lead to pretty fragile results. The common element for the most of the analysed studies implied a systematic research of the connections between the rates of economic growth and tuition (William E. Becker, D.R. Lewis 1993 : 51).

Another approach insisted on the necessity of conducting a series of analysis in the specific industrial branches' field in order to find out the possible connections between the increase of labour productivity rate and the workers' educational performances of the workers. The conclusions of the studies' authors are pointing out the idea that education

has a positive influence on the economic growth (William E. Becker, D.R. Lewis 1993: 53).

Another interesting approach is in the terms of costs and benefits generated by education, supposing these are affected by the noticeable personal and family features and other unobservable factors as well, all of them having the possibility to affect in various ways the potential profits and the estimated costs (Charlotte Lauer 2005: 63).

Actually, soon after World War II there is a sheer explosion of the theories analysing the benefits of education on the individuals and also on the society in general. It has to be highlighted that in those times the role of the higher education in the poverty decrease had been neglected. Nowadays it is insisted on the idea that higher education is the "engine of development in the new world economy" (D. Bloom, D. Canning, and K. Chan 2006: 1).

My aim in this paper is to study if there really is a connection between the level of graduated studies and the level of Romania's macroregions development. The data used to conduct this study are provided by National Institute of Statistics (NIS). The interpretation of data, comments and also the graphics represent personal opinions. The studies are conducted on the same macroregions given by the NIS, as it shows:



Figure 1: Macroregions of Romania

Source: http://ro.wikipedia.org/wiki/Fișier:România_Macroregiuni.svg

The 1st Macroregion consists of: The North – West development region and the Central development region. It consists of the following counties: Alba, Bihor, Bistrița-Năsăud, Brașov, Cluj, Covasna, Harghita, Maramureș, Mureș, Satu Mare, Sălaj and Sibiu

The 2nd Macroregion consists of: The North – East development region and the South – East development region. It consists of the following counties: Bacau, Botoșani, Brăila, Buzău, Constanta, Galati, Iasi, Neamt, Suceava, Tulcea, Vaslui and Vrancea

The 3rd Macroregion consists of: The South development region and the București and Ilfov development region. It consists of the following counties: Argeș, Calarasi, Dâmbovița, Giurgiu, Ialomița, Prahova, Teleorman

The 4th Macroregion consists of: The South – West development region and the West development region. It consists of the following counties: Dolj, Gorj, Mehedinți, Olt, Vâlcea, Arad, Caraș-Severin, Hunedoara and Timiș

The study takes into account the stable population over 10 years and the given values represent the last graduated level of education.

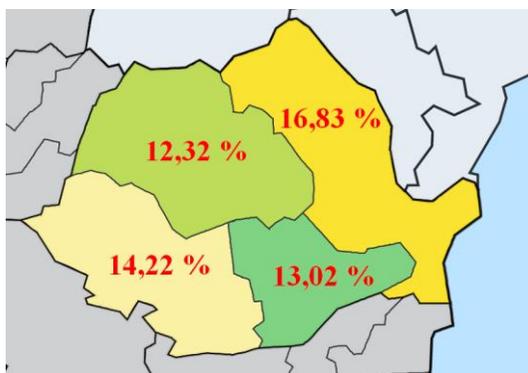


Figure 2: Graduates of primary level

Source: Graphic designed by the author using data provided by the Bihor County Statistics

Figure 2 shows that the 2nd macroregion has the highest rate of graduating a maximum of 4 grades, the lowest rate being registered in the 1st macroregion, only 12,32% of the total population settled for more than 10 years graduated 4 years of school in this area. In the 3rd and the 4th macroregions, the rate, in the population settled for more than 10 years and graduated only 4 grades, registers the value of 13,02 % and 14,22%.

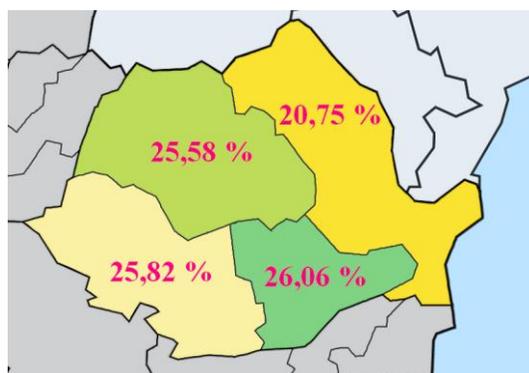


Figure 3: Graduates of high school

Source: Graphic designed by the author using data provided by the Bihor County Statistics

The 3rd macroregion has the highest rate of high school graduates and registers a value of 26,06 %, meanwhile the lowest rates belongs to the 2nd macroregion, only 20,75% of the population managed to graduate 12 grades in this area. For the 1st and the 4th Macroregions, the rates register very similar values, such as 25,58% for the first and 25,82% for the other one.

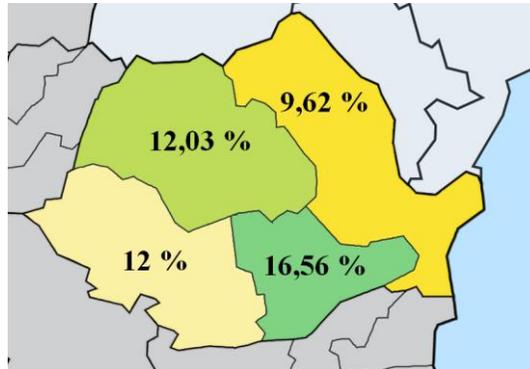


Figure 4: Graduates of higher education

Source: Graphic designed by the author using data provided by the Bihor County Statistics

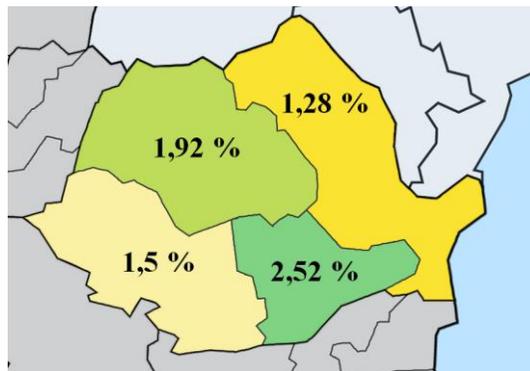


Figure 5: Graduates of post university studies

Source: Graphic designed by the author using data provided by the Bihor County Statistics

Analysing figure 4 and figure 5, we can notice that, regarding university studies and also post university studies, the 3rd macroregion is leading, whereas the 1st and the 4th macroregions are following. The last one in this ranking is the 2nd macroregion.

Putting all together the values presented by the earlier graphics, I designed the following table, in order to outline the characteristics of each macroregion in terms of the graduated studies' level of the population settled for more than 10 years.

Table 1: The population settled for 10 years or more by level of education

	primary	high school	higher education	post university
1 st Macroregion	12,32	25,58	12,03	1,92
2 nd Macroregion	16,83	20,75	9,62	1,28
3 rd Macroregion	13,02	26,06	16,56	2,52
4 th Macroregion	14,22	25,82	12	1,50

Source: Figure designed by the author using data provided by the Bihor County Statistics

Analysing the macroregions' level of development I took into account the Gross Domestic Product per capita and the average income per capita. According to these two indicators, the situation of the four Romania's macroregions is the following:

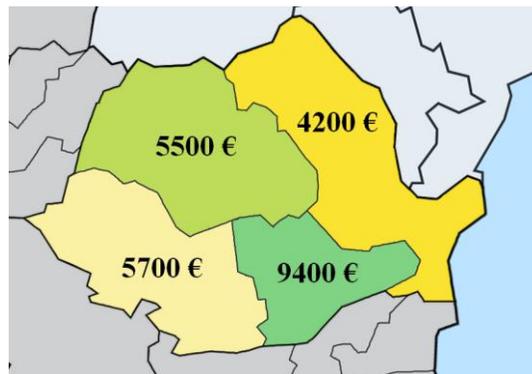


Figure 6: GDP per capita

Source: Graphic designed by the author using data provided by the site <http://epp.eurostat.ec.europa.eu/tgm/mapToolClosed.do?tab=map&init=1&plugin=1&language=en&pcode=tgs00003&toolbox=types> – accessed at 21.04.2014

The 3rd macroregion registers the highest levels for the GDP per capita, while the opposite, the 2nd macroregion, registers the lowest level, less than a half of the value registered by the 3rd macroregion. The 1st and the 4th macroregions register almost equal values, such as: 5500 € and 5700 € for the other.

Analysing the income per capita, there are not such great differences between the four macroregions. Even if the 3rd macroregion keeps the leading position with a value of 953,39 lei per capita, the 2nd macroregion has the last position in ranking, registering a value of 740,41 lei, which also means 77,66% of the 3rd macroregion income, whereas in terms of GDP per capita, formerly presented, the same 2nd macroregion produces only 44,68% of the GDP per capita registered by the 3rd macroregion.

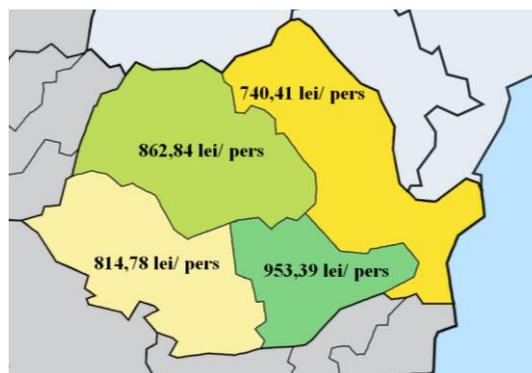


Figure 7: Income per capita

Source: Graphic designed by the author using data provided by the Bihor County Statistics

Conclusions

Analysing the presented data we are able to assert that it is true, there is a correlation of direct proportionality between the level of graduate studies and the level of macroregions' development, however it certainly needs additional analysis in order to highlight the extra benefits associated with the graduation of each level of studies.

In the conditions of the globalization which focuses more than ever on the involvement of a highly qualified labour force, the link between education and economic productivity has to be stronger: the policymaker factors have to pay more attention to the business sector's needs, assuring so a prioritization of the educational systems.

Considering that education has a varied contribution on the economic system, also starting with favouring a rapid industrialization and ending offering a highly qualified labour force and also the possibility of attitude's change regarding the society in general, in my opinion all these have to become a priority for any developing economy.

The higher is the level of education of a nation, the capacity of producing knowledge increases. This knowledge, these information are not only assimilated through the educational system, but they are directly or indirectly transmitted to all the members of the society.

The differences related to the level of education between the macroregions of Romania reflect thus the economic differences between these zones as well. The measures to be taken into account in order to reduce these differences must be of political nature and must focus on continuing the reform of the national educational system.

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THE USE OF GREEN CERTIFICATES IN THE BANAT REGION

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Abstract: *The economy has developed and specialized itself in different fields of activity and great economists have had the possibility to observe the polluting effects of mankind's activity (which nowadays develops its activity within some local, state and world business enterprises heading at present towards a globalization of the economic activity). Even though the harmful influence of the economic agent's activity on the environment has been noticed for over a century now, only in the last decades new span concepts and actions appeared, such as: sustainable development and national and international policies regarding the environment. Sustainable development pursues and tries to find a stable theoretical framework for making decisions in any situation in which a man/environment type relationship is found (whether it is about the environment or the economic or social medium) and it constitutes the main objective of sustainable development. At present, the concept comprises both the solving of the ecological crisis ensuring the quality of the environment and that of life quality in its complexity, including social and economic aspects. One of these solutions is the introduction of the "green certificates" concept. Its emergence led to the appearance of a competition in the field of energy production from renewable resources. Each green certificate must contain the following information: the quantity of produced energy and its source, a unique registration number and other additional information, if it is required. The validity period of the green certificate is the date on which the energy was already produced and consumed.*

Keywords: *green certificates, sustainable development, renewable energies.*

JEL classification: *Q01, E01, F64,*

The problems related to the population have drawn the attention of scientists ever since ancient times. The main analyzed issues were those related to the depletion of food resources than those of the land and the environmental degradation. If the food resources depletion problems have been solved using scientific progress, the issues related to land resources depletion and those regarding the environmental degradation are currently awaiting resolution.

Man, in his double role as consumer and producer able to create his own resources outside the natural ones compared to the other living beings, does not just represent an environmental component but also a factor modifying it. In this sense, the main economic structures, which are described in Figure 1.2. can be determined, by analyzing the relationship between man and nature.

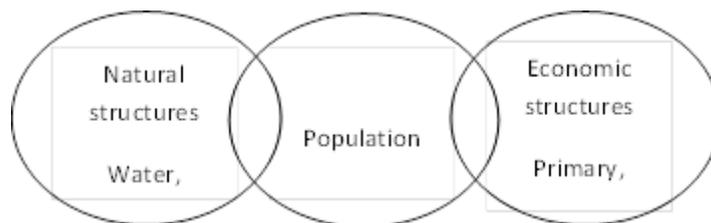


Figure 1: The interdependence of the population with the natural and economic structures

Source: Vert Constantin, *Geografia populației, teorie și metodologie*, Mirton Publishing House, Timișoara, 2001, p. 11

The population of the XXI century lives longer and has a higher level of education. Precisely, the increase of the level of education has determined the emergence and diversification of some new needs and desires of the people. Successful economic results recorded during history have bore and still borne a burden, which presses the environment and the quality of life, a burden that grows by the day. Despite the fact that population growth rate registers values that are increasingly smaller, global threats on the ecosystem are more numerous and pressing. Table 1.1. presents the global status of the environment since 1927 up to now as well as the forecasts until late 2050.

Table 1: Global status of the environment 1927 – 2050

Global status of the environment 1927 - 2050	1927	1950	1972	1997	2009	2025*	2050*
Population	2	2,5	3,8	5,8	6,8	8	9,4
Megacities	-	2	9	25	40	60	90
Food	-	1980	2450	2770	3100	3400	4000
Fishing	-	19	58	91	120	150	-
Used water	-	1300	2600	4200	6000	7100	9000
Coverage rate of tropical forests	-	100	85	70	60	45	-
Elephants	-	6,0	2,0	0,6	0,14	-	-
CO ₂ emissions	-	1,6	4,9	7,0	10	-	-
Ozone layer	-	-	1,4	3,0	4,0	-	-

Legend	
1. Billions of people	6. Index of planet coverage with forests 1950 = 100
2. Cities with a population larger than 8 billion people	7. Billions of animals
3. Daily average food production expressed in calories/inhabitant	8. Annual CO ₂ emission in billion tones of carbon
4. Annual fish catch in million tones	9. Ozone concentration in the atmosphere
5. Annual water consumption in cubic meters	* - forecasts

Source: WBCSD Global Scenarios 2000-2050, Exploring Sustainable Development <http://www.wbcsd.org/DocRoot/FFiAJwjBGGNjlawOAipD/exploringscenarios.pdf> accessed on the 25.10.2010 and *Population Reference Bureau 2009* available on-line at http://www.prb.org/pdf09/09wpds_eng.pdf accessed on the 25.10.2010

More specifically, global threats on the ecosystems have begun to be more and more stronger, of these we will try to mention those we consider to be the most menacing, namely: soil erosion, desertification and infertility or low fertility of it, massive deforestation, where world statistical data shows that on average about 10 million

hectares per year disappear from the land surface, massive extinction of plant and animal species mainly due to natural habitat destruction, case in which biologists inform us that about 1,000 species of plants and animals disappear or are about to go extinct due to overfishing and water pollution, situation in which 25 of the main fishing areas not to be left without fish; climatic changes and acid rains occur mainly due to increased concentration of carbon dioxide in the atmosphere, which is a threat not only to plants and animals but also for human health (especially for those in highly industrialized areas) and, not least, the pressure on the natural resources beside the fact that their attainment is highly polluting, they are on the list of exhaustible (*WBCSD Global Scenarios 2000-2050, Exploring Sustainable Development*, available online at <http://www.wbcsd.org/DocRoot/FFiAJwjBGGNjlawOAipD/exploringscenarios.pdf>)

Energy is one of the most important physical concepts discovered by man. The correct understanding of the energy concept is a necessary condition for the completion of this paper as well as for the analysis and interpretation of the economic effects deriving from its making, both for ensuring electricity and thermal comfort of the people.

According to the explanatory dictionary of the Romanian language (*Dicționarul Explicativ al Limbii Române*, available online at <http://dexonline.ro/definitie/energie>) by energy we understand "the capacity of a system to perform mechanical work, when changing from one state to another". Another definition still given by the Romanian dictionary is the one which states that energy means "force, power, strength, vigor, the ability to act". As the definition says, energy means power, which inevitably in our economic analysis makes us think growth, development and economic progress. Even more, if we compare the rate of energy consumption growth in comparison to the Gross Domestic Product, we will observe that between these there is a directly proportional connection. For example, in the United States of America, for each dollar of the GDP corresponds on average 95.000 BTU's (one BTU equals 1055 joules) of used energy, phenomenon that occurs not only in the USA but also in other countries of the world as can be observed from the below figure (Simon L. Andrew, *Energy Resources*, Pergamon Press Publishing House, London, 2011,)

Furthermore, we could say that energy is for some time now a basic need of humanity, without which under the current circumstances set by modern society the individual could barely survive.

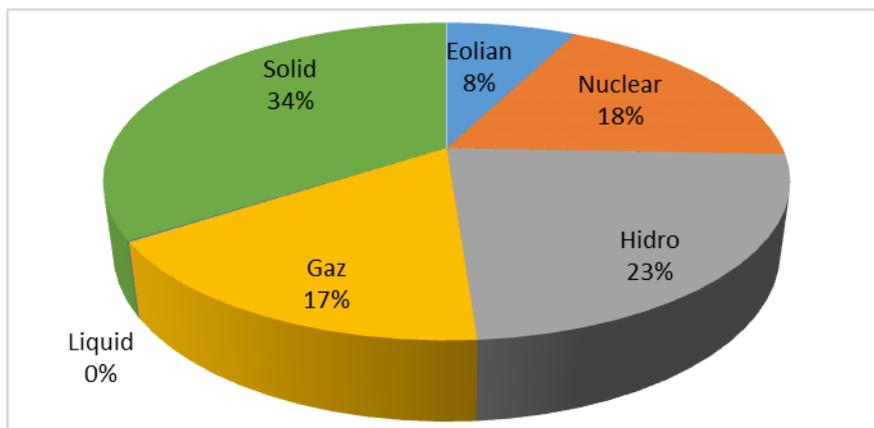


Figure 2: GDP versus used energy

Source: Simon L. Andrew, *Energy Resources*, Pergamon Press Publishing House, London, 2011, p. 6

Simon Andrew defined energy as "a key element in economic development", which he considered it will register an upward almost without stopping tendency, as long as we will want the achievement of a growth, of a development or of an economic progress, the only difference will be the way to accomplish it (Simon L. Andrew, *Energy Resources*, Pergamon Press Publishing House, London, 2011)

In respect to the cataloguing of the resources necessary for the production of energy, we believe that the most important criterion besides their classification is their degree of renewability and according to it we will group the resources in two categories: renewable and nonrenewable. Renewable resources are those that can be cyclically exploited and are practically inexhaustible, while nonrenewable resources can only be used in a single production cycle and they are limited as quantity, so their use leads to exhaustion. Fossil fuels are part of this category.

First of all when we refer to the classification of the non-polluting resources we take into account the source of these. In the following, we will list the main types of unconventional resources, which we will detail in the next pages: solar energy, fossil fuels energy, hydropower, wind power, geothermal and nuclear energy.

World Council of Energy (*Comitetul Național Român al Consiliului Mondial al Energiei*.) presented numerous scenarios, which meet future energy requirements and that put the emphasis on economic development, technological progress, environmental protection and international ethics. Between 1990 and 2050, the consumption of primary energy is projected to increase by 50% in line with the other real solutions of environmental protection and by 275% in line with the highest rate of economic growth. In scenarios that take into account environmental protection, carbon emissions are expected to slightly decrease below the 1990 level, compared to the high rate of economic growth scenarios that lead to the doubling of the carbon emissions.

Aware of how important is the development of a clean energy sector, overall investments in renewable energy have increased in recent years from 39 billion dollars in 2005 to 55 billion dollars in 2006, in 2007 100 billion dollars and it is expected to continue its upward trend. According to an EU directive Member States must gradually hybridize traditional fuel used in biofuels transport, so that by 2020, biodiesel will represent 20% of the diesel market (Antal Cornel, coord., *Utilizarea durabilă a resurselor regenerabile de energie. Energia geotermală*, Risoprint Publishing House, Cluj Napoca, 2010)

Unlike conventional forms, unconventional energy starts from the extremely simple idea that in the directly accessible to human knowledge space there is insufficient energy that manifests itself in one form or another. It just needs to be identified, captured and possibly transformed in the desired form. Simplifying things eventually all comes down to cost issues and conversion efficiency.

The green certificate is, according to the OPCOM-Romanian Gas and Electricity Market Operator definition, a "document which attests that a quantity of 1MWH electricity was produced using renewable energy sources".

Green certificates have been defined for the first time in the Electricity Act made in 1998 in order to support energy production by using hydropower, wind, solar and biomass resources but without using fossil fuels. At the beginning these resources were meant only for internal usage, but due to the fact that for 6 months only in Germany these certificates were used, situation in which the European target regarding the reduction of greenhouse gas emissions could not be reached, the trading of these extended internationally but in accordance with the following principles (Lovinfosse de Isabelle, Varone Frederic, *Renewable Electricity Policies in Europe. Tradable Green Certificates in Competitive Markets*, Press Universitaires de Louvain Publishing House, Belgium, 2004): reciprocity, double subvention is not accepted, the careful checking of the data

and of the manner in which the energy is produced, the attestation of the country's ability to import green certificates, etc.

As regards the price of these green certificates this ranges between a minimum and maximum variant established by Government Decision. Setting a minimum price has as purpose the protection of the producers while the minimum one the protection of the consumers. More precisely, for the 2008-2014 period the trading value of green certificates in Romania registers a minimum value of 27 Euros/certificate and a maximum of 55 Euros/certificate. As for the value of the exchange rate at which the transaction is made, it was taken into account the exchange rate in the last month of the previous year set by the National Bank of Romania.

Another important aspect of these certificates is the features that they must have, features that were identified and detailed by the economist Halfdan Wilk and namely (Wilk Halfdan, *Green Certificate Systems and a Greenhouse Gas Emission Permit Trading Systems*, Nordic Council of Ministers Publishing House, Copenhagen, 2003):

1. to have a unique registration number, by means of which the used energy source to be identified,
2. the certificate must be issued by a competent authority,
3. each certificate has a maximum validity period of one calendar year (Lovinfosse de Isabelle, Varone Frederic, *Renewable Electricity Policies in Europe. Tradable Green Certificates in Competitive Markets*, Press Universitaires de Louvain Publishing House, Belgium, 2004),
4. the certificates must be issued electronically.

In Romania, based on the Decree no. 15-2005 of the Regulatory Authority for Energy, OPCOM-Romanian Gas and Electricity Market Operator operates and whose role is to trade, coordinate and making efficient these certificates as well as to determine their price. It was set up on the 15th of August 2000 as a joint stock company.

A "system of mandatory shares" was set in order to promote the attainment of clean energy, which works like this:

- a certain share of energy from unconventional resources is set by the competent authority, which subsequently is sold by the energy producers,
- producers receive for each 1MWh of produced and delivered energy a green certificate, which can be marketed on the Green Certificates Market,
- the need to have green certificates arises from the obligation of each manufacturer to achieve an amount of energy equal to the number of held certificates,
- as for the price of the obtained energy, this is determined on the energy market.

For the 2008-2020 period the mandatory shares of green certificates are presented in the table no. 2.

Table 2: The evolution of the mandatory shares of green certificates during 2008-2020

Year	Share	Year	Share
2008	5,26%	2016	12,0%
2009	6,28%	2017	13,2%
2010-2012	8,3%	2018	14,4%
2013	9,0%	2019	15,6%
2014	10,0%	2020	16,8%
2015	10,8%		

Source: *Operatorul Pieței de Certificate Verzi*, available online at http://www.opcom.ro/opcom/uploads/doc/PCCV/PCV_Descriere.pdf, accessed on the 24.08.2012

The necessity to set mandatory shares for a longer period of time represents a way to attract foreign investors, because based on these shares the necessary forecasts regarding their price can be made (Kyritsis S., *1st World Conferences on Biomass for Energy and Industry*, James&James Publishing House, Germany, Munich, 2000).

Case study

Banat region is a territorial-administrative unit, which covers the territories of the following counties: Timiș, Caraș-Severin and part of Arad County. As regards the resources of fossil fuels existent in this region, coal and methane gases are the most abundant, especially in the sub- region of Reșița.

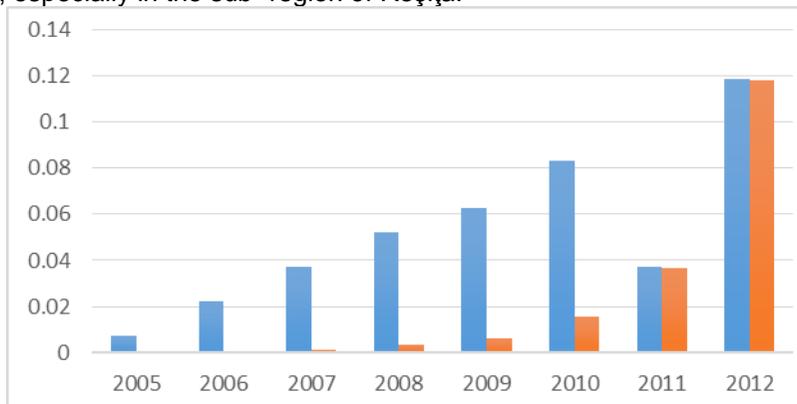


Figure 3: National energetic production structure on resources

Source: S.C. Enel Distribuție S.A.

As expected, the greatest amount of energy from this region is produced by burning coal and gas or by the use of fossil fuels. What we believe is worth appreciating is the great quantity of energy from renewable resources produced within this region such as: wind power and hydro energy, which added up represent over 30% of the produced and consumed energy in the entire region. More specifically, the total installed electric capacity at the end of 2012 in the accredited units for the production of energy from renewable resources was of 2327.76 MW.

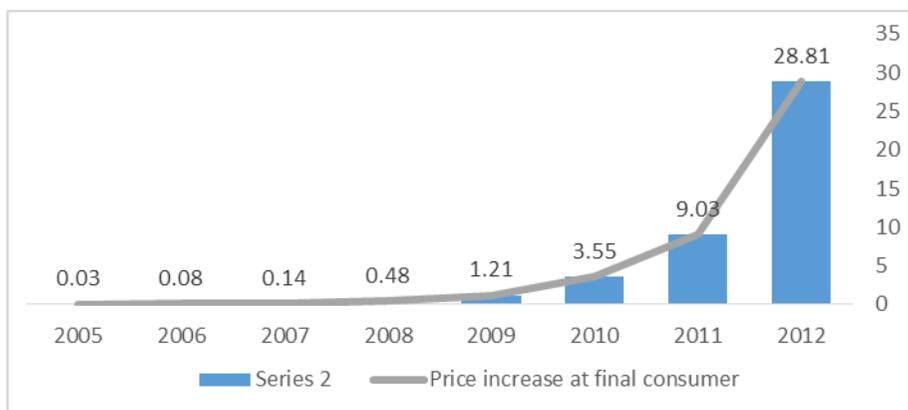


Figure 4: Annual mandatory acquisition cotes of CV for period 2005 – 2012

Source: S.C. Enel Distribuție S.A.

Even if the annual mandatory shares of green certificates showed a strong upward trend, according to the plan developed by the Green Certificates Market Operator in Romania, the emergence of the economic crisis, the lack of some funding sources maybe even the slight decline of the energy demand have determined some annual shares of green certificates significantly lower than initially established. For example, in 2010 annual mandatory shares set by OPCOM were over 0.0800 CV/MWh, while annual shares were under the value 0.02000. The only year in which the two shares were equal was 2010 being made 0.01200 CV/MWh.



Figure 5: CV impact evolution in final price
Source: S.C. Enel Distribuție S.A.

All efforts to promote and achieve energy from renewable resources in absolute terms mean money. This money is either obtained from the state budget or from the final consumer. In our case, as can be seen from the above figure, the financial effort made to promote energy from renewable resources and increase of the price at the final consumer were directly proportional, situation that we consider it to be a heavy burden placed solely on the final consumer. Specifically, if we look at the 2005-2012 period, we can see that energy prices increased, 2012 being considered the peak due to an increase of 28.81 lei per MWh consumed was registered.

In conclusion, we can say that the implementation of an energy strategy for the valorization of the renewable energy resources is included in the coordinates of the medium and long term energy development of Romania, by providing the appropriate framework for making decisions regarding energy alternatives and the entry in the acquis the European law in the field.

The strategic objective for 2010 is that the contribution of the renewable energy sources in EU Member States to be of 12% from the total consumption of primary resources. All these objectives represent an ideal hard to fulfill goal, however the when the entire effort to achieve it is made only by the final consumer this target is even more difficult to reach.

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EVOLUTIONARY THEORY AND THE MARKET COMPETITION

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Abstract: *Evolutionary theory study of processes that transform economy for firms, institutions, industries, employment, production, trade and growth within, through the actions of diverse agents from experience and interactions, using evolutionary methodology. Evolutionary theory analyses the unleashing of a process of technological and institutional innovation by generating and testing a diversity of ideas which discover and accumulate more survival value for the costs incurred than competing alternatives. This paper presents study the behavior of the firms on the market used the evolutionary theory. The paper is to present in full the developments that have led to the re-assessment of theories of firms starting from the criticism on Coase's theory based on the lack of testable hypotheses and on non-operative definition of transaction costs. In the literature, in the field studies on firms were allotted a secondary place for a long period of time, to date the new theories of the firm hold a dominant place in the firms' economic analysis. In an article, published in 1937, Ronald H. Coase identified the main sources of the cost of using the market mechanism. The firms theory represent a issue intensively studied in the literature in the field, regarding the survival, competitiveness and innovation of firm on the market. The research of Nelson and Winter, "An Evolutionary Theory of Economic Change" (1982) is the starting point for a modern literature in the field which considers the approach of the theory of the firm from an evolutionary perspective. Nelson and Winter have shown that the "orthodox" theory, is objectionable primarily by the fact that the hypothesis regarding profit maximization has a normative character and is not valid in any situation. Nelson and Winter reconsidered their microeconomic analysis showing that excessive attention should not be paid to market equilibrium but rather to dynamic processes resulting from irreversible economic exchanges. This paper is focused on the market competition. In this market the firms must define its behaviour and formulate strategies for future actions affected by risk and uncertainty. The conclusions of the paper reveal that using a theory of the firm as reference framework regarding the representation of the economic agent's on market structure, opens the way for a new field of investigation.*

Keywords: *market structures, market competition, firm, evolutionary theory*

JEL classification: *D41, D42, D43*

1. Introduction

Evolutionary theory is part of mainstream economics as well as a heterodox school of economic thought that is inspired by evolutionary biology. Much like mainstream economics, it stresses complex interdependencies, competition, growth, structural change, and resource constraints but differs in the approaches which are used to analyze these phenomena.

A term coined by Thorstein Veblen (1857-1929), an American economist and sociologist. Veblen's evolutionary economics drew upon anthropology, sociology, psychology and darwinian principles. Evolutionary economists believe that economic organization is a dynamic process involving ongoing transformation, and that economic behavior is determined by both individuals and society as a whole

The evidence suggests that it could be adaptive efficiency that defines economic efficiency. Mainstream economic reasoning begins with the postulates of scarcity and rational agents (that is, agents modeled as maximizing their individual welfare), with the "rational choice" for any agent being a straightforward exercise in mathematical optimization. There has been renewed interest in treating economic systems as evolutionary systems in the developing field of Complexity economics (Longuet S., 2011).

The research of Nelson and Winter, "An Evolutionary Theory of Economic Change" (1982) is the starting point for a modern literature in the field which considers the approach of the theory of the firm from an evolutionary perspective. Nelson and Winter have shown that the "orthodox" theory, is objectionable primarily by the fact that the hypothesis regarding profit maximization has a normative character and is not valid in any situation (Dosi, G., R. R. Nelson, S. G. Winter, 2000). Secondly, Nelson and Winter reconsidered their microeconomic analysis showing that excessive attention should not be paid to market equilibrium but rather to dynamic processes resulting from irreversible economic exchanges.

Evolutionary theory does not take the characteristics of either the objects of choice or of the decision-maker as fixed. Rather its focus is on the non-equilibrium *processes* that transform the economy from within and their implications. The processes in turn emerge from actions of diverse agents with bounded rationality who may learn from experience and interactions and whose differences contribute to the change (Longuet S., 2011). The subject draws more recently on evolutionary game theory and on the evolutionary methodology of Charles Darwin and the non-equilibrium economics principle of circular and cumulative causation. It is naturalistic in purging earlier notions of economic change as teleological or necessarily improving the human condition.

2. The firms theory

In the literature in the field studies on firms were allotted a secondary place for a long period of time, to date the new theories of the firm hold a dominant place in the firms' economic analysis. In an article, published in 1937, Ronald H. Coase identified the main sources of the cost of using the market mechanism. The firms theory represent a issue intensively studied in the literature in the field, regarding the survival, competitiveness and innovation of firm on the market (Coase R., 2002).

The theory presented by R.H. Coase was based on generalizing organizational situations in an environment dominated by the market where trading costs are significant. Defining firm existence within the marginal theory of the firm is one of the important issues raised by Ronald H. Coase. He analyzed the reasons why organizations exist and survive in an economy of exchange in which resource allocation is governed by the price system. Ronald H. Coase analyzes both the natural reasons of the firm's existence, and the implied contractual costs, the law on market transactions and the costs of market utility. Thus, a firm becomes even greater as additional transactions (exchanges coordinated by the price mechanism) are effectively organized by the entrepreneur (Giovanni Dosi, Teece D., S. Winter, 2008).

Formed in accordance with the values promoted by the neoclassical school (along with his contemporaries Friedrich von Hayek and Milton Friedman), Ludwig von Mises published in 1940 his work "Human Action" in which he stated that the economy is a social science. There were many reactions against this way of considering the economy and hence the calling into question the entire neoclassical paradigm. In this context, the firm, the enterprise, represents a form of human action, namely the creation of the entrepreneur. It is an integrative part of the market, and should be integrated into the general theory on price formation and market process.

Authors like O.E. Williamson (1971), S.G. Winter (1982), S. Ross (1973) H. Demsetz (1972), a.o., developed the approach initiated by R. Coase in 1937 and discovered new areas for its application. Alchian and Demsetz (1972) argued that the neoclassical theory of the firm does not actually refer to firms, but to the industry. Individual firms will, in general, follow routines described by researchers, but in fact the industry is complying with the marginal principles. The industry tends towards the optimal decision, but not because of changes occurred in the behavior of firms, where profit maximization is the result of an evolutionary process which took place in the industry. Langlois (2003) show that firms with identical production functions transform homogeneous inputs into homogeneous outputs according to well known technical “plans”.

Machlup (1947) and Stigler (1947) also defended the marginal principle, as a reaction to these studies. Machlup argued that firms use established routines in decision making. Alchian and Demsetz (1972) argue that the hierarchical structure of the firm’s control does not minimize transaction costs, only monitoring costs. The idea of the firm’s behavior put forward by Demsetz and Alchain is not much different from the market behavior, suggested by Jensen and Meckling (1976) who introduced the idea of agency costs as a source of the firm’s structure. In this regard the firm’s behavior is similar to that of the market; it is the result of a complex balancing process. E. Fama (1988) stated that the separation of share ownership and their control can be explained as an effective form of economic organization in the perspective of the “set of contracts”. Every factor of production within the company is to be found in inputs, which put together can create final outputs. The contractual theories of the firm are based on the importance of property rights, asymmetric information and moral hazard. Continuing the reflection of R. Coase, O. Williamson analyzes the situations in which the exchanges reflect a large opportunist potential. Using the sources of sustainable competitive advantage has renewed the resource-based firm theory.

The resource-based firm theory explains performance differences between firms. Thus, the capabilities are the firm's knowledge base (they belong to the firm and not to individual agents). From this perspective, the firms are heterogeneous, the competitive advantage is translated in terms of efficiency of annuities, and the sustainability is based on the difficulty for the competitors to imitate. The need to integrate the two approaches to the theory of the firm – the contractual perspective and the one based on capabilities – is underlined by other theoreticians on this issue stating that for a better understanding of the firm, more attention should be given to the problem of distribution of knowledge / production knowledge among companies, and especially to their character (Demsetz). The corporation is not only a contractual entity, it is in the same time an entity that both learns and innovates, seeking competitive advantages from economies of scale and scope based on superior capabilities. Continuing the idea of coordinating knowledge, some authors (Cremer 1990, Radner 1992, 1996, Bolton and Dewatripont 1994) identify the firm with a network of communication set up to minimize both the cost of processing new information as well as its communication cost between agents.

Based on these considerations we find that in the literature in the field there are two significant approaches in studying enterprise theories. The first refers to the economic approach, which developed the economic theory of the enterprise, and the second relates to their managerial approach, which developed the entrepreneurial theory of the firm. Alchian and Demsetz (1972) challenge Coase’s theory, arguing that the hierarchical structure of the enterprise does not minimize the transaction costs of the company, but its monitoring costs. Jensen and Meckling (1976) study the enterprise behavior on the market, based on results of the research conducted by Alchain and Demsetz, and introduce the idea of agency costs at enterprise level (Jensen M., Meckling W., 2009).

Continuing the research of R. Coase, O. Williamson examines situations where exchanges reflect a high opportunistic potential. Thus, contractual theories of the

enterprise are based on the importance of property rights, asymmetric information and moral hazard (Fama E., 1988).

The research of Nelson and Winter, "An Evolutionary Theory of Economic Change" (1982) represents the starting point and main reference of the current literature in the field on addressing enterprise theories from an evolutionary perspective (Dosi G., Nelson R., S. Winter, 2000). The microeconomic analysis is reviewed, insisting not so much on market equilibrium as on the dynamic processes arising from irreversible economic exchanges.

The crisis of the Marshall firm theory raises the question of cooperation between enterprises and the need to address it from a dynamic perspective. There is research in the field developed on this subject among which the transactional analysis, applications of the game theory based on an analogy to intra-enterprise cooperation and inter-enterprise, the combination of the two (inter- and intra- enterprise). Cooperation between firms (Geoffrey A. Jehle, Philip J. Reny, 2000), as a current issue, attested by various empirical studies, is the subject of a relatively small number of studies in the literature in the field.

3. The market competition and the transactions between firms

The market competition notion was and continues to be strongly related on the one hand, to hypotheses of economic agent's behaviors, and to relative hypotheses of market functioning, on the other hand (Geoffrey A. Jehle, Philip J. Reny, 2000). The capacity of putting pressure on price depends on the power of each supplier, on the market characteristics within opposition rapports. In parallel with price deciding or influencing, every supplier is preoccupied with increasing the market share (the percentage from the accomplished offer of industry) as a premise in maximizing the total profit. Real markets are generally characterized by imperfect competition. It's been concluded that there is imperfect competition in a specific field (industry) if salesmen themselves decide or influence the price levels to their offer individually.

The market with pure and perfect competition represents the theoretical pattern, an ideal situation which emphasizes the intrinsic virtues of the „invisible hand" as being the best natural mechanism of economy functioning and adjusting. Although considered as theoretical pattern, the market with perfect competition stresses upon the market strengths which naturally lead to the most rational and the best possible fulfilling of both producers and consumers interests.

Market forces are not impersonal and the reduced number of economic actors leads to adopting a strategic behavior by anticipating competitor's reactions. There are some rules that need to be followed, rules given by the free game of economic actors. The interdependence principle of different actor's behaviors represents one of the minimal rules of imperfect competition policy.

The literature in the economics field identifies two important characteristics in the delimitation of the firms frontiers: on one hand the diversity of production and on the other hand the diversity of portfolios. This shows that the activities of the enterprise are based on a high level liaison, which is called coherence in the literature in the field. The consistency of the enterprise is different from the specialization, the latter being a particular case of the first. For this reason an enterprise can provide real coherence without necessarily being specialized. Thus, a firm can prove consistency when its activities are closely related and share several features .

If the standard neoclassical theory of the enterprise argued isolate the question of consistency, an explicit approach is currently presented not only in terms of production, exchange and transaction costs but also in terms of innovation. Thus, the degree of coherence is manifested by the dependence between knowledge, constraints regarding

enterprise expansion and opportunities on one hand, and additional assets acquired and reinvested in the enterprise on the other hand (Foss Nicolai Juul, 2006).

The specificity of this competition type can be realized with the help of the games theory. Markets with imperfect competition are of huge diversity, but they are never in pure pattern. Therefore, on imperfect markets, consumers are confronted with particular product brands, with a finite range of substitution products, etc. Thus, the modality in which competitive companies choose quality, quantity, price, etc should be studied first. Unlike free entering and exiting the market postulated by the perfect competition, this hypothesis is not verified for the imperfect competition. There already are companies on this market which impose entering barriers for other new companies. Augustin Cournot studied in 1838 the operation of the duopoly markets where each company takes action knowing that its volume of production affects the market cost (Sirghi N., 2008). In 1833 J. Bertrand studied the operation of the oligopoly markets where the companies with constant efficiencies produce the same product settling the selling price. The result mentioned by Bertrand is known as Bertrand paradox. In 1934 Stackelberg shows that some companies can be leader and that are able to impose the price to the others. The leader company, as a barometer company, knows best the market situation and has the means necessary in order to control the counter party. This doesn't mean that the company is the most powerful but well informed and organised. The following question comes up: Which of the behaviours mentioned above should be followed? In order to answer this question, a theory was needed which could explain the interactions between companies. This is the great contribution of the game theory. It allows the elaboration of an analytical framework regarding the situations when an agent's decisions can affect the earnings of the other agents.

In the market, price changes lead to different transactions of exchange. Within the firm there are two alternative methods of transactions' coordination: internal coordination and external coordination (Kirzner I.M., 2007). The essence of cooperation agreements is the fact that the parties agree to a system of guarantees and contractual clauses. There are therefore transactions between firms at lower costs than the real market costs imposed by an open market. In this case transaction costs between firms are lower than market transaction costs on the open markets. Thus can be identified the dimensions of the relationship of firms – market, which are related to the analysis of the economic activity coordination.

The market structures vary depending on: the influence on the costs settlement; the companies' production of standardized or non - standardized products; the companies' possibility to enter on the market; the publicity, the products' features, etc. The duopoly means a market structure controlled by a two producers, the actions of each producer affecting the others competitors' actions. If a producer cuts the price in order to increase the sales, then its competitors will react by cutting their price too, thing which will determine a profit decrease for the first company. Before making the decision regarding the price cut, the duopoly company would have to analyse first the future reaction of its competitors and the consequences upon it. In the first works on oligopoly, Cournot (1838) and Bertrand (1883), write about the elements used by the theory of games for analyse of the imperfect competition (Cowen T, D. Parker , 2010).

Studying the situations of imperfect competition, especially the one of duopoly where the buyers' decisions are interdependent, can be achieved with the help of non – cooperative games. Important applications of the game theory reside in different aspects of the duopoly competition, for example: secret agreements or price forming study in a closed economic system (Neamtu M., Sirghi N., Babaita C., Nitu R., 2010). In designing and testing models of evolution and revealing the firm's performance in a competitive environment affected by risk and uncertainty can be used stochastic mathematical models. Below we briefly present one of these models including finite stochastic

differences, namely the Behrens-Feichtinger model. A number of “physical” models were developed as an extension of the nonlinear microeconomic Richardson model. The firm’s reaction to the price cut is like it would be the result of a problem the competitors deal with. They have to operate in order to make the competitors believe in the penalty in case of agreement breakage. Updating the credibility of the menaces is important in order to respect the agreement as longer as possible. On this kind of markets, from time to time, price war can occur, which can end with the exclusion from the market of the weaker competitors.

The analysis of firm development in a competitive market is essential for the reassessment of firm theory from a news perspective. The neoclassical theory of the firm views the firm as a black box rational entity. The transactions cost theory of the firm focuses on problems of asymmetric information in the market. The evolutionary theory of firm places emphasis on production capabilities and process as well as product innovation.

4. Final conclusions

The economic level of the competition can be considered as a mechanism of resources allocation which allows, in many cases, the promotion of the economic efficiency. For this reason the notion of competition was and is related first to the behaviour hypothesis of the economical agents and second to the relative hypothesis of the market operation. When the coordination of the individual actions is adjusted by competition, each economic agent must forecast the other agents’ actions and then maximise depending on the results their own behaviour.

Some of the economic agents have a different behaviour on the market affecting the other economic agents’ behaviour. This type of reality resides in the “market structure” concept. The meaning of market structure represents the features of a market by the number and the relative power of the companies which operate on the market having the purpose of settling their behaviour and its consequences on the economic efficiency of the economic system.

Competition was and is related to the behaviour hypothesis of the economic agents and to the relative hypothesis of the market operation. Market forces are not impersonal and the reduced number of firms leads to adopting a strategic behavior by anticipating competitor’s reactions. The interdependence principle of different actor’s behaviors represents one of the minimal rules of imperfect competition policy. In economy, structural changes and oscillations are the rule and not the exception and the stationary states become instable when certain parameters vary. The economic actors have different behaviours on the market which have different consequences depending on the number, relative size and strategies approached by the other economic actors.

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SECTION: FINANCE, BANKING, ACCOUNTING AND AUDIT

SUB-SECTIONS: ACCOUNTING, AUDIT

THE SAMPLING PROCESS IN THE FINANCIAL AUDIT .TECHNICAL PRACTICE APPROACH

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Abstract To ensure an optimum level of the sampling process in the financial audit, professional, the one that performs the audit work has to comply to principles and procedures, such that to obtain, with minimum expenditures collecting the audit evidence edifying in the process of opinion expression.

So, in time have developed and diversified the sampling techniques regarding the studied population (The audit international standards define the population term like “representing a whole data set among a sample is selected and whereof an auditor wants to make conclusions. For example, all the events within the account or the transactions class represents a population.” CAR- “Financial Audit 2000”, 2000) that can lead to a significant time relief needed for audit checking operations. Population example inside the audit mission, careless of the audited entity nationality : invoices, receipts, providers, clients, budgeted expenditures etc.

“Audit sampling” (sampling) assumes applying audit procedures for less than 100% of the elements within an account or a transaction class balance, such that all the samples will be selected. This will allow the auditor to obtain and to evaluate the audit evidence on some features for the selected elements, in purpose to assist or to express a conclusion regarding the population within the sample was extracted. The sampling in audit can use both a statistical or a non-statistical approach. (THE AUDIT INTERNATIONAL STANDARD 530 –THE SAMPLING IN AUDIT AND OTHER SELECTIVE TESTING PROCEDURES)

Key words : audit ,sample,risks ,audit tests, statistics methods

JEL Classification : M40,M41,M42

In order that the auditor will get enough reasonable evidence, the auditor has to do the necessary work with professionalism and efficiency.

After the sampling process we can say that it represents the application of some audit procedures on a part of the population subjected to auditing total, for obtaining safe evidence, to characterize the whole population. (Financial audit Marin Menu, Iuliana Panaitescu, Constantin Afanase, Dan Vilaia ,Editura Tehnica-Info, Chisinau ,2009).

We can apply the audit tests in the following way:

1- for all population components elements;

Example : we verify all the raw acquisition invoices, example in an entity from the estate construction domain, the auditor verifies every cement acquisition invoice, because from the general estimate afferent to the relative building construction resulted an 35% exceed of the initial cement a necessary and more it hasn't found no add or enlarge of the initial construction, for this is required that every document will be checked, more, when a low level population shows up in the discussion, we can use this sampling technique because it doesn't requires a high time volume, and the expenses are minimum, for example checking a third that hasn't answered to balance confirmation at the year end.

2- for a non-representative sample;

Example : in this cases the pro knows the checked operations particularities and is capable to find an enough number, really small of evidence, needed in the audition process.

If in an entity, the intern control sistem has the objectiv to attach thes short period loan contracts comming from the asociations for covering the stringent needs, ,the prior request of the treasury responsible person with the essay that contains the loan explaining(covering with cash the rent paiment when the entity has to receive amounts from clients) if in this procedure are missing over 10% accompanying documents, we can name the sample unrepresentative, there for can exist fraud.

3-for a representative sample.

Example : a sample is representative or has a high representativeness if the necessary and missing documents from a intern falls in the limit of 5% .

We can conclude that selecting some elements that have a high frauding probality or a cash defalcation etc, it can't be mistaken with the sampling process, because we can't generalize the result on the population which the checking was performed.

Along time there were developed a series of sampling methods and techniques in the audit process, like this:

1. Random selection;
2. Systematic selection;
3. The hazard technic selection;
4. The profesional judgment selection;

a) Random selection represents a technique where every element of an investigated objectiv can be the selection objectiv in equal way with the other elements.

Example : In the entity Construct S.A. case , the entity sunjected to the audit process , is checked the vericity of the dates regarding the invoice emission process (income) chronologically and systematic, consistent with the ledger, jurnal papers and VAT, in our case we can select 10 invoices out of 850, so the numbers 10,20,30,40,50,60,70,80,90,850 or 1,2,3,4,500,600,700,800,840,850.

To mention that the pro can use this method in case of the elements (populations) when the list presents abnormlities in the electronic format or when the operations are not homogeneous.

b) Systematic selection repesents eror detection by choosing aleatory to one or two elements from the checked sample and later as adding the medium sampling mode so that you can select the other probative elements, so that the auditor can appreciate fraud and it ca be applied and it has application when it's checked the tax sums and retention regarding wages including payment and payment approval.

Example : in case of the entity GRIGORE S.A. it's randomly selected an wage element no.8, the medium sampling range being 3, the next wage elements ar selected by adding 3, like: 8,12,15,18. A win of this method when monetary values are auditated, asures a plus to the auditor , becuse the big sums are checked.

c) The hazard technic selection it can't be recognised like a mathematical technic, but in technical-practical approach it's used by professionals when they verify small amounth populations and in the case of checking a large amounth population elements it can't be reached a real conclusion for the whole audited population.

d) The profesional judgment selection represents the checking redress on elements where the probability existing an error or material fraud is very high, for this reason in can appear subjectivism cases from the auditor.

Example : the auditor can use professional reasoning in determinating the sample size, for example if the auditor wants to check the supplier liabilities and sees that we have

liabilities for over 1.500.000 lei to 10 suppliers, and for 25 suppliers the liabilities doesn't totals 250.000, the auditor can check all the suppliers or only the ones that represents 85% from the liabilities, this means the 10 suppliers.

The sampling process steps in financial audit:

1. Sampling palnning and setting;
2. Setting the sampling size;
3. Selecting the elements that do the object of the sample;
4. Establish and evaluate the finnal result.

- Sampling palnning and setting – in this step the financila auditor has the obligation insurancing that these samples are enough for achieving the audit objectiv, has to follow the following steps:

- a) the objectives in cas of audit tests;
- b) population (example :incomes,coasts,clients etc.) from which the samples are selected;
- c) representativeness of the population elements;

a) the objectives in cas of audit tests – in this case the auditor sets the procedures, methods and technics uses in reaching the objectives and has to know the nature of the audit evidence, the ones that are significant in discovering errors and fraud.

The financial auditor has to straighten his attension on the choosen population for sampling, so the error searching and checking process or the negative facts will be efficient and useful.

b)population (example : incomes,coasts,clients etc.) from which the sampling will be selected we can define like a financial and material data useful instrument on that the financila auditor will head his attention to get the finnal conclusion. Example: the auditor can apply some procedures only the selected population is homogeneous, so in the example of the entity GRIGORE S.A. , the financial auditor considers like a homogeneous population an element segment like cliets, receipts, invoices, delivery note(wood materials) – special document according H.G. no. 996/2008 etc.

Financial auditor, according to the objectives that he had regarding auditor process, can divide a population in divisions or a segment of supporting documents.Example : in case of the same entity (wood materials) – special document according H.G. no. 996/2008 etc. Can be considered a population, those notices that shows wood cantity larger than 100 c.m. and another notice categories that have values from 1 to 5 c.m., or it can consider a category all the sent invoices with semnificative sums that are over 10.000 lei and another category with sums under 10.000 lei“ .

We can see in case of the entity GRIGORE S.A. the fact that, the more population monetary values are lower , both the sampling size is lower too. Another population dividing or subdividing method is clasificating them by risk. Example : liquidities can have high risk rank, the existing value as cash for the pay of extern allowences, also can have a high risk rank regarding a tangible asset, that we frame it in low risk rank, because the entity injury with this kind of immobile is allot harder to acheve, because the alienation will asume closing some notarial acts, cadastral drawings and intabulation for right of the property in real estate transcriptions registers etc.

c) Representativeness population elements assumes choosing them according the importance and the level of satisfaction in relation with reaching the financial audit objective and the possibility of expressing an oppinion.

2. Setting the sampling size

The financial auditor has to target the sampling size so it can bring him a high level of relevance in discovering the errors, of course the auditor has to establish true reasoning the admission level of an error.

More than this the pro has to assure that the choosed sampling gives the possibility to be a repercentative for all the checked population elements. The auditor can accept or not a sampling risk and has to link this with the audit risk : control risk, nondetection error risk and inherent risk.

Also we can appreciate the fact that the auditor sampling risk, if we look at it as an error margin, we can appreciate it according significance level.

Example regarding the sampling size at the entity GRIGORE S.A.(T1)

Tabel nr. 1

	Tolerance %		
Insurance level	8	5	3
96	38	84	119
92	34	66	109
81	27	54	99
75	25	50	94
73	14	23	47
60	9	11	21

Regarding the statements above we can remark the following:

- financial auditor has to determinate correctly the torelable error marge
- the sampling dimension varies proportional with the sampling insurance level proposed by the financial auditor.

3.Selecting the elements that will do the object of some tests framing the sampling it has to be specified in the audit schedule prepared at the beginning of the audit mission and have the responsibility in choosing and selecting population elements, of their component(clients, invoice, statements etc).

No matter of the method, technic or the way that instrumentes the sampling, the financial auditor has to apply directly and without deviations the selection method and more important he shouldn't remove as evidence a sampling element if it has been in another checking procedure, or that the checking will be har to accomplish.

It can exist situations that appear in the document checking process such as lack of documents for some echnomic operations. For example: the last sent invoices are missing, or the invoice annex are missing also is missing an invoice book etc. Elements like this can lead to the conclusion of error generator or fraud or they will be interpreted by the financial audit regarding every feature.

4. Establish and evaluate the finnal result.

We have to take into account the significantly aspect of the errors, if they determine or generates monetary hijackings or they have a low impact in taking an expression decision for a professional oppinion, the financial auditor will quantify the error cause and the effect resulted for the other steps of the audit.

The auditor will check if the discovered errors behind undertaken checks exceed the tolerable error and in this cases we have to reanalyze the sampling risk or we will extend audit procedures.

According to the auditor results, he can ask the entity to investigate the distortions he found or to make the necessary corrections. The auditor can extend the sampling size according to the undertaken checking he can test an alternativ control, only when he considers that the sampling wasn't the eloquence one.

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THE STOCK AUDIT OF THE ENTITIES OF THE CONSTRUCTION FIELD

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Abstract *The stocks undergo a continuous cycle of acquisition, the use of the production and respectively sale, in both cases, both the producing entities and the merchants- the stocks and the sale cost are significant for the financial situations and for the appreciation of the achieved performances.*

The financial audit has to have certainty that the stocks are properly highlighted in the accounting records according to proper legislation applicable to the audited entity and the applicable accounting standards.

Key word: *audit, stocks recognition, inherent and checking risks, detail tests*

JEL Classification : *M40,M41,M42*

Introduction

The general frame regarding stocks, entities examples and particularities of construction field

- OMFP 3055/ 2009 for the approval accounting regulations consistent with the European Directives;
- Accounting law, law no. 82/1991, republished in the Official Gazette, first part no. 454 din18/06/2008;
- Law no.571 / december 22nd 2003 regarding Tax Code with the subsequent modification;
- IAS 2: Stocks

In an entity of the construction field the stocks mainly consist of raw materials, production and merchandise, example :

- cement;
- rebar of different categories;
- timber and wood material;
- nails;
- brick and different materials for brickwork ;
- mortar and casting materials
- tyne, plaster boards, mineral wool, boards etc.

In stocks category we also find assets with long term of manufacturing, allocated for sale or proposed to be sold by the producing entities for example residential or nonresidential buildings assemblies made by entities with main activity obtaining and selling houses).

If some constructions are made in purpose of long term exploitation, by the entity who made them, they are assets.

Of course, when a land is bought in purpose of building on it buildings meant of selling, it's recorded in stocks and sold like a merchandise(example: we record in account 371 "Merchandise" and not in 2111"Lands").

It may be there situations when an tangible asset will be improved in prospect of sale, at the moment of making a decision regarding the modification of it's destination and localization, in accountancy the transfer of the asset framed in tangible assets category it's recorded in stocks. The transfer is recorded at unamortized value revalued of the

relative asset and if the asset was revalued we record the account closing 105 "Revaluation Reserves".

When an entity decides to sell a tangible asset without being modernized, she continue to treat her like a tangible asset until it's disposed of bookkeeping, and not like stock element.

Modernization has the semnification of the subsequent expenses recognized like an asset component.

If an entity purchase lands and they are not used in building residential building assemblies and proposed to be sold, according to the rights and obligations of each part submitted in the purchase-sale contract, the land value it's included in the value of the built asset, or it's highlighted in merchandise stocks, at the accountancy recording value.

If the land was reviewed, simultaneous with the change of the asset nature we close the Revaluation Reserve account.

In case of assets from the nature of residential building assemblies who initial where assigned to sale but they changed their destination, being used by the entity on longer period, or being rented to other entities, in accountancy we record it like a transfer from stocks to tangible assets.

The transfer is made at the date of the destination change, at the value that the assets where recorded in accountancy.

Summary

Stocks Recognitions

The recording in accountancy of the stock entrance is made at the date of risks and the benefits transfer.

In general, the tranfer dates of the property and the delivery are the same. Yet it can exist time gaps, for example:

- in the moment that goods are sold in consignment or stocks that are put at client's availability;
- pledged stocks delivered to the beneficiary creditor of the pledge; stocks that remain in debtor evidence until they are sold.
- received goods for which the supporting documents where not yet received, which has to be recorded in the buyer assets;
- delivered and invoiced goods , that have to be out of management, properly transfer taking place;
- sold goods but not delivered yet, for which the property transfer didn't took place. For example, at the sales that has the condition of delivery "ex-work", the sold goods are out of the salesman stock in the moment of their implementation for the buyer's availability, etc.

Oher aspects regarding the stocks recognition and accountin

a) the stock goods that are received for manufactured, in custody or consignment, are received and recorded as inputs in entities heritage, in accountancy for example the value of these goods is recorded in accounts outside of the balance(8 th class of accounts)

b) in the situation of existing a gap between the stocks supply and reception moment, which are in certain way in the entity's property, are proceed like this:

- the stocks that arrive without supporting documentation, respectively invoice, these are recorded as entrances in administration both at the place where they are stored and in accountancy, on reception and accompanying documents;
- the stocks that arrive and are unreceptioned are distinctly recorded in accountancy as management enrty;

- c) in case of a gap between the sale and delivery of the goods moment, they are recorded as entity exit, no longer being considered the entity property, for example:
- the sold and non-delivered stocks are recorded distinctly in management, and in accountancy in accounts outside the balance
 - the delivered but non-invoiced stocks are registered as management exits, both at the places they are stored and in accountancy, on documents that certify according to the law the management exit.
- d) the stocks supplied by entities or sold with terms regarding property right are recorded in entrance and exits, both in administration and accountancy, suitable to the concluded contracts.

The audit objectives

- a). The auditor has to have the certainty that the stocks are properly highlighted in accordance with the corresponding legislation applied to audited entity and applicable accountancy standards;
- b). The auditor has to have the certainty that the stocks recorded in accountancy exit and belong to the client;
- c). The auditor has to have the certainty that the stocks owned by the company where included in the end of the year stock;
- d). The auditor has to have the certainty that the stocks where evaluated according to the company accountancy policies and that they are consistent applied;
- e). The auditor has to have the certainty that quantitative stock submitted in balance at the end of the year are correctly highlighted;
- f). The auditor has to have the certainty that distinct financial years between raw materials, production in progress and finished materials, and stocks, acquisitions and sales where performed correctly;
- g). The auditor has to have certainty that the stocks with slow movement, damaged and obsolete where identified and evaluated in appropriate;
- h). The auditor has to have the certainty that including the costs in time evaluation in progress is comply with accounting policies;
- i). The auditor has to have the certainty that any transfers in the profit and loss account about the production in progress long term contracts, where recognized on credible estimate of the income and expenses until finalisation;
- j). the auditor has to have the certainty that indirect cost allocation included in stock and production in progress evaluation is reasonable and it's made taking into account the normal level of activity of the company;
- k). The auditor has to have the certainty that provisions recognition for losses regarding the short term production in progress was adequate.

Inherent and central risks specifically for stocks

Stocks undergo a continuous acquisition cycle, utilisation in production and sales, in both cases, both producing entities and merchants – stocks and sales cost are significant both for financial situations and the appreciation for the realised performances.

Risks factors that can affect stocks(1):

- volume of the transactions regarding acquisitions, if the productions and sales are big, it contribute the risk of errors in accounts;
- it always exists neuralgic points regarding the stock evaluation as identification, sizing and allocation of indirect expenses the accountancy treatment of residual products, the appreciation of deviations from standard costs, correct allocated for the cost in case of making some complementary products;

- are necessary specific products for the determination of stock quantity and value as that the stock evaluation where made by other experts;
- many times the stocks are stored in different locations, so we have difficulties in control achieving, so we can prevent theft degradation;
- stocks can make the object of for return contracts ;

Mentioning that the auditor in stock audit process has to be aware of the high risk of the management affirmation regarding the stock existence and evaluation, because the company leadership is forced to overstate that to undervalue.

Background and detail procedures applicable in stocks audit

Application of initial procedures on balances and registration that will be submitted to the following tests:

- analyze and check the stock analytical balances and we confront them with the balances
- analyze the stocks on component groups and subgroups
- analyze and identify the stock analytical operating mode in the computer application used by the entity so we ensure that the final result is correctly highlighted;
- the auditor will prepare a comment in which he explains that the stock balances component comparing the past years;
- analyze and exam the significant changes in the stock values and levels when you compare it with the previous period.

Detail test regarding stock audit

If the stocks are significant for the annual financial situation, the auditor has to obtain enough aggregate audit evidence regarding the stock existence and condition thru:

- in the moment that the physical inventory occurs the auditor has to participate, except in the case that this thing is impossible

However in some cases, the participation at the stock physical inventory it can't take place because of the stock nature and location.

The difficulty time and cost aspect is not viable base for the auditor to emit an audit procedure , for what it doesn't exist another alternative or to settle with a less compelling audit sample.

In some cases in which the participation is impractical, the alternative procedures, for example the inspection of the sale documentation of the specific stock elements acquired before the inventory of the stocks, can provide enough appropriate audit evidence regarding the stock existence and condition.

In other cases it can't be possible obtaining enough audit evidence thru execution of alternative audit procedures. In those cases, ISA 705 provides that the auditor should modify his opinion in the report as a result of limiting the application of the area.

The detail tests allowed the auditor to note if the stock entrances and exits where correctly accounted and they belong to the current exercise, so they can be correctly highlighted and evaluated in the balance.

The inventory participation it's because:

- to evaluate, analyze and observe the producers of the control management for the result of the physical inventory entity stocks;
- to evaluate and observe the function of the procedures of the control management;
- to inspect the stocks in the entity administration;
- to take tests to the inventory.

Observing the procedures for the management inventory, for example the ones about the control about the stock movement before, during and after inventory, assists the auditor in obtaining the audit evidence, according to which the management inventory instructions and procedures are suitable set and implemented.

More, the auditor can obtain copies of the informations about year end, details about stock movement, that assists the auditor.

Stock inspection when participating to physical stock inventory assists the auditor, in setting stock existing, and identification for example of old stocks, deteriorated or impaired.

Alternative procedures

If the stock physical inventory is performed on a different date as the financial situation, the auditor has to perform additional audit procedures to obtain audit evidence regarding the measure in which the stock changes between the inventory date and the financial situation are recorded properly;

- If the auditor can't participate at the stock physical inventory because the unforeseen circumstances, the auditor has to perform or to observe some physical inventory at a different date;
- The auditor selects a sample of elements from the final lists of the stocks and we transpose them in the stock lists;
- The auditor checks the transactions and the events that were registered and are characteristic to the entity.

Obtaining the documents regarding to inventory

- We obtain a complete list of shipping documents for the unsent merchandise at the inventory date, and check if they were included in the inventory;
- we determine if the articles from the storehouse are included in inventory;
- we write the inventory lists number used so the auditor to make sure that none is on or out at a past date;
- all transactions and events that had to be recorded where recorded;
- we verify that there are no stocks in the storehouse without being recorded in accountancy;
- we verify thru invoice that the purchased stocks where recorded;
- we verify if the end of the year/ beginning of the year invoices;
- we verify if the evolution policy at stock entrance is comply with OMFP 3055/2009.

Uncertainties regarding accountable estimates

In many cases the entity leathership doesn't have enough information to transpose a situation in the accounting balance, for example, or he can make a decision on an insufficiency information. For example: in the moment of signing the audit report, there are risks regarding some operations that can't be provisioned with a responsible approximation, because:

- their amount is unsure or unknown
- the probability of the achievement is unsure;

Even if the risk is provisioned or not, the auditor couldn't obtain sufficient probative elements to justify the provisioned amount or the absence of the provision formatio. This is a particular case of the limitation of obtaining the probative elements.

When the possible incidence is significant but not enough to deny the financial situation ensemble the auditor certify whit the spare one.

In the paragraph that he exposes the reasons for the refusal it will be specified all information elements about the uncertainty:

- risk nature;
- the post or the posts of the accountant balance;
- the maximum value of the risk, when it is possessed, or the fact that it can't be given;

- the incapacity he is into, to determinate the evolution of the uncertainty and to evaluate the eventual consequences of this situation;
- provisions insufficiency for the stock and receivables depreciation;
- overstated or undervaluated stocks because of an error in the production casts or in determination of stock size calculation;
- failure to the principle of the exercices independence;
- failure consideration of the past events that confirm a refute a situation at the closing year date;
- failure consideration of the principle prudence by assets overvaluation.

“When the uncertainty has an importance thru who achievement can return in discution the accounting balance ensemble, the auditor mentions that he is not able to grant the certification”

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SUB-SECTIONS: BANKING, PUBLIC FINANCES

TAXPAYERS AND TAX AUTHORITIES INTERACTING WITHIN THE MENA REGION: THE NEXUS BETWEEN TRUST, POWER AND COMPLIANCE

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Abstract: Any type of interaction climate, be it synergistic or antagonistic, is delineated by a tandem of dimensions: trust in authorities and power of authorities. Advocates for this assumption are the manifold of empirical studies testing the “slippery slope framework” which subsumes the two dimensions. A major proffer advanced by the framework is that tax authorities’ approach towards citizens poses great influence on compliance, either fuelling or hindering it. Irrespective of whether tax burden level is high (e.g., Scandinavian, Continental welfare states), medium (e.g., East European, Anglo-Saxon welfare states), minimum or completely lacking (e.g., tax havens), tax authorities and taxpayers establish a connection in which the former’s actions are mirrored in the latter’s perceptions about leadership’s benevolence in public good provisions (i.e., trust) and efficiency in deterring tax evasion (i.e., power). The tandem trust-power and the specific features of such connections within some countries of the Middle East and Northern Africa tax climate (i.e., Bahrain, Egypt, Iran, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, United Arab Emirates) are the thrust of the present study. The methodology spans a multidisciplinary approach, from explaining trust and power via governance indicators proposed by the World Bank, investigating economic development with chain base indexes and examining tax compliance process on country-level. The MENA region is source for novel and relevant insights on the nexus between trust, power and compliance, as it hosts countries which vary greatly in terms of economic development (transition to developed), fiscal policy (low to no taxes) or economy drivers (oil exporters, oil importers) and where tax compliance gains importance amid diminishing hydrocarbon resources. Nowadays economic realities constrain MENA authorities to refocus their governing strategies and perceive taxation as a viable future solution for budgetary expenses. Therefore, analyzing trust in authorities and power of authorities within MENA serves both national authorities in their quest to identify new strategies of financing state budgets and taxpayers in understanding the key role they play for securing the common good. Regarding both trust in and power of authorities, oil exporters are better off than oil importers, registering higher levels. Nevertheless, oil importers strive to improve perceptions of trust and power among citizens, benefiting from international assistance.

Keywords: tax behavior, MENA interaction tax climate, trust in authorities, power of authorities

JEL classification: F30; F62; G18; G28; H26.

1. Introduction

In the eleventh Surah (called “Hud”) of the Qur’an, the 85th verse advises that “in fairness, give full measure and weight” (Haleem, 2005). Considering the importance of the message and extrapolating it to the tax environment, one could opine that the verse’s piece of advice applies not only to individuals, but to authorities as well. The former are expected to pay their fair share in relation with the governing authorities. The latter are ultimately called to guide their decisions on equity principles when designing tax policies or interacting with citizens.

An equitable approach defines a tax climate where on one hand authorities serve taxpayers and on the other hand taxpayers follow legal prescriptions, perceive authorities as willing to supply quality public goods and capable of spotting, sanctioning and deterring noncompliance. In such a climate, acknowledged by the tax literature (Kirchler, Hoelzl and Wahl, 2008) as synergistic, contributors to the public budget invest high levels of trust in decision makers and regard authorities as having a high power to hinder tax dodgers. When interaction climates recede far from this set of prescriptions, they become antagonistic and display clear signs of mutual distrust and diminished power. Irrespective of whether taxation is burdensome (e.g., Scandinavian, Continental welfare states), moderate (e.g., East European, Anglo-Saxon welfare states), low or completely lacking (e.g., tax havens), the tandem *trust in authorities – power of authorities* delineates the type of interaction between contributors and decision makers.

The current research addresses the tandem within the Middle East and Northern Africa (MENA) tax climate defined by ten countries (i.e., Bahrain, Egypt, Iran, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, United Arab Emirates), because MENA region is source for novel and relevant insights on the nexus between trust, power and compliance. Both novelty and relevance stem from the great variety of countries it comprises in terms of economic development (transition to developed), fiscal policy (low to no taxes) or economy drivers (oil exporters, oil importers). As the topic of tax compliance gains importance amid diminishing hydrocarbon resources, MENA authorities are called to refocus their governing strategies and perceive taxation as a viable future solution for budgetary expenses. The assessment of trust and power within MENA serves national authorities in identifying new strategies of financing state budgets, but also taxpayers in understanding the key role they play for securing the common good.

The following sections are considered in the paper. Section 2 outlines the MENA tax systems. Section 3 discusses the tandem *trust in - power of authorities* via a set of governance indicators. Section 4 highlights concluding remarks.

2. MENA tax systems: A curt outline

Hosting a population of 355 million, out of which 8% dwell in high-income states, 85% in middle-income states and 7% in low-income ones (The World Bank, 2013: 23), the MENA-region finds itself between two poles, in terms of tax systems. At one end, oil exporters drive economic growth through levers other than taxation: except for banks and oil/gas production companies which pay corporate fees between 35%-85%, regular businesses are taxed at the lower rates of 10-15% (where applicable), plus labor taxes and social contributions; personal income is not subject to levying. Moreover, some countries are deemed “tax havens” by international organizations. Table 1 displays the ranks of two MENA countries placed among the states with the most secretive financial systems, according to the Financial Secrecy Index.

Table 1: MENA tax havens, according to the Financial Secrecy Index developed by the Tax Justice Network

2009	2011	2013
Bahrain (14 th)	Bahrain (10 th)	Bahrain (13 th)
United Arab Emirates (Dubai) (31 st)	United Arab Emirates (Dubai) (18 th)	United Arab Emirates (Dubai) (16 th) Saudi Arabia (31 st)

Source: www.financialsecrecyindex.com (Retrieved 01.03.2014).

At the other end, oil importers count on taxation to finance state budgets, but struggle due to narrow tax bases, nascent compliance systems and high shadow economy levels. Overall, the MENA region has one of the least demanding tax systems (*Paying Taxes* 2013).

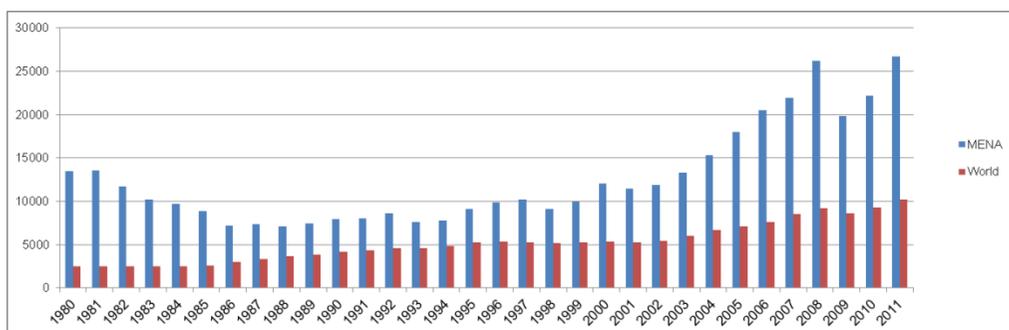
Regarding corporate taxpayers, Saleem (2013) notes that: 80-90% of businesses are micro, small and medium size, especially in countries with large underground economies; overall, there are 19-23 million formal and informal businesses in the region; non-GCC countries employ 67% of workers informally, while GCC members only 6% of workers. Limited access to finance hinders most of the times economic growth, as only 20% of small and medium size enterprises are credit eligible (Rocha, Arvai and Farazi, 2011: 9).

On the ground of dwindling monetary resources due to global financial crisis and political unrest, MENA countries face significant changes in terms of fiscal policies. Insufficient tax revenues which finance low levels of public good provision suggest there is considerable space for improvement. For example, according to a World Bank report (2013: 12), MENA tax systems have registered some of the lowest levels of government spending on health (8.2% of GDP) compared to education (18% of GDP), in the period 2006-2011, with taxpayers covering 40% of health costs by out-of-the-pocket money. As a first step, many countries have reduced governmental subsidies in the attempt to lower exceedingly high fiscal deficits. As a second step, they have broadened the tax base by lowering thresholds for minimum taxable incomes and taxing consumption through VAT and sales taxes (e.g., Egypt, Jordan).

Hypothetically, oil exporters have been considering taxing consumption as a viable solution to boost revenues and have been working to design a common VAT system (*Paying Taxes* 2013). Since 2008, it has been rumored that GCC members would introduce VAT, but until today no measure has been taken in this respect.

Regarding MENA tax climate, the country-sample comprises: Bahrain, Egypt, Iran, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, United Arab Emirates (UAE). As can be noticed, the economic and political alliance known as the Gulf Cooperation Council (GCC) is fully represented in the sample, the Mashreq region counts half of its members and the Maghreb region one member (IMF, 2013).

Because the majority of its countries harness substantial hydrocarbon resources, MENA tax climate has registered significant economic growth during the last two decades, surpassing world values, as shown by the average GDP per capita (graph 1).



Graph 1: Three decades of MENA GDP per capita with respect to world GDP per capita (current \$US)

Source: Author's calculus with World Bank data (1980-2011).

While the world GDP per capita has increased slowly but steadily, the GDP level of the MENA tax climate has been registering quite substantial gaps from one decade to another, mostly due to fluctuations of crude oil price caused by a manifold of crises.

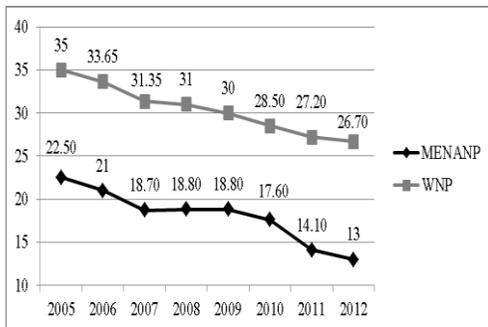
Table 2: Chain base indexes analysis regarding MENA and World average GDP per capita (1969-2011)

	1980-1989/ 1970-1979	1990-1999/ 1980-1989	2000-2011/ 1990-1999
MENA	72.96%	-8.67%	107.13%
World	106.21%	68.25%	52.25%

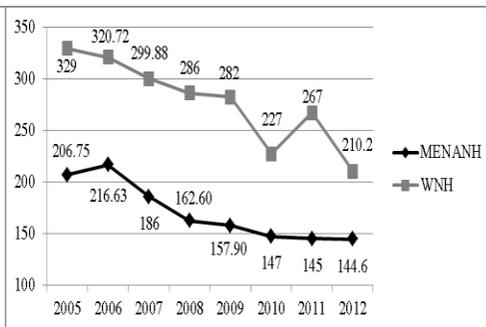
Source: Author's calculus with World Bank data (1969-2011).

Table 2 displays variations across decades, computed through chain base indexes. While the world average peaked during the decade 1980-1989 (compared to the previous one), in case of the MENA countries the onset of the 21st century brought the highest economic growth, as the crude oil price increased fivefold between 2004 and 2008. Fluctuations during the remaining analyzed decades have been caused by other economic downturns, like the 1970s oil and energy crises, the 1980s "oil glut" (which dropped prices by 46%) and the 1998-1999 price collapse.

Within the MENA tax climate, a picture of tax authorities' approaches towards the economic environment and taxpayers' perceptions of these approaches is offered through the set of *Paying Taxes* indicators: number of tax payments (NP), number of hours to comply with principal taxes, namely corporate, labor, mandatory contributions, consumption taxes (NH); total tax rate (TTR). For the 10 countries pertaining to MENA region average values of NP, NH and TTR were determined and highlighted in three graphs, after selecting data from eight *Paying Taxes* reports (2006-2013).

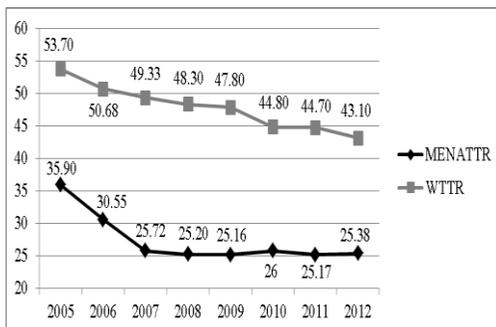


Graph 2: Average values for MENA and World Number of Tax Payments (NP)
 Source: Author's calculus based on *Paying Taxes* reports (2006-2013).



Graph 3: Average values for MENA and World Number of Hours to Comply (NH)
 Source: Author's calculus based on *Paying Taxes* reports (2006-2013).

With respect to the average number of tax payments (graph 2), MENA tax climate follows the global decreasing trend, reaching a total of 13 payments in 2012. The principal cause for the overall decrease of almost 50% is the introduction of electronic taxpaying systems in many countries. Specifically, during 2005-2012, mitigations exceeding the 50% threshold were registered in Morocco (from 28 to 6), Saudi Arabia (from 14 to 3) and United Arab Emirates (from 15 to 4). The average number of hours for the MENA sample follows the same declining trend. Except for Iran and Jordan which increased compliance time by 18% and 49% respectively, all the other countries have exempted their taxpayers from losing more time with bureaucratic procedures. Hence, Egypt mitigated it from 536 hours to 392, Kuwait from 118 to 98, and Morocco from 468 to 232 hours.



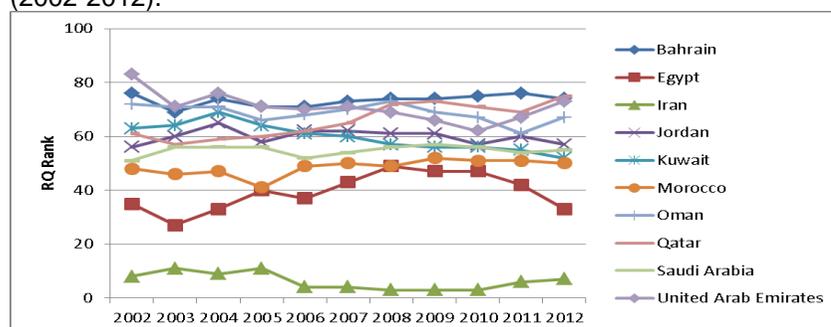
Graph 4: Average values for MENA and World Total Tax Rate (TTR)
 Source: Author's calculus based on *Paying Taxes* reports (2006-2013).

It is of note that MENATTR amounts for almost half the WTTR. Labor taxes and mandatory contributions account for the greatest component of the TTR over the eight years of study, fluctuating very little, from an average of 17.31% in 2005 to an average of 16.37% in 2012. Corporate taxes register a contraction, from an average of 16.35% in 2005 to 8.11% in 2012. The MENA governments' decisions of reducing profit taxes are based on the fact that these mitigations are conducive to business environment. The outlier is Kuwait, where the corporate tax abated from 44.7% in 2005 to 0% in 2012.

Among the top 10 economies from the world ranking concerning the easiness of paying taxes, determined by averaging percentile ranks of NP, NH and TTR, five countries belong to the MENA region (i.e., UAE, Qatar, Saudi Arabia, Bahrain, Oman) (*Paying Taxes 2013*: 15). It is a consequence of the fact that MENA countries have phased a number of reforms, like: 1) extending the tax treaty network; 2) training tax authorities staff to meet international tax requirements; 3) designing a common platform for the VAT regulation (within the GCC); 4) streamlining compliance systems through the introduction of electronic filing and e-payment (e.g., Oman, Qatar, Jordan, Kuwait, Saudi Arabia) (*Paying Taxes 2013, 2014*). Some of the aforementioned steps point out the endeavors made by MENA authorities to improve compliance via gaining taxpayers' trust. The current status of the strategies used to deter noncompliance leaves room for substantial improvement, as more taxpayers chose the informal sector to make ends meet.

3. MENA tax climate fashioned by trust in and power of authorities

In the present section, the tandem of dimensions *trust in authorities* – *power of authorities* will be considered following the path suggested by Batrancea and Nichita (2014), i.e., utilizing a set of world governance indicators (Kaufmann, Kraay and Mastruzzi, 2010). Namely, the trust dimension will be discussed in conjunction with regulatory quality and government effectiveness, while the power dimension will be tackled via rule of law and control for corruption. The values of the world governance indicators (i.e., percentile ranks among all countries) extend from 0 (lowest end) to 100 (highest end). The country-sample will be analyzed during a time span of eleven years (2002-2012).

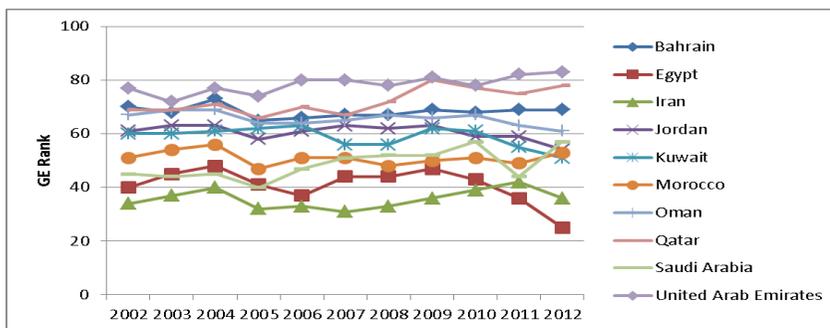


Graph 5: Evolution of the Regulatory Quality (RQ), 2002-2012

Source: World Bank data (www.worldbank.org).

In terms of regulatory quality, which measures perceptions of authorities' efficiency in supporting private sector, the majority of countries rank above the middle of the range. The outliers are Iran, with values approaching the minimum threshold, followed by Egypt, with ranks wavering between 20 and 50. The data represented in graph 5 reveals a wide variety. As stated before, MENA tax climate has witnessed extensive opinions: in some countries, taxpayers have credited authorities with low trust based on their reduced capacity to incentivize private sector businesses; in others, taxpayers have regarded decision makers worthy of high trust based on the fact that economies thrive. The end of the year 2010 constitutes a reference point, marking the onset of massive political unrest and changes in the MENA region (i.e., the revolutionary wave come to be known as the "Arab Spring" or "Arab Awakening") which triggered severe economic downturns characterized by high inflation and staggering fiscal deficits in several countries like Egypt, Jordan, Kuwait or Morocco.

Despite serious hardships induced by the unrest, MENA authorities are striving to resume the normal course of actions, regain citizens' trust and counterbalance weakened state budgets. Thus, redesigning tax policies has become a major priority on the MENA political agenda, with more and more governments appealing to taxation. On this line, Egyptian authorities will introduce a 10-12% Value Added Tax (VAT) by the end of 2014, set to replace the current Sales Tax and estimated to bring more than LE 126.5 billion (USD 18.2 billion) for the country's treasury. United Arab Emirates, a far more stable and thriving economy, has implemented fiscal measures to boost internal commerce and tourism. Namely, Dubai introduced on March 31, 2014, a daily tourist tax called "Tourist Dirham" of up to AED 20 (approx. USD 5), payable by any visitor depending on the accommodation category (i.e., hotel's star number). With a ten-million annual tourist inflow and 80,000 hotel rooms, Emirati authorities estimate to raise at least AED 330 million (approx. USD 90 million) for its budget.

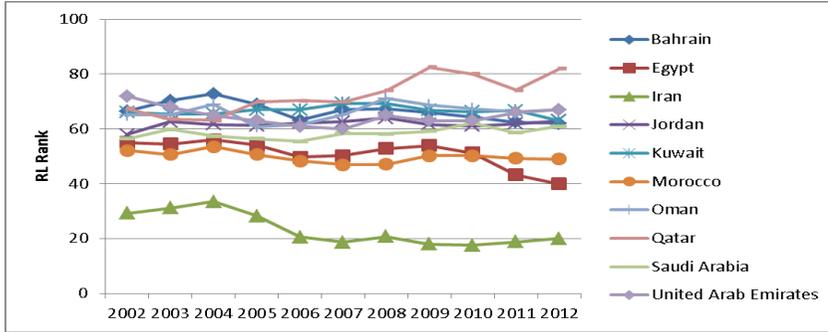


Graph 6: Evolution of the Government Effectiveness (GE), 2002-2012

Source: World Bank data (www.worldbank.org).

In the analyzed sample, citizens' perceptions related to the quality of public goods and to government's exactitude in implementing strategy sets (i.e., government effectiveness) extend between 20 and 90. Five members of GCC plus Jordan occupy the first positions in the ranking. In particular, United Arab Emirates is perceived as the country which provides the highest standards in the public sector from the whole sample. For the year 2012, the results are mirrored also by the Human Development Index (Human Development Report Office, 2013). According to it, two countries in the sample are rated with "very high human development", viz. Qatar ranks 36th and United Arab Emirates 41st, five countries are deemed as having "high human development" (i.e., Bahrain 48th, Kuwait 54th, Saudi Arabia 57th, Iran 76th, Oman 84th) and three nations are assessed with "medium human development" (Jordan 100th, Egypt 112th, Morocco 130th).

Improving the public goods' quality has increasingly gained importance also among less thriving MENA countries and current efforts are promising. With international assistance from the World Bank, several countries in the region including Egypt, Jordan and Morocco founded in 2013 the MENA Network of Public Procurement Experts. Members of the network advocate for enhancement of capacities among procurement staff and modernization of procurement instruments in order to ultimately boost accountability, transparency, public outlays' efficiency and good governance.

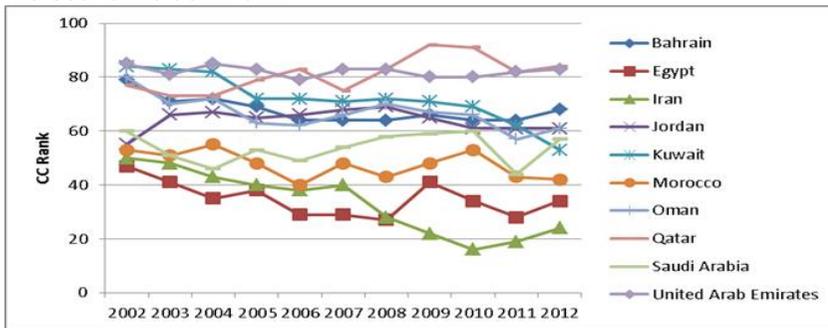


Graph 7: Evolution of the Rule of Law (RL), 2002-2012

Source: World Bank data (www.worldbank.org).

The rule of law indicator, measuring perceptions regarding compliance with the law for MENA, is captured in graph 7. Iran has registered the lowest values, substantially dropping towards the end of the period due to political instability and forthcoming change of power. As a general trend, during the eleven-year time span, the vast majority of countries (all GCC members and Jordan) have registered values from 50 to 90. These results suggest that oil exporters generally manage to ensure compliance better than oil importers, as they rely on and capitalize hydrocarbon resources more than taxation revenues. Therefore, tax evasion levels (if applicable) are low.

Egypt and Morocco are two countries depending on tax revenues, with state budgets seriously affected by tax evasion and which have to identify viable solutions of increasing tax compliance. In this respect, Moroccan authorities enacted in 2013 a tax amnesty and called on citizens to pay their fiscal obligations, in an attempt to alleviate the economic downturn.



Graph 8: Evolution of the Control for Corruption (CC), 2002-2012

Source: World Bank data (www.worldbank.org).

Citizens' perceptions regarding the extent to which MENA authorities use power for acquiring personal gains are measured by the indicator "control for corruption" displayed in graph 8. Mainly, two clusters stand out: non-oil vs. oil driven economies. As expected, non-oil driven economies are less better off than oil exporters. In almost all GCC countries (i.e., Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, UAE) and Jordan, authorities are deemed more committed to mitigate any form or corruption, be it grand or petty, than in the rest of the MENA region. For that matter, the 2012 Transparency International Corruption Perceptions Index rates the analyzed countries in a parallel manner, assigning them scores from 28 (more corrupt) to 68 (less corrupt) on a scale between 0-100: Qatar and UAE score 68, Bahrain 51, Jordan 48, Oman 47, Kuwait and Saudi Arabia 44, Morocco 37, Egypt 32 and Iran 28.

In the MENA region, the corruption phenomenon is positively correlated with the large subsidy packages that have been granted for decades, especially for energy and food, as a measure of social protection but often assisted high-income earners than low-income ones. According to IMF (2013: 42), in 2011 the energy subsidies alone amounted to USD 237 billion (8.6% of regional GDP), namely 50% of global subsidies. Besides yielding huge costs of more than 5% of GDP (especially in GCC oil-driven economies), energy subsidies have exceeded those for basic food (0.7% of GDP) and have mitigated outlays on education (approx. 4% of GDP). As a result, the staggering fiscal deficits have determined national governments to enact subsidy reforms, i.e., especially lowering energy subsidies since 2011 and lessen the impact of such measures on the low-income groups.

4. Conclusions

This paper endeavors to explain the main dimensions of the “slippery slope framework” within the MENA tax climate comprising Bahrain, Egypt, Iran, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, United Arab Emirates. Using the line of thoughts from Batrancea and Nichita (2014) as benchmark, trust in authorities is highlighted by the World Bank governance indicators “regulatory quality” and “government effectiveness”, while power of authorities via “rule of law” and “control for corruption”. MENA tax climate is underlined through a comprehensive methodological apparatus so that it pays benefits to all sides: tax authorities, in their quest of detecting new strategies to boost public revenues; taxpayers, in being aware of their role for the common good; investors in being acquainted with the regional market. Although taxes do not constitute the lifeblood of all economies within the MENA region, because of the staggering fiscal deficits, high inflation, inefficient public procurements and underfinanced basic needs (e.g., health, education, social security), national authorities turn to taxation as a means to overcome challenges. Despite substantial natural resources, GCC members do not disregard the introduction of consumption taxes in the upcoming years.

The tandem *trust in authorities - power of authorities* is regarded as a relevant tool which can be used by authorities to master tax compliance. Financing public goods and services of high quality leads ultimately to increased levels of trust and higher tendencies to pay the fair share. In this respect, the GCC national authorities are regarded as more trustworthy than authorities from non-GCC states. Nevertheless, oil importers join efforts via the MENA Network of Public Procurement Experts to boost accountability, transparency, public outlays’ efficiency and good governance. The significant levels of oil-based resources make the difference in terms of rule of power perceptions. Once again, GCC members are deemed as more efficient in deterring corruption and noncompliance than non-GCC members. The strategies used by taxation-based economies to reduce the tax-gap collection are amnesties or mitigation of government subsidies.

5. Acknowledgements

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DEMOGRAPHIC PREDICTORS WITHIN LOCAL PUBLIC ADMINISTRATION

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Abstract: *This study aims to explore citizens' satisfaction regarding the communication process within local public administration. In order to extend satisfaction research in the public sector, were analyzed citizens' expectations and perceptions considering local public administration within Crisana Region.*

Design/methodology/approach- Using a quantitative methodological approach, a survey based on SERVQUAL instrument was applied in order to evaluate local public communication. Data from a sample of 380 citizens within Western Romanian were analyzed. Specific demographic predictors that can influence citizens' satisfaction regarding the quality of communication are analyzed.

*Findings-*By analyzing data it was possible to determine citizen satisfaction and to assess its relationship with different demographic characteristics. The results illustrate that gender does not significantly affect satisfaction, instead age, marital status, residence location (urban versus rural), income, education and occupational status of the respondents significantly affect satisfaction regarding local public communication. In addition, the findings confirm a relationship between the citizens' satisfaction and the age, income, education and occupational status of the respondents.

Research limitations/implications- Owing to the budget and time limits, only a one-shot survey was conducted, therefore the comparison between "before" and "after" analysis could not be performed. In addition, further research should investigate the local public communication within national contexts.

*Practical implications -*The adapted SERVQUAL scale may be used by institution managers to objectively assess communication performance and local authority service quality.

Originality/value- There continues to be a lack of research regarding the communication process within local public administration and the effect of demographic predictors of communication satisfaction. This paper examines both the perceptions and the expectations of citizens regarding public communication. The results offer insights into residence location, age, income, education and occupational status effects on evaluations of communication satisfaction. Finally, the study contributes to studies of perceived service quality by bearing out the link between communication efficiency and several demographic characteristics in a public-sector context.

Keywords: satisfaction; communication; expectations; perceptions; demographic characteristics

JEL classification: H83

1. Introduction

The assessment of communication as a determinant of satisfaction appears in several studies on satisfaction with health services (Mazzei, Russo, Crescentini, 2009), police services (Chu, Huey-Long Song, 2008), service quality in public sector (Agus et. al., 2007, Wisniewski 2001).

Service quality is an abstract concept considered by many specialists in quality and

marketing as being particularly difficult to define and measure. Parasuraman et al. (1988, p.12) developed "a 22-item instrument (called SERVQUAL) for assessing customer perceptions of service quality in service and retailing organizations". Although the SERVQUAL model was accredited by marketing and management academics, the model has attracted critics who have motivated that cannot be used the same model for all the different contexts and situations in which service quality operates (Agus et. al., 2007, Bowers et al., 1994; Brady and Cronin, 2001; Cronin and Taylor, 1992; Gronroos, 1982; Lehtinen and Lehtinen, 1982; Rust and Oliver, 1994).

2. Method

Before data collection, the developed survey instrument was pre-tested and validated (Cronbach's alpha coefficients were above 0,7). The statements from the questionnaires used a five-point Likert type scale (1 -strong disagreement, 5 - strong agreement). Data from the socio-demographic questionnaires were used to characterize respondents by using nominal and interval scales.

Data were collected this year over a one month period. The face to face survey was used in order to collect data from a 380 sample of citizens. The representative sample was chosen using a stratified multistadial sampling design. Of the sample, 51 percent live in residencies, 52 percent were females, their average age was 39, 54 percent were currently employed, and they had an average of 12 years of education. In terms of income 32 percent earn less than 600 RON; 35 percent earn between 600 and 1000 RON; 26 percent earn between 1001 and 2000 RON; 0,5 percent earn between 2001 and 4000 RON; and 0,01 percent earn more than 4001 RON. After collecting the questionnaire data analyzed using SPSS version 20.0.

Three statistical analysis methods were employed to test the research hypotheses:

- Cronbach's alpha coefficients: to measure scale reliabilities;
- Independent Samples Test to investigate the relationship between perceptions of satisfaction, gender and citizens` provenance;
- Spearman's rho: to investigate the relationship between perceptions of satisfaction level of education, occupational status, age, and income.

In our opinion, satisfaction represents the gap between citizens` perceptions regarding local public communication and their expectations on this concern. The SERVQUAL score is:

SERVQUAL Score= Perceptions- Expectations

3. Findings

H1. There are significant differences on the five dimensions of citizens' satisfaction (tangibility, reliability, responsiveness, assurance and empathy) on the communication of local public administration depending on the citizens` gender.

Table 1: Independent Samples Test - to test de perceptions differences depending on the citizens` gender

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
TP_E	EVA*	.185	.667	-.311	378	.756	-.02778	.08939	-.20353	.14798
	EVNA*			-.311	376.480	.756	-.02778	.08919	-.20315	.14759
FP_E	EVA*	1.659	.199	.206	378	.837	.01819	.08838	-.15559	.19198
	EVNA*			.207	377.999	.836	.01819	.08789	-.15461	.19100
RP_E	EVA*	.892	.346	.804	378	.422	.06841	.08508	-.09888	.23571
	EVNA*			.803	370.829	.423	.06841	.08523	-.09919	.23601
SP_E	EVA*	.019	.889	.727	378	.468	.07704	.10596	-.13131	.28538
	EVNA*			.728	376.056	.467	.07704	.10577	-.13094	.28501
EP_E	EVA*	.010	.920	.526	378	.599	.13148	.25016	-.36040	.62336
	EVNA*			.526	375.712	.599	.13148	.24980	-.35969	.62266

EVA*-Equal variances assumed

EVNA*-Equal variances not assumed

Source: Processed by authors

H4.a. There are significant differences on the tangibility dimension of citizens' satisfaction regarding the communication of local public administration depending on the citizens` gender.

Using equal variance assumed test, t is equal to - 0,311 with a degree of freedom 378 and a significance level $p=0,756$, so because this value is more than 0,05 and this shows that the mean of the two groups -0,975 and -0,947 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from - 0,203 to 0,147. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H1.a. is rejected.

H4.b. There are significant differences on the reliability dimension of citizens' satisfaction regarding the communication of local public administration depending on the citizens` gender.

Using equal variance assumed test, t is equal to 0,206 with a degree of freedom 378 and a significance level $p=0,837$, so because this value is more than 0,05 and this shows that the mean of the two groups -1,126 and -1,144 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from - 0,155 to 0,191. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H1.b. is rejected.

H4.c. There are significant differences on the responsiveness dimension of citizens' satisfaction regarding the communication of local public administration depending on the citizens' gender.

Using equal variance assumed test, t is equal to 0,804 with a degree of freedom 378 and a significance level $p=0,422$, so because this value is more than 0,05 and this shows that the mean of the two groups -0,951 and -1,019 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from -0,098 to 0,235. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H1.c. is rejected.

H4.d. There are significant differences on the assurance dimension of citizens' satisfaction regarding the communication of local public administration depending on the citizens' gender.

Using equal variance assumed test, t is equal to 0,727 with a degree of freedom 378 and a significance level $p=0,468$, so because this value is more than 0,05 and this shows that the mean of the two groups -1,343 and -1,420 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from -0,131 to 0,285. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H1.d. is rejected.

H4.e. There are significant differences on the empathy dimension of citizens' satisfaction regarding the communication of local public administration depending on the citizens' gender.

Using equal variance assumed test, t is equal to 0,526 with a degree of freedom 378 and a significance level $p=0,599$, so because this value is more than 0,05 and this shows that the mean of the two groups -3,300 and -3,431 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from -0,131 to 0,285. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H1.e is rejected.

Table 2: Independent Samples Test- to test de perceptions differences depending on the citizens' provenance

Independent Samples Test

		Levene's Test t-test for Equality of Means								
		Test for Equality of Variances		t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
		F	Sig.						Lower	Upper
TP_E	EVA*	.640	.424	.884	378	.377	.07887	.08924	-.09660	.25435
	EVNA*			.882	371.076	.378	.07887	.08945	-.09702	.25477
FP_E	EVA*	.015	.901	-.380	378	.704	-.03353	.08831	-.20717	.14011
	EVNA*			-.380	376.720	.704	-.03353	.08826	-.20707	.14001
RP_E	EVA*	1.212	.272	1.094	378	.275	.09292	.08496	-.07413	.25997
	EVNA*			1.092	373.763	.275	.09292	.08506	-.07434	.26018
SP_E	EVA*	1.328	.250	2.934	378	.004	.30735	.10477	.10134	.51336

E	EVNA*			2.931	374.21 1	.004	.30735	.10488	.10113	.51357
EP_	EVA*	1.093	.296	3.030	378	.003	.74876	.24709	.26292	1.2346 1
E	EVNA*			3.027	374.26 1	.003	.74876	.24733	.26243	1.2350 9

EVA*-Equal variances assumed

EVNA*-Equal variances not assumed

Source: Processed by authors

H2. There are significant differences on the five dimensions of citizens' satisfaction (tangibility, reliability, responsiveness, assurance and empathy) on the communication of local public administration according to the citizens' provenance.

H2.a. There are significant differences on the tangibility dimension of citizens' satisfaction regarding the communication of local public administration according to the citizens' provenance.

Using equal variance assumed test, t is equal to 0,844 with a degree of freedom 378 and a significance level $p=0,377$ so because this value is more than 0,05 and this shows that the mean of the two groups -0,923 and -1,002 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from -0,096 to 0,254. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H2.a. is rejected.

H2.b. There are significant differences on the reliability dimension of citizens' satisfaction regarding the communication of local public administration according to the citizens' provenance.

Using equal variance assumed test, t is equal to -0,380 with a degree of freedom 378 and a significance level $p=0,704$ so because this value is more than 0,05 and this shows that the mean of the two groups -1,151 and -1,117 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from -0,207 to 0,140. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H2.b. is rejected.

H2.c. There are significant differences on the responsiveness dimension of citizens' satisfaction regarding the communication of local public administration according to the citizens' provenance.

Using equal variance assumed test, t is equal to 1,094 with a degree of freedom 378 and a significance level $p=0,275$ so because this value is more than 0,05 and this shows that the mean of the two groups -0,939 and -1,032 does not differ statistically significant. The 95% confidence interval of difference between the mean which is from -0,074 to 0,259. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H2.c. is rejected.

H2.d. There are significant differences on the assurance dimension of citizens' satisfaction regarding the communication of local public administration according to the citizens' provenance.

Using equal variance assumed test, t is equal to 2,934 with a degree of freedom 378 and a significance level $p=0,004$ so because this value is less than 0,05 and this shows that the mean of the two groups -1,231 and -1,539 differs statistically significant. The 95% confidence interval of difference between the mean which is from 0,101 to 0,513. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H2.d. is confirmed.

H2.e. There are significant differences on the empathy dimension of citizens' satisfaction regarding the communication of local public administration according to the citizens' provenance.

Using equal variance assumed test, t is equal to 3,030 with a degree of freedom 378 and a significance level $p=0,003$ so because this value is less than 0,05 and this shows that the mean of the two groups -3,001 and -3,750 differs statistically significant. The 95% confidence interval of difference between the mean which is from 0,262 to 1,234. Since the interval includes 0,00 the difference is not statistically significant two-tailed 5%, therefore the research hypothesis H2.e. is confirmed.

H3. There is a statistically significant positive correlation between the citizens' level of education and their satisfaction regarding marketing communications from local government institutions.

As is evident from Table 3 there is a weak positive relationship between the citizens' level of education and their satisfaction regarding the marketing communications from local government institutions($r = 0,189$, $p= 0,000$ and is less than 0,05) so that the null hypothesis is rejected. The higher is level of education, the higher the citizens' satisfaction regarding marketing communications from local government institutions. Accordingly, we can say that the satisfaction of marketing communications in local government institutions increases with the education level. Therefore the research hypothesis H3 is confirmed.

Table 3: Correlation between the citizens' level of education and their satisfaction

Correlations

			GAP_ Perceptions_ Expectations	Education
Spearman's rho	GAP_Perceptions_Expectations	Correlation Coefficient	1.000	.189**
		Sig. (2-tailed)	.	.000
		N	380	380
	Education	Correlation Coefficient	.189**	1.000
		Sig. (2-tailed)	.000	.
		N	380	380

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Processed by authors

H4. There is a statistically significant negative correlation between the citizens' age and their satisfaction regarding marketing communications from local government institutions.

From the correlation analysis presented in Table 4 there is a weak negative relationship between citizens' age and their satisfaction regarding the marketing communications from local government institutions($r = -0,167$, $p= 0,001$ and is less than 0,05) so that the null hypothesis is rejected. As expected, younger and older individuals ranked differently satisfaction. The younger the citizen it is, the higher the citizens' satisfaction regarding marketing communications from local government institutions. Accordingly, we can say that the satisfaction of marketing communications in local government institutions decreases along with aging process. Therefore the research hypothesis H4 is confirmed.

Table 4: Correlation between the citizens` age and their satisfaction
Correlations

			GAP_ Perceptions_ Expe ctations	Age
Spearman's rho	GAP_ Perceptions_ Expectations	Correlation Coefficient	1.000	-.167**
		Sig. (2-tailed)	.	.001
		N	380	380
	Age	Correlation Coefficient	-.167**	1.000
		Sig. (2-tailed)	.001	.
		N	380	380

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Processed by authors

H5. There is a statistically significant negative correlation between the citizens` occupational status and their satisfaction regarding marketing communications from local government institutions.

Table 5: Correlation between the citizens` occupational status and their satisfaction
Correlations

			GAP_ Perceptions_ Expectations	Occupation
Spearman's rho	GAP_ Perceptions_ E xpectations	Correlation Coefficient	1.000	-.128*
		Sig. (2-tailed)	.	.013
		N	380	380
	Occupation	Correlation Coefficient	-.128*	1.000
		Sig. (2-tailed)	.013	.
		N	380	380

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Processed by authors

As is evident from Table 5 there is a weak positive relationship between the citizens` level of education and their satisfaction regarding the marketing communications from local government institutions($r = -0,128$, $p = 0,013$ and is less than $0,05$) so that the null hypothesis is rejected. Thus, the employed citizens are more satisfied with marketing communications from local government institutions than the citizens who do not have a job (unemployed, retired people or students). Therefore the research hypothesis H5 is confirmed.

Table 6: Correlation between the citizens` income and their satisfaction

Correlations

		GAP_ Perceptions_ Expectations	Income

Spearman's rho	GAP_ Perceptions_ Expectations	Correlation Coefficient	1.000	.111*
		Sig. (2-tailed)	.	.030
		N	380	380
	Income	Correlation Coefficient	.111*	1.000
		Sig. (2-tailed)	.030	.
		N	380	380

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Processed by authors

H6. There is a statistically significant positive correlation between the citizens` income and their satisfaction regarding marketing communications from local government institutions.

From the correlation analysis presented in Table 6 there is a weak negative relationship between citizens` income and their satisfaction regarding the marketing communications from local government institutions($r = -0,111$, $p = 0,030$ and is less than $0,05$) so that the null hypothesis is rejected. The higher is the citizens' income, the higher the satisfaction regarding the marketing communication of local government institutions. Therefore, the research hypothesis H6 is confirmed.

4. Conclusions

The present study analyzed the specific demographic predictors that can influence citizens' satisfaction regarding the quality of communication. The analysis leads to a clearer awareness of the general appreciation regarding local public communication. Considering that citizens` expectations have not been encountered by their perceptions regarding communication of local government, the SERVQUAL Gap was negative (-1,07).

Accordingly to other studies (Benedict et al., 2000, Chermak et. al., 2001, Davis, 1990, Huang and Vaughn, 1996, Worall, 1999) it can be mentioned that gender has no effect on perceptions of the quality, thus the first hypothesis was rejected. After testing the second hypothesis on the assurance and empathy dimension of communication quality there were differences in citizens` perceptions regarding local public communication according to the citizens` provenance. The results indicate that residents from urban communities appreciated the communication process within local public administration more negatively. Likewise, there some studies which indicated that residents of urban communities view the police more negatively than residents from rural residents (Huang and Vaghn 1996, Worall, 1999). The third, fourth, fifth and sixth hypotheses were confirmed, thus citizens` age, level of education , occupational status and income affect their satisfaction regarding marketing communications from local government institutions.

The academic research concerning the effects of a person's income and level of education is ambiguous. The research that focused on police services has found that as a person's income increased, so did their levels of confidence in the police (Frank et al., 2005; Murty et al., 1990). Instead, Dowler (2003) found that as income increased, confidence in the police decreased while Cao (2001) noticed that there was no statistically significant correlation between the two variables.

Further research should investigate less investigated predictors of satisfaction. The emotions that consumers feel when consuming a service, past experiences, the frequency of the citizens` contact to local authorities, types of contact have not been explored in either perceived service quality or customer satisfaction models.

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TAXATION.FAIRNES. EQUALITY.

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Abstract:

The issue of taxation is a phenomenon long past barriers fiscal regulations and procedures, as in the contemporary period is a phenomenon with multiple implications of economic, social and political. Tax procedures also were upgraded and complicated that not only specialists but also taxpayers need the jurisdictional knowledge, informatics and especially in the economic field. Dealing over the jurisdictional and procedural measure, it seems that the other side of the relationship between tax authorities and taxpayers, the economic and psycho-behavioral was neglected.

Tax authorities as part of the administrative system, whose main objective attracting tax revenues to the Exchequer in terms of data legislation, legislation that reflects the vision of the governments policy in operation. One must ask if the official fiscal policies, take into account the coordinates of the report psychobehavioral tax? The answer to this question and some comments to address this issue, this paper covered together.

The tax will not ever paid with pleasure, but it is known that fiscal equity confers a degree of acceptance by payers of the tax burden. Modern fiscal policies are marked by complicated structure of tax systems, more sophisticated procedures and rush image of politicians that do not retain as little detriment to promote populism reality.

Another problem is the invasion of of social security, namely the objective is also looking to be promoted on account of fiscal policy without taking into account the fact that the two policies, the fiscal and social security are still their primary objective. The combination of the two types of , the purely fiscal and social, administrative approach is undoubtedly affected, and the effectiveness of the two policies may be affected taxpayers reactions is recognized in the literature are controversial.

Taxpayers are vexed not only the size of the tax burden but also its structure, especially the way the official division of the tax burden between them, depending on how the tax base, depending on the type of taxpayer and according to other criteria.

Another coordinated taxation is part of contemporary consumerist polticilor new tax, taxing certain income, especially income individuals is marked by the overall objective of capitalist society, that consumption growth. Fiscal policies are policies the new contemporary consumerism. And this phenomenon influences the distribution of the tax burden among taxpayers, more or less fair.

What is tax fairness and how we can quantify? Here's a question that I try to raspunt from equality before the law tax payers. Equality before the tax law is not a primary goal of modern tax policy, it losing ground to tax efficiency goals and its economic and social components. On the other hand though fiscal phenomenon can help to ensure social peace through taxation to keep Sean absolute size of the tax burden and the fact that all are equal before the law, tax law and within given social policies in broadly, social security or insurance in respect restrains can be promoted by themselves and less by fiscal policy.

Content:

Considerations generale.Complexitatea fiscal phenomenon.

Taxation in the current language is understood as more acceptable, ie taxation as a set of taxes imposed at a time in a company engaged in tax taxation, taxation as jurisdictional regulation and taxes in the fourth , taxation as a science, as a discipline of study.

First meaning, taxation, as a set of taxes and duties imposed on society by the legal laws in the context of our literature specialist is a misconception, this overlapping conceptual fiscal system. The tax system includes all taxes imposed at a point in society and the relationships between them, within and as part of the financial system.

A second meaning, so that taxation is understood that fiscal activity. This sense only partially reflect economic content of taxation, procedural aspect of taxation is an important, but not with the manifestation of the phenomenon in its entirety. Leave aside the theoretical component, conceptual content sic her economic phenomenon with its implications on taxpayers.

Third acknowledge that the taxation, that legal regulation of the field, or in tax legislation restrains sense. And this is a partial view of the phenomenon, the phenomenon is broader fiscal, economic content, social and psycho-behavioral and penetrates into the deepest springs of society, family and individual.

The fourth accepted that science, discipline of study, is a vision developed over fiscal phenomenon. "Maintenant, taxation est une science," says fiscalism France, Maurice Laure.

Regarded as a science, taxation is part of financial science, detached relatively late, with the development and modernization of fiscal phenomenon fiscal procedures. Taxation as a subject of study is well defined object and use methods outlined and defined the scope of the phenomenon, the methods used are specific issues such as fiscal procedures, and common to other disciplines of study, common social sciences and the exact such as the calculation of mathematical, statistical comparisons, synthesis and the like.

Fiscal phenomenon is a more complex social phenomenon, the extent of tax revenue, the taxable structure of matter, the complexity of the procedures used and the deeper implications of all taxpayers

Economic and psycho-behavioral component of taxation.

Promotes contemporary Taxation taxes placed so that the state to promote the fiscal policies they own. Responding elements of modern tax policy objectives of the legislature and taxes looming fiscal levers at hand as the state to promote public policies in all branches of social life.

Efficiency of taxation is a principle that was the basis for imposing ever, states, sovereigns, governments are by their nature existential Vero governed by this objective, fiscal procedures have been continuously modernized, but always at the expense of the taxpayer, which will incur a task overwhelming.

What kinds diversified revenue, capital grew, consumption grew large and diversified tax base in this context and the various taxes has been adapted so as to bring the state income increasingly greater. Tax base and other elements of the tax, especially quotas and tax benefits (tax benefits can be grouped into two categories, namely: tax deduction from the taxable base parts that are not required or necessary light and secondarily the reductions in tax payments as part of the tax computed which will be paid partially or not at all) were established in fiscal policy instruments used to influence taxpayer behavior, for different purposes, economic and social.

If efficiency tax depends on the settlement thereof, ie, if their location respect the principles of fiscal efficiency, ie, productivity taxation, universal taxation, taxation

stability, size of tax revenue is directly proportional to the size of the tax base, the size of income, wealth estate and securities, consumption size.

The size and structure of the tax base on the real economy, the structure of the real economy, the absolute level of capital, size and income structure, size and structure of consumption, but they can be influenced by the taxpayer, whose behavior can be modeled just by the way tax settlement.

Taxpayers are targeted to be encouraged to eat, to work harder and more efficiently or more jobs can be influenced to save and then invest in certain sectors or activities.

Using tax as leverage was generalized in fiscal years Keynesian interventionism and intervention methods were perfected so that national tax systems of the developed countries have become some bushy systems with many rules and exceptions, benefits and fiscal constraints. In our legislation corporation tax only if covered over twenty-six deductible expenses and other exceptions in the calculation of the tax base.

In the case of personal income taxation are notorious exceptions, for example in the French regulations, taxpayers, individuals or individual families receive over fifty exceptions as deductible and discounts from taxes.

In order maintenance and consumption growth, fiscal authority waive part of annual revenue from the individual income tax by providing such a facility, but will receive during each expense generated by the facility consumption tax in the form of VAT, excise receipts you complete the budget revenues. This kind of policies that pursue modeling and selecting consumption by providing benefits to pay income tax, but only on condition that a part of these revenues to be spent as legal selection are described in the literature and these concerns political consumerism especially income individuals.

Unlike fiscal policies consumerism what production targets are called policies they offer and ipozitului handling is based on income from capital fruition, especially corporate income tax. Usually offer discounts or exemptions from corporate income tax for reinvested. The only problem arises when such measures relate to the viability and reliability of such investments based on tax incentives, investments that can be validated by asking such products made on account of such investments.

Fiscal policy measures, whether on account of consumption or production due primarily targeting individual taxpayers or commercial society, myself, whose behavior will shape or function of fiscal policy objectives.

The promotion of such policies are based on "bait" economic, but is based on psycho-behavioral predictability taxpayer in such situations.

Fairness and equality before the tax law.

Tax fairness is one of the principles of taxation and perhaps most played. Tax fairness is invoked by tax policies, and social policies promoted by certain segments of its taxes. It talks about vertical equity, vertical equity in the context of the tax treatment of income earned by individuals, but also businesses.

Literature usually presents as representing fiscal equity tax treatment depending on ability to pay. This in turn requires taking into account the taxpayer's income, his wealth, social status, health status, family situation and other such variables depending on the taxpayer to benefit from tax advantages as lower rates, taxable income higher deductibility of expenses incurred during the fiscal year, all in order to reduce the amount payable as income tax.

This vision materialized fiscal equity so by granting tax benefits, which in fact are exceptions to the basic rule, exceptions promoted in order to ensure a certain level of social security taxes waters account, it is really about positive discrimination.

The goal is a noble one that we all subscribe to that course to our peers with health problem, family, hardships of all kinds, should help. We put the question but if this effort to ensure social security tax payers do not distort their behavior and those who do not receive such benefits? We must ask the question whether the benefits of social

purposes may be provided by state social security networks, with the same purpose, but without affecting the behavior of taxpayers.

In this context, I believe that the basis of comparison when it comes to fiscal equity must be equal before the tax authority. Absolute equality when taxpayers pay the same amount of money to the tax authority is focused on tax procedure using fixed rates, but currently hard to believe that such an approach would have succeeded. Relative equality before the tax authority requires that the table be imposed on the taxpayer shares in proportional, at least relatively speaking, taxpayers would bear the same rate, in absolute obligation to pay is directly proportional to the mass taxable.

Component of social security should be left to specialists in these networks would not disrupt the process of taxation, and, on the other hand, fiscal policy should be more visible.

Sophisticate fiscal policies promoted and populist reasons sometimes affect the fair treatment because they will always be the exceptions to taxation.

Laws fiscal adjustment measures, especially in our legislation have a frequency higher price and create legal instability and uncertainty for taxpayers. These changes are mainly promoted di tax efficiency considerations, it takes increasing amounts from the public budget, but such measures affect the fair treatment of taxpayers, ie tax equity yield to impose efficiency.

Lack of fiscal equity generates inappropriate reactions from taxpayers regarding appetite for work, for taxable migration, usually in our case the imposition of capital and labor to impose such other reactions too often taxpayers in fiscal policy measures.

Fiscal equity succumb in the face discriminatory treatment of various forms of taxable bzei such as imposing more severe than income from wages, if we take into account the social obligations that accompany the income tax from capital fructification, in our case is about imozitul about profits or income tax companies micro and dividend tax.

Also, it can highlight the different treatment of personal income by source of income and depending on whether the taxpayer obtained other income in the current situation when the annual income not subject to globalization.

Given these considerations it appears that the official fiscal policy could be more supple, more efficient and invisible if it were handled observing as many of the principles underlying taxation.

Some fiscal policy measures that affect or could make or influence taxpayer reporting fiscal authority. The most serious problem businesses have to bear the tax legislation is instability legislation.

Measures taken in the previous year on reduced TVA rate bakery products apparently only partially achieved its goal, the advantage being mostly large retail networks.

To prevent mass migration from the imposition of taxable wages to impose outcome would be achieved by imposing wage adjustment measures regarding social contributions.

Reduce wages by using quotas progressive taxation, but less than 16%, I do not give the expected results for a given introduce progressive rates, can roll and get back to egalitarian taxation methods. Small income taxation problem can be solved more elegantly and efficiently by increasing the minimum taxable income, personal deductions at a higher fixed amount depending on the objective.

Another issue official tax policy is its predictability, measures changing tax legislation may be announced from time to warn taxpayers who are calculi for the future. Impozitu, tax law should not be considered the criterion of choice to invest or save, give work more or less, to redesign and cash flows needed to repay loans or even monthly income and expenses of individuals in their capacity as taxpayers.

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BUDGET AND PUBLIC DEBT

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The issue of public budgeting is an important issue for public policy of the state, for the simple reason that no money from the state budget can not promote public policy. Budgetary policy is official government Doctrine vision mirror and also represents a starting point for other public policies, which in turn are financed by the public budget.

Fiscal policy instruments at its disposal handles the public sector in its structure, and the private sector. Tools such as grant, budgetary allocation, tax, welfare under various forms, direct investments and not least the state aid is used by the state through their budgetary policies to directly and indirectly influence sector, and the private.

Fiscal policies can be grouped according to the structure of the public sector in these components, namely fiscal policy, budgeting and resource allocation policies for financing the budget deficit.

An important issue is the financing of the budget deficit budgetary policies. There are two funding possibilities, namely, the higher taxes or more axles site and enter the second call to public loans. Both options involve extra effort from taxpayers in the current fiscal year when they pay higher taxes or a future period when public loans will be repaid.

We know that by virtue of "fiscal pact" structural deficits of the member countries of the EU are limited by the European Commission, according to the macro structural stability and budget of each Member State. This problem tempers to some extent the governments of the Member States budgetary appetite, but does not solve the problem of chronic budget deficits.

Another issue addressed in this paper is related to the public debt, the absolute amount of its relative level of public datoriri, about the size of GDP, public debt financing and its repayment sources.

Sources of public debt issuance and monetary impact on the budget and monetary stability are variables that must underpin the justification of budgetary policy official.

Volume and structure of public debt will strike in the future state finances and income citizens who in turn will pay these debts. Regarding payment of public debt in the future, in literature often put morality issue grevarii income of future generations of rulers moment.

Another issue addressed in this paper is that of public debt issuance conditions in international financial markets, the international financial institutions or domestic.

Substantiating the link between the amount borrowed and realizing their destination in credit is needed to determine the economic and social effects on the budget and on income taxpayers will bear the burden of public debt.

Contents:

Consolidated budget, functional or outdated.

When talking about the public budget, we consider the state budget, namely centralized budget of state social insurance budget, budget health insurance and unemployment fund budget.

We know that reforming the budget structure undertaken in 1999, lasted only three years until 2002 when budgets mentioned above were again pooled into a large bag and bottomless called consolidated public budget.

The term "enhanced" is mostly a deconsolidation, because to make a budgetary resources raised by way of taxation, centralized state budget, resources from contributions and social contributions, the latter being money "semi" contributions of the insured to network state pension paid by the insured in accordance with the principle of solidarity between generations, contributions to the health and unemployment, in the name of solidarity with those who temporarily lose their health or work.

In fact the so-called consolidation follows the government to handle these resources and the network in which the insured state pension at the health insurance and unemployment. These resources could otherwise be capitalized than the budgetary resources available to the government. Such a situation is anachronistic and such a view is outdated.

Reforming the budget, by splitting the social insurance budget, budget health insurance and unemployment insurance budget, which would generate a large deficit for some of the four budgets and surpluses for others. It requires therefore a rearrangement of the tax burden and social security contributions, a reform of the distribution of the tax burden and social security contributions, so as to allow independent operation of these budgets.

Current budgetary situation.

Consolidated	budget revenue budget components					
	-mil lei-					
	2011	2012	2013	2014	2015	2016
Total, of which:	181.920	193.146	205.964	216.808	230.169	242.083
1. State budget	79.379	81.171	95.318	100.932	106.491	112.145
2. Social Security Budget	48.144	48.858	50.242	52.200	54.334	57.545
3 Unemployment Budget	2.407	1.915	1.875	2.072	2.069	2.099
4 Budget health insurance	17.821	19.085	22.830	22.560	22.617	23.202

Source: MFP, www.mfinante.ro.

Evolution budgets consolidated budget revenues in the period 2011-2014 is positive and also prefigures the same trend in the coming years.

This has to be seen in the context of evolution of GDP in this period and forecasts for subsequent years.

	Current prices - billions Lei-					
	- Percentage change over the previous year -					
	2013	2014	2015	2016	2017	
GDP		625.6	658.6	692.2	730.3	771.6
- Real growth,%		2.2	2.2	2.5	3.0	3.3

Source: MFP, www.mfinante.ro.

To achieve transparent mirror as current budgetary situation of our country, it is necessary to present the same time and the evolution of the budget deficit for this period.

Budget deficits during 2012-2016

Budget deficits	2012	2013	2014	2015	2016
Deficit ESA	3,0	2,6	2,2	1,4	1,4
Structural Deficit	2,7	2,0	1,7	1,0	1,0
Deficit cash	2,5	2,5	2,2	1,4	1,4

Source: MFP, www.mfinante.ro.

As can be seen, the evolution of the nominal budget deficit, but the structural and, also is positive, that deficit drops to around this period.

Current budgetary situation is incomplete if you do not analyze and funding sources abugetului, ordinary ones we leave aside for this analysis, and we take into account only the Extraordinary sources, namely, public loans, internal and external, embodied in public debt situation our country to date.

Romania's public debt at the beginning of the year 2014.

Debt situation of our country is presented below based on data provided by the Ministry of Finance, in the year 2013 and in January 2014, namely:

Foreign debt at January 31, 2014 * and external debt service in January 2014

- milioane euro -

	External debt		External debt service in January 2014p
	Balance at 31.12.2013 ^p	Balance at 31.01.2014 ^p	
I External debt and long-term	76951	78354	1302
I.1. Direct public debt of which:	28353	29509	509
I.1.1. Loans from the FMI	1121	1135	0
I.2. Publicly guaranteed debt	1218	1195	19
I.3. Non-guaranteed debt	36219	36494	509
I.4. Medium and long-term deposits of non-residents	6453	6499	157 ^e

- milioane euro -

	External debt		External debt service in January 2014p
	Balance at 31.12.2013 ^P	Balance at 31.01.2014 ^P	
I.5. Loans from the FMI	4708	4657	108
II. Short-term external debt	19491	18291	3270^e
Total external debt (I + II)	96442	96645	4572

The balance is calculated on a cash basis (excluding accrued interest not matured); Also not included in the FMI's DST allocations.

a) external loans directly from the MFP and local authorities under the law on public debt, including Government Emergency Ordinance. 99/2009 ratifying the Stand-By Arrangement between Romania and the IMF;

b) Loans guaranteed by MFP and local authorities under the law on public debt;

c) loans from the IMF under the Stand-By Arrangement with Romania, excluding the amount received from the IMF PFM according to OUG. 99/2009 (section I.1.1. of the table)

Source: MFP, www.mfinante.ro

Foreign debt at January 31, 2014 is EUR 96.645 million, consisting of: external debt and long-term in the amount of EUR 78.354 billion (81.1 percent of total external debt), up by 1.8 percent compared to December 31, 2013 and short-term external debt of the euro 18.291 billion (18.9 percent of total external debt), down 6.2 percent from December 31, 2013.

External debt service ratio in the medium and long term was 27.9 percent in January 2014 compared to 41.4 percent in 2013.

Foreign debt rose from 15 bn euro in 2001 to 101 billion in March 2013 to 96.6 billion euros at the end of January 2014.

Currently, the state owes out to about 41.7 billion euros, while banks and private companies 54.9 billion.

In December 2008, when the crisis began, the country's total external debt was 72 billion in public debt was 11 billion and private debt was 61 billion euros of additional foreign debt accumulated during the crisis, the accumulated extra 26 billion, while the private sector has increased external debt only 3 billion euro.

In other words, four-year, 90% of the money coming from abroad in Romania are loaned by the state and private companies and banks only renew their debts.

In late 2008, public external debt was around 11 billion euros, representing more than 15% of total debt, and now heading for 30% of total external debt.

Evolution is influenced by borrowing record of almost 20 billion euro, Romania contracted since 2009 from foreign donors.

Compared to other countries in the EU, at the end of 2013, the external debt is as follows: in EU countries had the highest public debt as a percentage of GDP, were: Greece (169.1%), Italy (133, 3%), Portugal (131.3%) and Ireland (125.7%) and the lowest public debt as a percentage of GDP were recorded in Estonia (9.8%), Bulgaria (18%), Luxembourg (23.1%), Romania (38.6%), Latvia (38.7%) and Sweden (40.9%).

In this comparative context, our country has a dire situation, only this debt in the biggest part of it is the medium and long term contracts and effort will largely be passed to future generations, a situation that raises the question of burdening our children and mortgaging a portion of their income.

In the same context, we have to put the problem of ability to pay and arrears rates generated by these loans. Perhaps in future years, as has happened in previous years the government will resort to debt rescheduling policy, given caare growth will not cover the entire public debt service and the executive will call back the other to repay loans from some of the oldest and maintain debt service running. In terms of this work is the inevitable question "if the country's balance of payments will also withstand public debt service and that is unbearable threshold of debt repayment."

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CREDIT RATING AGENCIES AND THEIR INFLUENCE ON CRISIS

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Abstract: *Credit ratings have a significant impact on the functioning of markets and the confidence of investors and consumers, investors using them to assess credit risk. Having a major role in the proper functioning of financial markets, it is vital for these rating agencies to operate in a manner more objective and credible as possible. In the world there are several rating agencies, but in reality counts only 3 (The Big Three): Moody's, Standard & Poor's and Fitch, who account for almost 95% of the market. Rating agencies have been the subject of intense criticism because of the role they have had in the trigger of financial crisis. Given that the major rating agencies are American, the U.S. having a particular interest in the euro area can raise the question whether this wave of downgrades is not a part of the scenario under which the U.S. has managed to export its own crisis around the world.*

Keywords: *credit rating agencies, rating scores, crisis, sovereign risk, investment.*

JEL classification: *G240, F340.*

1. Introduction

Credit rating agencies play an important role in global banking and securities markets, because their credit ratings are used by investors, borrowers, issuers and governments in making investment and financing decisions. According to the Regulation no. 1060/2009 of the European Parliament and of the Council of 16.09.2009 on credit rating agencies, the term "credit rating" is defined as "an opinion, granted on a well established and defined classification system of rating categories on the creditworthiness of an entity a debt or financial obligation, a debt security or preferred stock or other financial instrument or an issuer of such debt or financial obligation, debt or preference shares and other financial instruments". Rating is actually an assessment of the financial health of an entity. Any entity may have a rating, from a company to a country. On the other hand, the term "credit rating agency" means a "legal person whose business includes providing professional basis of credit ratings" (Official Journal of the European Union L 302/1 of 17.11.2009 - Regulation 1060 /2009 on credit rating agencies).

A credit rating refers only to credit risk, other risks such as market risk and liquidity risk are not considered.

Credit ratings have a significant impact on the functioning of markets and the confidence of investors and consumers. Therefore, it is essential that credit rating activities to be carried out with the principles of integrity, transparency, accountability and good governance to ensure that credit ratings are independent, objective and of adequate quality.

2. Rating agencies and credit ratings issued

In the world there are several rating agencies, but in reality counts only 3 (The Big Three): Moody's, Standard & Poor's and Fitch, who account for almost 95% of the market. Credit ratings given are expressed on a scale of letters and numbers.

Figure 1. Rating description: http://en.wikipedia.org/wiki/Credit_rating, accessed on April 2014.

Moody's		S&P		Fitch		rating description
Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime
Aa1		AA+		AA+		High grade
Aa2		AA		AA		F1
Aa3		AA-	AA-			
A1		A-1	A+	A+		
A2	A		A			
A3	P-2	A-	A-2	A-	F2	Lower medium grade
Baa1		BBB+		BBB+		
Baa2	P-3	BBB	A-3	BBB	F3	Lower medium grade
Baa3		BBB-		BBB-		
Ba1		Not prime		BB+		
Ba2	BB		BB			
Ba3	BB-		BB-			
B1	B+		B+	Highly speculative		
B2	B		B			
B3	B-		B-			
Caa1	CCC+		C		CCC	C
Caa2	CCC	Extremely speculative				
Caa3	CCC-	Default imminent with little prospect for recovery				
Ca	CC					
C	C	/	DDD	/	In default	
/	D		DD			
/			D			

Ratings have particular importance in financial markets, investors using them to assess credit risk. Ratings affect the interest rate that the borrower must pay the lender. A reduction in rating will result in a higher interest rate.

For a country, credit rating reflects the risk of its business environment and is used by those who want to invest abroad. It takes into account political risk. A low rating indicates the opinion of agency that the company or country has a high risk of bankruptcy, the rating based on analysis of the entity's history and long-term economic forecast.

Credit rating agencies play an important role in financial supervision institutions. In the EU, to cover certain risks, financial institutions are required to hold a minimum level of financial resources. This capital will be used for the emergence of unexpected losses, also protect depositors and contribute to financial system stability. The key role of agencies is emphasized by the fact that banks often require that certain assets have a

certain level of rating to be accepted as collateral, if certain financial institutions will require a loan to the central bank. For example, until recently the European Central Bank demanded that certain assets to have a credit rating of at least BBB- (Jackob de Haan, Fabian Amtenbrink, 2011).

Having a major role in the proper functioning of financial markets, it is vital for these rating agencies to operate in a more objective and credible as possible.

In the early twentieth century, the ratings were based on subscriptions and were purchased by investors. Now the agencies are paid by issuers of financial instruments for the rating. Amounts paid by issuers for providing these ratings represent almost two thirds of the total income of a credit rating agency. However, there are some ratings that are provided free of charge, but they are not as accurate because it is based only on certain dates / public information.

But this system in which financial product issuer pays the rating agencies is very dangerous. On the one hand, agencies are tempted to overestimate the credibility of issuers of financial products, considering that the main source of income represents amounts paid by issuers and thus want to maintain a good relationship. On the other hand, agencies must retain credibility in the market, otherwise their ratings would have no market value. Concrete example is the case of the U.S. in the previous period of the subprime mortgage crisis in 2007, when credit agencies have rated to high for risky mortgages, just because they put first incentives received and not their reputation in the market.

3. Sovereign credit rating

Credit ratings of credit rating agencies to countries is an assessment of the government regarding its ability and willingness to pay its debts and interest on time. In perspective, these ratings measure the probability of default of credit by the government of a country. A credit default refers to the inability to pay on time the debt of countries and the interest. Figure below shows the countries credit ratings issued by major rating agencies 3.

Figure 2. Long term sovereign debt ratings

COUNTRY	S&P Rating		Moody's rating		Fitch Rating	
ALBANIA	B	STABLE	B1	STABLE		
ARGENTINA	CCC+	NEGATIVE	Caa1	Stable	CC	
AUSTRALIA	AAA	STABLE	Aaa	STABLE	AAA	STABLE
AUSTRIA	AA+	STABLE	Aaa	STABLE	AAA	STABLE
BELARUS	B-	STABLE	B3	NEGATIVE		
BELGIUM	AA	STABLE	Aa3	STABLE	AA	STABLE
BOSNIA AND HERZEGOVINA	B	STABLE	B3	STABLE		
BRAZIL	BBB-	STABLE	Baa2	STABLE	BBB	STABLE
BULGARIA	BBB	NEGATIVE	Baa2	STABLE	BBB-	STABLE
CANADA	AAA	STABLE	Aaa	STABLE	AAA	STABLE

CHILE	AA-	STABLE	Aa3	STABLE	A+	STABLE
CHINA	AA-	STABLE	Aa3	STABLE	A+	STABLE
COLOMBIA	BBB	Stable	Baa3	POSITIVE	BBB	STABLE
CROATIA	BB	Stable	Ba1	NEGATIVE	BB+	Negative
CUBA			Caa1	STABLE		
CYPRUS	B-	Stable	Caa3	POSITIVE	B-	NEGATIVE
CZECH REPUBLIC	AA-	STABLE	A1	STABLE	A+	STABLE
DENMARK	AAA	STABLE	Aaa	STABLE	AAA	STABLE
EGYPT	B-	STABLE	Caa1	NEGATIVE	B-	sTABLE
ESTONIA	AA-	STABLE	A1	STABLE	A+	STABLE
FINLAND	AAA	NEGATIVE	Aaa	STABLE	AAA	STABLE
FRANCE	AA	STABLE	Aa1	NEGATIVE	AA+	STABLE
GERMANY	AAA	STABLE	Aaa	STABLE	AAA	STABLE
GREECE	B-	STABLE	Caa3	STABLE	B-	STABLE
HONG KONG	AAA	STABLE	Aa1	STABLE	AA+	STABLE
HUNGARY	BB	STABLE	Ba1	NEGATIVE	BB+	STABLE
ICELAND	BBB-	STABLE	Baa3	STABLE	BBB	STABLE
INDIA	BBB-	NEGATIVE	Baa3	STABLE	BBB-	STABLE
IRELAND	BBB+	POSITIVE	Baa3	Positive	BBB+	STABLE
ISRAEL	A+	STABLE	A1	STABLE	A	Positive
ITALY	BBB	Negative	Baa2	Stable	BBB+	Negative
JAPAN	AA-	NEGATIVE	Aa3	STABLE	A+	NEGATIVE
LIECHTENSTEIN	AAA	STABLE				
LITHUANIA	A-	STABLE	Baa1	STABLE	BBB+	POSITIVE
LUXEMBOURG	AAA	STABLE	Aaa	STABLE	AAA	STABLE
MEXICO	BBB+	STABLE	A3	STABLE	BBB+	STABLE
MOLDOVA			B3	STABLE		
MONTENEGRO	BB-	NEGATIVE	Ba3	STABLE		
NETHERLANDS	AA+	STABLE	Aaa	STABLE	AAA	NEGATIVE
NEW ZEALAND	AA	STABLE	Aaa	STABLE	AA	STABLE

NORWAY	AAA	STABLE	Aaa	STABLE	AAA	STABLE
POLAND	A-	STABLE	A2	STABLE	A-	Stable
PORTUGAL	BB	Negative	Ba3	STABLE	BB+	POSITIVE
PUERTO RICO	BB+	Negative	Ba2	Negative		
QATAR	AA	STABLE	Aa2	STABLE		
REPUBLIC OF THE CONGO	B+	STABLE	Ba3	STABLE	B+	STABLE
ROMANIA	BB+	POSITIVE	Baa3	NEGATIVE	BBB-	STABLE
RUSSIA	BBB	NEGATIVE	Baa1	RUR-	BBB	NEGATIVE
SERBIA	BB-	NEGATIVE	B1	STABLE	B+	STABLE
SLOVAKIA	A	STABLE	A2	STABLE	A+	STABLE
SLOVENIA	A-	STABLE	Ba1	Stable	BBB+	NEGATIVE
SPAIN	BBB-	STABLE	Baa2	Positive	BBB	Stable
SWEDEN	AAA	STABLE	Aaa	STABLE	AAA	STABLE
SWITZERLAND	AAA	STABLE	Aaa	STABLE	AAA	STABLE
TURKEY	BB+	Negative	Baa3	NEGATIVE	BBB-	STABLE
UKRAINE	CCC	NEGATIVE	Caa3	Negative	CCC	
UNITED ARAB EMIRATES	AA	STABLE	Aa2	STABLE	AA	STABLE
UNITED KINGDOM	AAA	NEGATIVE	AA1	STABLE	AA+	STABLE
UNITED STATES	AA+	STABLE	Aaa	STABLE	AAA	STABLE
URUGUAY	BBB-	STABLE	Baa3	POSITIVE	BBB-	STABLE
VENEZUELA	B-	NEGATIVE	Caa1	NEGATIVE	B	NEGATIVE
VIETNAM	BB-	STABLE	B2	STABLE	B+	Positive

Source: <http://www.tradingeconomics.com/romania/rating>, accessed on April 2014.

Rating agencies have a complex set of qualitative factors which analyzes such as institutional strength, political, fiscal and monetary stability, economic and environmental vitality, also the history of a country in terms of total debts. These qualitative factors are added some quantitative factors such as the level of debt, international reserves, the composition of debt and the cost of credit, also (Jackob de Haan; Fabian Amtenbrink, 2011).

Credit rating of a country influence the development of the financial market, directly affecting the price of bonds. Effect of credit rating is felt well on the stock market.

Moreover, the reduction in the credit rating of a country's financial market influences other countries, too.

4. Rating agencies and crises

Rating agencies have been the subject of intense criticism, because of the role they have had in the financial crisis. They were given the highest rating for 11 significant financial institutions, that later either failed, either had serious problems.

Financial giant "AIG" received the "AA" rating, even though he had serious problems. Investment bank Lehman Brothers maintained its rating on the investment until a few days before the collapse.

Until the beginning of the subprime crisis in 2007, the three ratings agencies have maintained "AAA" to thousands of instruments, which soon proved to be very risky.

Moody's, for example, was a factory for ratings "AAA". From 2000 to 2007, awarded this rating for 42 625 securities based on subprime mortgages. In 2006 the value of these securities with maximum rating was of 869 billion dollars, 83% of which will be lower six months later. (Emily McClintock Ekins and Mark A. Calabria, 2012).

Senate Permanent Subcommittee dealing with research into the causes of the crisis had several hearings. Those who were interviewed were the heads of Moody's and S & P, which contributed greatly to the deepening crisis. Some of the conclusions of U.S. Senators are:

(http://economie.hotnews.ro/stiri-finante_banci-11211417-agentile-rating-jocurile-culise-care-distrug-sau-coafeaza-economie-vezi-cat-castiga-cum-iau-deciziile-comitetele-rating.htm):

- 1) The rating models used were inaccurate. Between 2004 and 2007, Moody's and Standard & Poor's used "inappropriate" numbers to estimate how big the risk in residential mortgages was.
- 2) Competitive pressure made the employees of rating agencies to rate false the performance of their clients.
- 3) Although we knew that the ratings provided could mislead investors, rating agencies continued to operate with incorrect numbers and models.
- 4) Despite strong gains, rating agencies have not invested in resources to improve the scoring.
- 5) When they lowered the massive ratings of thousands of companies in July 2007 and then in January 2008, they caused a financial market shock, causing substantial losses and contributing to the deepening crisis. Sometimes ratings were lowered from AAA to junk directly. In other cases, though employees do not recommend good ratings, the management of the rating agencies rated certain products with the best rate (AAA), because they wanted to keep their client.

Regarding the debt crisis, for a decade rating agencies have systematically ignored the structural problems of the economies. Only in 2009, after the Greek government admitted that he lied about its public deficit, it began the cycle of the degradation .

At the time, Greece was rated with A, the fifth scoring out of 20. In May 2009, Standard and Poor's downgraded Greece's bond hedge, this action was followed shortly by the Fitch and Moody's agencies. The same thing happened in Ireland and Portugal, although their debt still stood above the speculative (http://www.romanalibera.ro/exclusiv-rl/documentar/esehuri-rasunatoare-ale-agentiilor-de-rating-269207.html#top_articol).

The decline of the agency's rating has an immediate effect. When a debt is not denoted with a safe investment rating (A), banks, pension funds and insurance must sell, fueling the fall of their interest and thus increasing the financial markets. So follows another degradation of the rating agencies and therefore new sales. A chain maintained by these agencies, by monopolizing European economic environment.

On 5 August 2011, S & P downgraded U.S. debt for the first time in history. "AAA" rating, the best possible, was reduced by one notch to "AA+ (<http://www.zf.ro/business-international/incepe-decaderea-daca-sua-ar-fi-fost-in-europa-acum-ar-fi-mers-dupa-bani-la-ue-si-fmi-8173129>).

On 13 January 2012, after a prior warning, S & P downgraded the rating of 10 eurozone countries, attracting numerous critics.

(<http://placeduluxembourg.files.wordpress.com/2012/01/sp-rating-action-13-01-2012.png?w=419&h=423>).

5. Controversies and penalties

Given that the major rating agencies are American, the U.S.A. having a particular interest in the euro area, can raise the question whether this wave of downgrades is not a part of the scenario under which the U.S. has managed to export its crisis around the world. Is possible that U.S.A. to use any means to maintain its current dominance and to restore the European market at the level of a simple market place. The disappearance of the eurozone and of the single currency could be beneficial for those who hunt for some time the European market. Dividing this market into initially markets allows easy control and new rules dictated by global business leaders who can be in such a situation, the real winners of the European crisis. The disappearance of the eurozone and the single currency would mean dividing the European market, and this would allow business leaders to establish new global rules and easy control; the real winners in this scenario of the current European crisis would be U.S.A. (financiarul.ro, 2012).

Since the financial crisis in 2008 and the emergence of economic problems in the PIIGS (Portugal, Ireland, Italy, Greece, Spain), criticism of European governments to the rating agencies have been increasingly vocal.

After the mass ratings downgrade of European countries, many European leaders have criticized the rating agencies, giving them the credibility and good faith and once again bringing into question the necessity of establishing a European rating agency.

Rating agency Standard & Poor's (S & P) has been found guilty of the Federal Court of Australia for having misled investors paying the highest rating, "AAA" of financial derivatives that were devalued during the financial crisis. It is the first time that such an agency is sued and convicted for the evaluation of financial derivatives. Following the decision of the court of Australia, councils will receive compensation of 16 million Australian dollars, but the total cost charged to the accused parties could rise to 30 million Australian dollars, including costs and interest. (Michael Hedtstueck, 2012).

Credit rating agencies contributed to outbreak and deepening global financial crisis, giving numerous inaccurate ratings.

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ASSETS AND LIABILITIES DEPENDENCE: EVIDENCE FROM AN EUROPEAN SAMPLE OF BANKS

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Abstract: *In this paper we analyzed the correlation between asset and liabilities using the canonical correlation method, in the case of correlation we analyze the interdependence between two variables, by using canonical correlation analyses we study the interdependence between two groups of variables, X consisting of p variables and Y with q variables from which the best linear combination can be constructed to maximize the correlation between X and Y. While on the financial markets the relation between variables may be linear or non-linear and although canonical correlation analyses only the linear combination of variables it is a more efficient tool than the simple correlation.*

The asset group which we analyze is composed of different types of loans, derivatives and other earning assets, while in the group of liabilities we have deposits (short and long term), interest bearing liabilities and trading liabilities. We find that the assets and liabilities in the banking sector are directly linked. In the context of the global financial crisis (2007-2008) and the afterwards financial recession this direct correlation between assets and liabilities created a vicious cycle in which the losses from assets had a direct impact on the liabilities which also influenced the levels of assets.

The behavior of different variables is important, especially in the financial markets, mainly due to the structure of financial markets. The banking sector and the systemic risk associated with it can affect the financial system and even the whole economy so the study of the correlation of assets and liabilities may give us insights on the causes of the financial crises. We use a panel of fifty-nine European banks for the 2004-2011 period and we analyse the correlation between assets and liabilities. We find that there exists a direct and strong connection between different classes of assets held by banks and the structure of liabilities. The impact of the economic crisis on the banking sector has shown that this kind of connection between the structure of assets and liabilities is not the best choice because a negative fluctuation in assets generates a negative impact on the structure of liabilities. The direct connection between assets and liabilities amplifies the systemic risk of the banking sector and can also have an impact on other markets due to their spillover effects.

Keywords: asset-liabilities interdependence, canonical correlation, bank profitability

JEL codes: G21

1. Introduction

Asset liabilities management is defined as the strategic management of the balance sheet (Rosen & Zenios 2006), it is the management of income and expenses with respect to maximizing earnings, adjusted to risk factors, given the long term interest of the shareholders (Uyemura et al. 1993) also ALM manages the risk due to

mismatches between assets and liabilities. (Al-Shubiri 2010) considers that the main goal of assets and liabilities management is the control of the net interest margin; usually the goal of assets and liabilities management is view from the context of enterprise risk management having as final objectives the level of profitability, liquidity and capital.

The assets liabilities management models are classified as: single period-static models, multiple period static model, single period stochastic model, multi period stochastic model (Zenios & Ziemba 2007). One of the first period-static model is presented in the seminal paper of (Markowitz 1952) which analyses assets allocation from a risk-return perspective, a model which incorporates the leptokurtic characteristic of financial series is developed by (Zenios 1995). One example of multiperiod stochastic models is the stochastic programming models of (Carino et al. 1994). (Alexiou & Sofoklis 2009) while investigating the effects of bank-specific and macroeconomic determinants of bank profitability in Greek bank, from a Structure-Conduct-Performance framework, finds that the banks specific variables influence banks profitability.

While in the case of macroeconomic factors the influence is ambiguous with some variables (inflation, GDP growth) having a positive connection with bank profitability. (Alper & Anbar 2011) found that for banks operating in Turkey there is a connection between bank-specific determinants and profitability and the significant macroeconomic factors influencing profitability are real interest rate.

In the case of South European countries (Athanasoglou et al. 2006) observed that financial reforms and the structure of credit institutions are the determinants of banks profitability. (DeYoung & Yom 2008) uses canonical correlation analyses to study the assets-liabilities dependency, while (Mommel & Schertler 2010).

This paper analyzes the structure of the assets and liabilities and the connections with the profitability in the banking sector on a panel of 30 European countries using the canonical correlations methodology. The remaining of the article is organized as follows: Section 2 presents the methodology, Section 3 presents the dataset and the results, Section 4 concludes.

2. Methodology

In his seminal paper „Relations between two sets of variates” Hotelling (1936) presents the theoretical framework of canonical correlation analyses, if in the case of correlation we analyze the interdependence between two variables when using canonical correlation analyses we study the interdependence between two sets of variables.

The canonical correlation analysis has the following mathematical background (Hotelling 1936), for two groups of variables, X consisting of p variables $X = [X_1, X_2, \dots, X_p]$ and Y with q variables $Y = [Y_1, Y_2, \dots, Y_q]$ from which the following linear combination can be constructed (Hardle & Simar 2007):

$$U = a'X = \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \dots + \alpha_p X_p \quad (1)$$

$$V = b'Y = \beta_1 Y_1 + \beta_2 Y_2 + \beta_3 Y_3 + \dots + \beta_q Y_q \quad (2)$$

where $a' = [\alpha_1, \alpha_2, \dots, \alpha_p]$ and $b' = [\beta_1, \beta_2, \dots, \beta_q]$ are the canonical coefficients vectors and the linear combinations of a'X and b'Y are the canonical variables.

The linear combinations are build such as the two vector a' and b' will maximize the following correlation:

$$\rho(a, b) = \rho_{a'X b'Y} \quad (3)$$

For the X and Y variables we will define the mean μ_X, μ_Y and the variance-covariance matrix Σ so that we will have:

$$\begin{aligned} \begin{pmatrix} X \\ Y \end{pmatrix} &\sim \left(\begin{pmatrix} \mu_X \\ \mu_Y \end{pmatrix}, \begin{pmatrix} \sum_{XX} & \sum_{XY} \\ \sum_{YX} & \sum_{YY} \end{pmatrix} \right) \text{ and} \\ \text{Var}(X) &= \sum_{XX} \\ \text{Var}(Y) &= \sum_{YY} \\ \text{Cov}(X, Y) &= E(X - \mu_X)(Y - \mu_Y)^T = \sum_{XY} = \sum_{YX}^T \end{aligned}$$

From equation 3 and using the definition of correlation as a ratio between the covariance of the series and their standard deviations we have:

$$\rho(a, b) = \frac{\text{Cov}(a'X, b'Y)}{\sqrt{\text{Var}(a'X)\text{Var}(b'Y)}} = \frac{a' \sum_{XY} b}{\sqrt{a' \sum_{XX} a} \sqrt{b' \sum_{YY} b}} \quad (4)$$

The maximum of the correlation is at $\max_{a,b} a' \sum_{XY} b$ where the standard deviations of X and Y was normalized so that $a' \sum_{XX} a = 1$ and $b' \sum_{YY} b = 1$, in order to maximize equation 4 the singular value decomposition (SVD) will be applied on the matrix $K = \sum_{XX}^{1/2} \sum_{XY} \sum_{YY}^{1/2}$ so that the SVD is $K = \Gamma \Lambda \Delta^T$

Where

$$\begin{aligned} \Gamma &= (\gamma_1, \dots, \gamma_k) \\ \Delta &= (\delta_1, \dots, \delta_k) \\ \Lambda &= \text{diag}(\lambda_1^{1/2}, \dots, \lambda_k^{1/2}) \end{aligned} \quad (5)$$

and the rank of (K) = k, $\lambda_1^{1/2} \geq \lambda_2^{1/2} \geq \dots \geq \lambda_k^{1/2}$ are the eigenvalues of $N_1 = KK^T$, respectively $N_2 = K^TK$ and γ, δ are the eigenvectors of N_1 , respectively N_2 .

The first pair of canonical correlation vectors will be $a_i = \sum_{XX}^{1/2} \gamma_i$, respectively $b_i = \sum_{YY}^{1/2} \delta_i$, the variables of the canonical correlation are $\varphi_i = a_i^T X$ for the X series, respectively $\eta_i = b_i^T Y$ for the Y series.

The second pair of canonical correlation variables maximize the correlation between the two set, equation 4, from the all the possible option that are uncorrelated with the first pair of canonical variables. If $p > q$ we will have a maximum number q of correlation between the two variables set.

The canonical variables have the following statistical properties (Johnson & Wichern 2002):

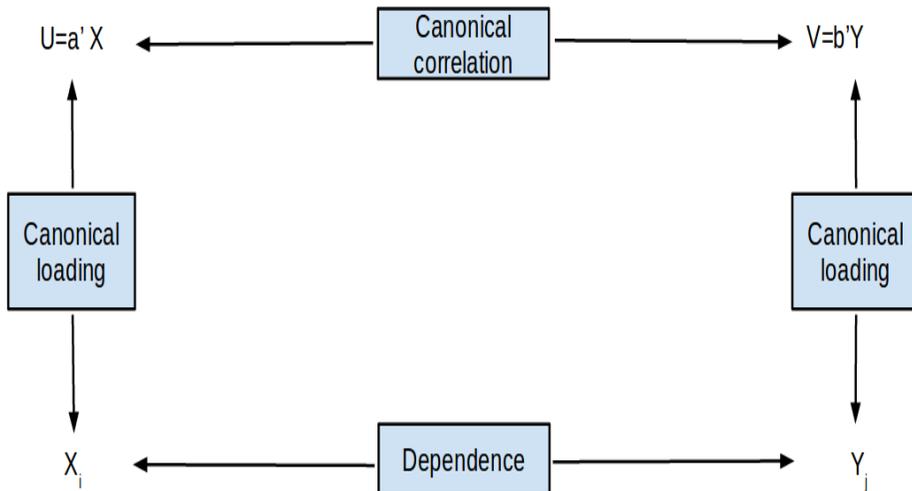
1. $\text{Var}(U_k) = \text{Var}(V_k) = 1$
 2. $\text{Cov}(U_k, U_l) = \text{corr}(U_k, U_l) = 0, k \neq l$
 3. $\text{Cov}(V_k, V_l) = 0, k \neq l$
 4. $\text{Cov}(U_k, V_l) = \text{corr}(U_k, V_l) = 0, k \neq l$
- for $k, l = 1, 2, \dots, p$.

The canonical loadings are defined as the correlation between the canonical variables and the initial variables:

$$\begin{aligned} \text{Corr}(X_1, U_1) &= \text{Corr}(X_1, \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \dots + \alpha_p X_p) \\ \text{Corr}(X_1, U_1) &= \text{Corr}(X_1, \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \dots + \alpha_p X_p) \end{aligned}$$

The interdependence between canonical variables can be interpreted (DeYoung & Yom 2008) in the following manner: if there is a strong canonical correlations between the canonical variables U and V and also a strong canonical loadings between X_i, Y_j and U, V there will be a dependence between the X_i and Y_j variables (Figure 1).

Figure. 1 Assets and liabilities dependency



3. Data analyses

The dataset consists of annually financial information for a panel of 59 banks; the data are obtained from the Bankscope database and covers the period between 2004 until 2011.

When looking at a panel of individual banks (Figure 2.b.) we can observe that the Greek (Eurobank, National Bank of Greece, Alpha Bank) and Cypriot banks (Cyprus banks, Bank of Cyprus) have the lowest level of net income on assets, this is a widespread trend for the analyzed banks because for all of them net income has decreased. For most of the analyzed banks the level of loans has decreased from 2004 until 2011 (Fig. 2.a).

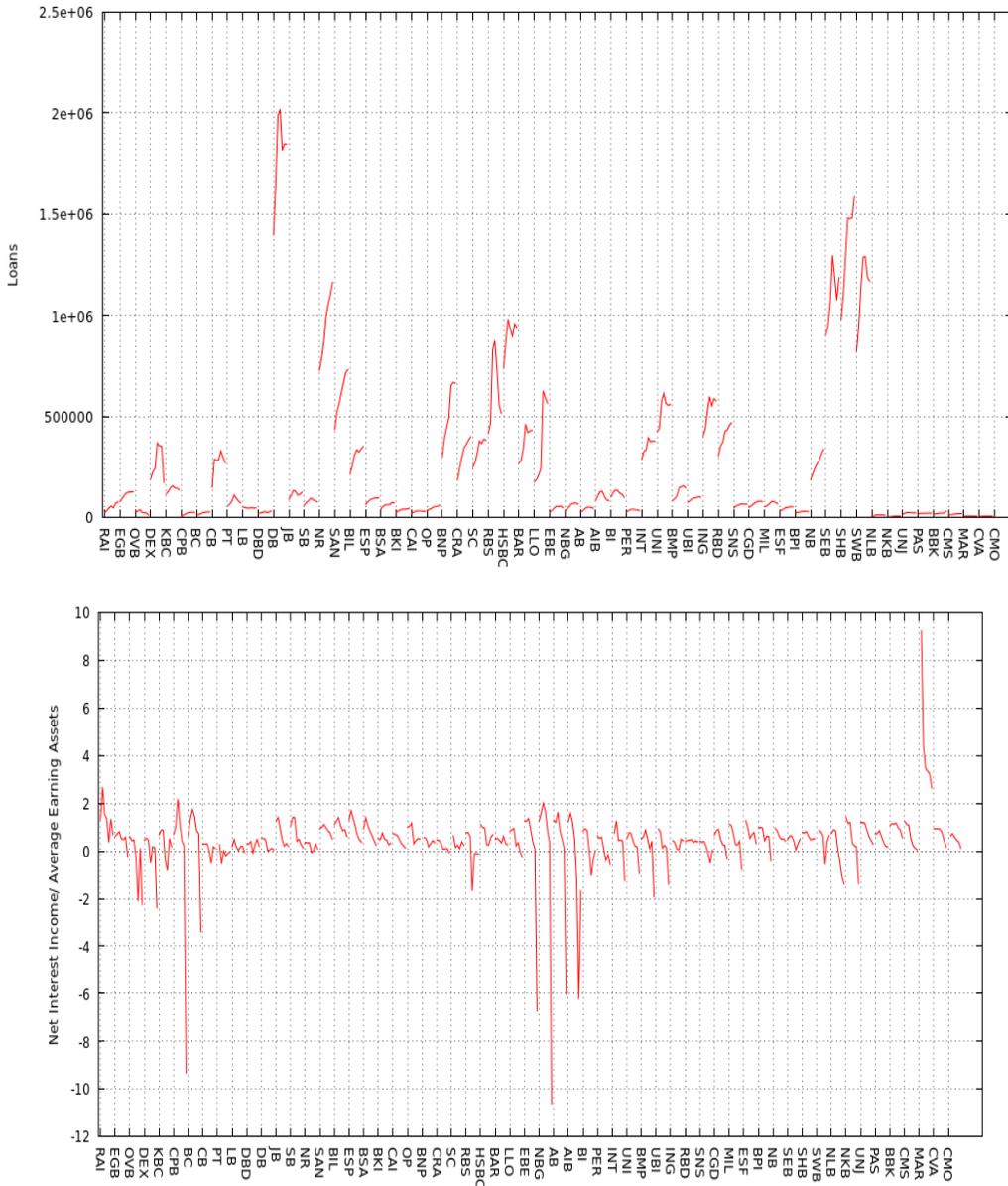


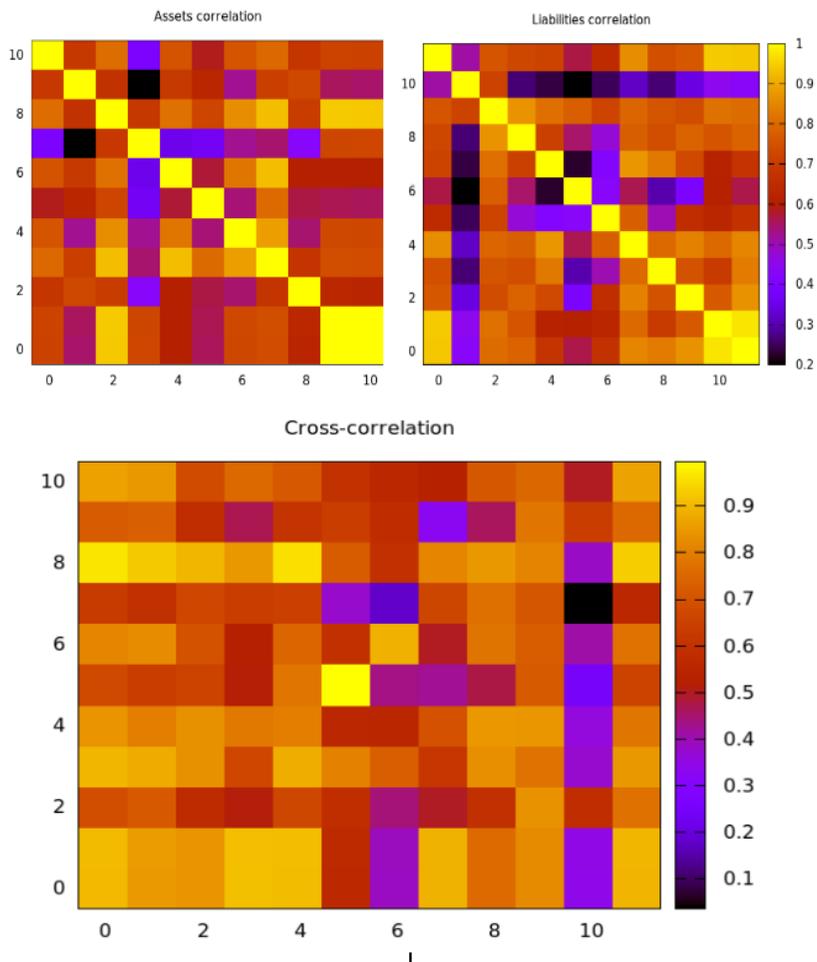
Figure 2 a) Total Loans, b) Net income/ Total Asset

In the asset group we analyse the impact of different types of loans, derivatives and other earning assets, while in the group of liabilities we have deposits (short and long term), interest bearing liabilities and trading liabilities.

The assets and liabilities in the banking sector (Fig.3) have mostly a direct connection, in the case of the assets structure this positive connection is stronger than in the case of liabilities, also the cross-correlation between assets and liabilities shows that these variables are positively correlated. In the context of the global financial crisis (2007-2008) and the afterwards financial recession this direct correlation between assets and liabilities created a vicious cycle in which the losses from assets had a direct impact on the liabilities which also influenced the levels of assets. In the case of all of the analysed

banks the level of profits and income have decreased, most of the banks suffering high losses due to the mismatch in maturity between assets and liabilities, high leverage and over indebtedness. This situation demanded a response from Central banks and State and in some cases large bail-out and debt restructuring programs were necessary in order to keep the banks from bankruptcy, but these restructuring programs also had a negative impact on the national economies.

Figure 3. Correlation between asset-liabilities



4. Conclusions

In this paper we analyzed the correlation between asset and liabilities using the canonical correlation method, while in the case of correlation we can observe the connection between two variables by using canonical correlation different types of assets and liabilities can be analyzed at the same time. In the financial markets the relation between variables may be linear or non-linear and although canonical correlation analyses only the linear combination of variables it is a more efficient tool than the simple correlation. The behavior of different variables is important, especially in the financial markets, mainly due to the structure of financial markets. The banking sector and the systemic risk associated with it can affect the financial system and even the whole economy so the study of the correlation of assets and liabilities may give us insights on the causes of the financial crises. We use a panel of fifty-nine European banks for the 2004-2011 period and we analyze the correlation between assets and liabilities. We find that there exists a direct and strong connection between different classes of assets held by banks and the structure of liabilities. The impact of the economic crisis on the banking sector has shown that this kind of connection between the structure of assets and liabilities is not the best choice because a negative fluctuation in assets generates a negative impact on the structure of liabilities. The direct connection between assets and liabilities amplifies the systemic risk of the banking sector and can also have an impact on other markets due to their spillover effects.

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**SECTION: MANAGEMENT, MARKETING, ECONOMIC INFORMATICS AND
CYBERNETICS**

SUB-SECTIONS: MARKETING I, II

ECONOMIC INFORMATICS AND CYBERNETICS

DEVELOPING A SEVEN METAPHORS MODEL OF MARKETING FOR UNIVERSITIES

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Abstract: *The concept of marketing applied in education offers a lot of possibilities of social innovation. It is a tool helping educational organization to acquire resources and to provide value. In this article presented a model of seven metaphors to be used by a universities in order to acquire resources and to provide value to its stakeholders and applied it in the case of a Romanian university called The University. The aim of the paper is to identify sources of social innovations by using this model in the field of educational marketing.*

Keywords: educational marketing, Romanian higher education, marketing metaphors, seven metaphors model, social innovation.

JEL classification: M390

1. Introduction

In 2012 in Romania were 107 higher education institutions. 88 of them are accredited by The Romanian Agency for Quality Assurance in Higher Education (ARACIS). All these universities competed for a market of 464 592 enrolled students (INSSE 2012), including an estimated number of 10 000 foreign students in Romania and about 30-50 000 of Romanian students abroad. The number of the enrolled students in Romania in 2012 was the lowest number from 2000. Five years ago the number of the student was almost double as it is seen in the following table.

Table 1: Evolution of the number of the students enrolled in Romania from 2000 to 2012

Year	Number of the students enrolled
2000	533.152
2001	582.221
2002	596.297
2003	620.785
2004	650.335
2005	716.464
2006	785.506
2007	907.353
2008	891.098
2009	775.319
2010	673.001

Year	Number of the students enrolled
2011	539.852
2012	464.592

Source: INSSE (2014) Romanian National Institute for Statistics and Economic Studies-INSSE, Tempo Online Database on www.insse.ro

Due to the huge decrease of the number of enrolled students, Romanian universities are forced to consider marketing as a function to acquire resources and to provide value. Therefore it is not random the increasing of literature on higher education marketing, especially after 2007.

In this paper we developed a model for understanding marketing in higher institutions and presented its potential for the case of a Romanian university.

1. Literature review on marketing higher education in Romania.

There has been a consistent literature on the educational marketing and in particular on higher education (HE) marketing. Hemsley-Brown and Oplatka reviewed literature on HE marketing and concluded that there is a need of theoretical models to reflect the particular context of HE and the nature of their services (Hemsley-Brown and Oplatka, 2006).

In Romania there is a growing interest in the marketing academic education, particularly in higher education marketing. Analyzing the literature on higher education marketing in Romania, we found that there has been a promising literature on marketing orientation, especially after 2007 (Nicolescu, 2009, Enache 2011, Diaconu and Pandelică 2011, Filip 2012, Gordan and Pop, 2013), on using marketing research (Dumitru, 2013), on relational marketing in higher education (Iordache-Platiș, 2010), on students' behavior (Băcilă et al., 2009), on quality of educational services (Bunda et. al, 2010), on marketing strategies of universities (Micu 2009, Munteanu, 2010, Gorun, 2010, Tanțău et al, 2011, Popescu 2012).

All of the authors in the field consider the necessity of marketing to be important for universities given to its potential in acquiring resources (students, researchers, professors, public funds and public recognition) and providing value (quality of education, position in rankings, prestige to stakeholders) .

Education is very important to society and its importance increases as world become more complex and integrated. As important actors in education and in society, universities always looking for ways to continuously improve their business. Even if some universities tend to adopt behavioral elements of public institutions and of great inertia in terms of innovation, increasingly powerful forces environmental factors force them to innovate, to seek and attain excellence. Universities, on the one hand, must keep up with the increasing competition for home based and overseas students, with changing generations of students, with developments in the field of education, with globalization, with the influence of technology, with the changing needs of society, with changing the way public resources are allocated, and also with the shift paradigm in understanding of market orientation, e.g. marketisation.

2. A metaphorical approach

We consider marketing to have two major tasks for any organization, (1) to acquire resources for the organization and (2) to provide value to its stakeholders (Coita, 2008). Due to the complexity of the universities as organizations, it is a challenging endeavor to

describe how the model it's functioning, how do universities acquire resources, what kind of resources they need, to whom they provide value and what is exactly value for every category of stakeholders. We share the opinion that it is absolutely wrong to consider higher education as commodity traded to the interaction of many suppliers and many buyers at a variable price but instead, as a concept that respects the benefits of social and economic capital (Maringe and Gibbs, 2009).

We further propose a model of understanding of marketing based on the use of seven metaphors. Metaphors are widely used in marketing to deliver content and facilitate understanding of customer benefits (Bremer and Lee, 1997). In addition, metaphors in marketing theory help when business environment and market conditions are in a state of ambiguity and needs both critical and creative thinking (Fillis, 2008)

The model we propose aims to facilitate understanding the benefits of marketing and also its functionality to universities. It is supposed to be adopted by both managers and the ones who want to broaden their understanding of marketing in higher education. The model is based on the assumption that marketing has a complex role for organizations in modern world and is inappropriate to transpose the classical marketing concept in the higher education market. The model opens up the possibility of its use for social innovation.

3. Seven-metaphors-model of marketing higher education.

We further propose a model of understanding marketing. Each of the seven metaphors describes how a university can use marketing to fulfill its mission and accomplish its goals.

3.1 Marketing as a magnet of an organization.

The main function of a magnet is that produces a magnetic field to attract certain objects. We believe that a university may use marketing to be responsible for producing that kind of field that is a medium of attraction resources and opportunities: for example, to attract people (students, staff, faculty, partners, and sponsors), to attract money (funding, projects, longer payments terms, research funding, endowments, investments, funds for scholarships, loan funds and even students to attract loans to bear the costs of education), to attract projects (as main applicant or as a partner organization) and also other elements creating good reputation (positive references from the media, positive reports made by supervisory authorities and regulators, willingness and support of the authorities, parents, public attention, participants to discussions, visitors to the campus, visitors to Internet site, alumni, Likes on Facebook etc.)

Once the magnet position was understood, the management and all those responsible for marketing should ask questions such as: "What are the constituencies of the magnetic field that we have to produce?" "What are the other conditions that we have to fulfil in order to attract many of the items above?", "What else should we do to attract more of the above?", "What draws all these?"

3.2 Marketing as an arrow of the organization.

An arrow could be used as a projectile or as a carrier. As a projectile, the arrow is the main element to reach target. As a carrier, the arrow is the vehicle for delivering certain elements, for instance, messages, answers to questions, announces of new opportunities, type-reactions to specific stimulus or situations etc. In addition, the use of arrows implies the need to identify one or more targets and the bow – the mechanism to send the arrow to the target.

Arrow function of marketing involves the organization identifies its targets, then use different mechanisms to send different elements in their direction. There are different targets for marketing: target markets, target results, target opportunities. Towards these goals the organization sends its products and its offer, its promotional messages, its marketing activities, resources and attention.

Considering marketing as an arrow leads people to ask questions such as: Whom we

offer our products? Who we are aiming our product / service? Whom shall reach / who we are aiming to reach with our messages? Which carrier (which promotional vehicle) can be used to send messages, items of value to customers? What else can we target customer attention and money? What targets (customer - target, market, or results) should we determine?

3.3. Marketing as a hook of the organization.

The main function of a hook is to catch, to grasp, to cling, to bring objects close to the user or to his attention. By marketing universities must bring its public closer, must close resources and grasp opportunities.

Another function of a hook is that it provides stability as an anchor. Marketing can be understood as an anchor which provides safety and stability to organization. Marketing helps school organization to "anchor" itself in its mission, in the area of knowledge, culture and values of civilization and community.

3.4. Marketing as a window of the organization.

Windows (and doors, as well) are communication interfaces; they provide access and communication with the external environment. They also provide exposure of results or performance of the university, presenting them to the public. They allow those inside to look out and find out what's happening in the business environment. They also allow outsiders who are interested to look within the organization to know what is happening and even get involved encouraging them to providing value.

Having in mind all the possible windows universities could use, we mention (1) the Internet site and (2) tools of online access via computers or mobile devices, e.g. e-learning platforms, (3) utilizing Social Media for communicating, (4) open days and other academic events, (5) the responsiveness of the university to different requests of the outsiders, (6) newsletter and any academic journal, (7) any other means to communicate relevant things about the activities and the performances of university, participants to projects, conferences, round tables, problems debated and solutions found.

3.5. Marketing as an organization binoculars.

A pair of binoculars is a tool with which the viewer can look away, can scan the horizon. Marketing acts as binoculars for organization that helps to look carefully and see the exterior and interior environment, the changes, the opportunities and the threats. The binoculars should empower organizations to know the trends and future developments. Through activities such as marketing research, scanning the marketing environment, marketing forecasts, the university can more clearly see the outside and its future.

3.6. Marketing as a strap.

A strap is a rope with the role of flexible connecting element. With this tool universities link dynamically and flexibly to different situations, developments, trends and opportunities. For example they links to projects opportunities, to technologies, to local community and economy, to employers, to interests of local authorities and other partners.

The strap is a metaphor for intelligent and flexible relationships (Porumb, 2000), a tool to operationalize relational marketing of universities.

3.7. Marketing as a cobweb.

Cobweb is the symbol of a network of connections and interests consciously constructed and planned. Universities must develop their network connections and interests to ensure their access to resources and ability to deliver greater value to their audience categories. Like a spider, a university must initiate, establish and use links, partnerships, networks, relationships with various external entities (other universities, network of universities, network of research institutes, NGOs, employers, suppliers and more others). All these networks provide benefits to teachers, to students, to educational process, to school board, and to other partners, as well.

Besides the understanding of a network of partnerships we emphasize on informational integration, e.g. marketing research through the network.

In the networks, university could play roles as: the network maker, the network administrator, the feeder, the amplifier, the evaluator, the public-agenda- setter, the concentrator, the facilitator or the hub.

Using cobweb as a marketing model is not new, but in this seven-metaphoric-model, the concept of cobweb has nothing to do with the cobweb model (Dieci and Westerhoff 2009).

4. Social innovation potential of the seven metaphors model in the case of the University

Given the complexity of the higher education environment, the use of model could generate several innovations.

First of all, it will help academics to understand their role in marketing higher education which is not only the responsibility of the marketing department. The model promotes understanding of the broader situation of the university as a network node and leads them to engage in relationships and partnerships between universities and third parties. The model emphasizes on the necessity for universities to create mechanisms for attracting funding, reputation, researchers, staff and other resources as a part of global marketing effort. It underlines, also, the necessity for universities to equip themselves with the necessary marketing tools, intelligence and information not only about the market of prospective students but also to identify and monitoring those areas where resources come from.

Increase the magnetism! Understanding marketing as a magnet suggests that universities and staff should consider a large range of possibilities to attract people, resources, opportunities and good reputation.

Without claiming to make an exhaustive list, we consider marketing tools to be diverse and also traditional.

Using brands

There are several entities to be branded within universities. The University itself should be branded as an umbrella brand for all the brands of its constituencies. Its faculties, departments, extensions and research centers could be branded, as well.

Open Windows

Market orientation of the University implies not the possibility of making visible what is happening within university but the obligation to become an open institution.

There are some situations that can be considered as windows such as Open Days, organizing campus visits, MOOC- Massive Open Online Courses, Webinars, and Open Workshops.

Social Media, also, helps the University to open the windows to several categories, empowering them to get closer to young minds, to prospects, to students and partners, to alumni and to their staff.

Organizing academic events

Universities could consider academic events to be a variety of reasons for different audiences to come, to stay, to participate, to research, to become acquainted with them and to become more preferable. From summer schools or summer camps, contests for students, professors, entrepreneurs, artists, from conferences or scientific reunions aiming to attract researchers.

Inviting contributors for academic journals

Contributions to academic journal attracting articles and scientific ideas, from services and benefits offered to community actors such as free access to libraries, access to universities facilities.

Another means for drawing attention of the public opinion are the universities sport

teams and their performances in sport championships. Universities attract also employers for the students and graduates through workshops, projects, job fairs and projects. Universities could attract resources, opportunities and money for the students and graduates being active contributors to mechanisms as loans for the students and jobs-getting facilitation. Understanding of marketing as a magnet for universities opens new and unexpected opportunities of using tools to attract resources and increase interest and involvement of stakeholders.

6. Conclusions

The benefits of using the seven-metaphors-model start with the profound understanding of the mission of marketing applied in modern universities. In this respect, the model allows management of the university to act as marketers, even they don't have the marketing formal training.

Using the seven-metaphors-model allows also the researchers and the faculty to understand themselves as marketers of the institutions, as they are responsible to acquire resource and deliver value in the name of the university they work for.

Having this model in mind could be useful for any marketing responsible of a university to answer to questions as: (1) Which are our current marketing targets; (2) Which should be our marketing targets? or (3) Which could be our marketing targets?. Further, it allows marketers to identify and also use an extended mix of marketing elements to be used for educational academic institution.

We consider that the seven-metaphors-model could be also applied in educational institutions, local authorities, nonprofit organizations and other social economy entities in order to stimulate social innovations to serve the public good.

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IT&C FOR TIME MANAGEMENT

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Abstract: *The efficient management of time is essential in any profession and in any activity domain. Anybody can increase his capacity to organize his time and get important benefits from it. The way in which one organizes his time will always have a direct impact on the objects of his work (resources and activities), so that it is worth allocating time for developing some instruments and techniques that could help planning and organizing time efficiently and attaining the objectives while meeting the deadlines.*

Keywords: *efficient management of time, benefit, meeting, planning, project*

JEL classification: *M54*

Introduction

While being the most exercised of the human skills, communication is also the main source of misunderstandings and human failures, even in our times. This happens at all levels of the social life. People are different and these differences (education, temper, environment, genetics etc) can affect communication when they are not understood. That is why we say that there are no receipts for communicating efficiently and that a conscious adaption effort is needed. If it is controlled in time, the communication process contributes to reducing stress, and the desired result can be achieved easier, saving time and energy.

Time has the following characteristics:

- it is inelastic (it can't be accumulated nor saved);
- it is atypical (it can't be compared to any other resource);
- it is equally available (anyone has the same amount of time everyday – 24 hours);
- it is indispensable;
- it can't be substituted.

How well we organize our time is up to each of us, it shows how disciplined we are, how we control our desires, how we refrain that need for immediate reward which we all know brings us more regret than satisfaction most of the time. A way to keep it under control is to motivate ourselves continuously, to think about the consequences of our actions and to communicate to groups, to masses of people. One can rise the question if using the informational technology and communication (IT&C) technologies bring us closer when we want to communicate or they bring us apart ?

Scheduling the program from the previous day can be done by using various softwares, like Microsoft Outlook, Mozilla Sunbird and also online, by using Google Calendar etc. These programs like Outlook, Sunbird or Google Calendar offer the possibility to efficiently manage time and activities, by offering a list with the days and the hours of the day, and on that list we can choose when we'll do certain activities and the hours at

which they will occur. The fact that we see and arrange the activities help us to keep focused and to not lose time, because we know that at the hour x we have another activity and between the hours x and y and we're thus forced to stay concentrated. Moreover, there are ways to alert the user, in the form of a reminder: Outlook and Sunbird display a window together with a sound with some time before the scheduled activity has to start, and Google Calendar sends an email.

Time management skills are the abilities to recognize and solve personal time management problems. With good time management skills you are in control of your time and your life, of your stress and energy levels. You make progress at work. You are able to maintain balance between your work, personal and family life. Depending on personal situation, such obstacles may be the primary reason why you procrastinate, have difficulties saying no, delegating, or making time management decisions.

By a professional management of time we understand the process by which the daily activity is scheduled with the aim to make the most out of the allocated time, to solve the tasks assigned to each person performing a job in an organization, but also to solve his personal problems. That is why we have to know how to prioritize actions on a certain period of time, in order to meet the personal as well as the professional goals.

Thus the management of time has the following main objectives:

- defining tasks at home and at work;
- determining the time constraints;
- overcoming obstacles that impend us from doing what we wish;
- identifying the advantages of managing time and anticipating opportunities;
- scheduling and acting according to priorities;
- fulfilling tasks successfully and on time;
- avoiding excuses and blaming failures on certain actions;
- creating a feeling of freedom and control over the personal psychic;
- activities;
- maintaining excellent relationships with the family and the society.

Time constraints can be separated in 2 main categories

- constraints due to one's own fault;
 - constraints due to someone else's fault.
- The constraints due to one's *own* fault are:

- disorganization or lack of organization
- slowness or delaying tasks;
- lack of capacity to say no;
- unproductive discussions;
- useless perfectionism;
- an excessive preoccupation for what others have to do.

The constraints due to *someone* else's fault are:

- uninvited visitors;
- unexpected phone calls;
- useless correspondence;
- directive waiting;
- unproductive meetings;
- crises and useless reports.

The repercussions of a wrong time management are:

- not completing tasks on time;
- delaying meetings and coming late to meetings;
- maximum stress at work and at home;
- inefficiency and lack of results;

bad at managing their time that rock-bottom personal productivity is simply accepted as normal. So anyone who can consistently invest 80% of their time each day in intelligent, productive activities is going to look like an overachiever by comparison. The average college student in particular is probably operating at only 20-30% of their capacity, and I'm referring to their social life in addition to academics. Most people are completely unaware of just how poor they are at time management until some "overachiever" enters their lives and makes them look bad by comparison. The essence of time management is the following:

- Decide what to do
- Do it

These appear to be very simple steps at first glance. Even a child can do them. However, when we look at them through the lens of optimization, they become much more complicated. In order to optimize these steps, we must concern ourselves with identifying the "right" or the "best" way to complete each step. We can easily see that some decision-action combinations produce better results than others. So our question becomes, "What is the best action to take right now, and what is the best way to do it?". Answering this question should be the main purpose behind any time management system. Yes, there are side benefits like getting organized, becoming more clear-headed, and reducing stress. But ultimately these benefits all contribute to the decision-action process.

One study of Steve Pavlina (2008) showed that the „best managers in the world tend to have an extremely high tolerance for ambiguity“. After Steve Pavlina there are seven principles total: truth, love, power, oneness, authority, courage, and intelligence. All of these are universal principles, so they can be applied to any area of your life -- health, relationships, spiritual development, finances, daily habits, etc.

Truth, love, and power are the primary principles. The other principles are secondary because they can be derived from the first three. The diagram shows how this works:

- Oneness = Truth + Love
- Authority = Truth + Power
- Courage = Love + Power
- Intelligence = Truth + Love + Power

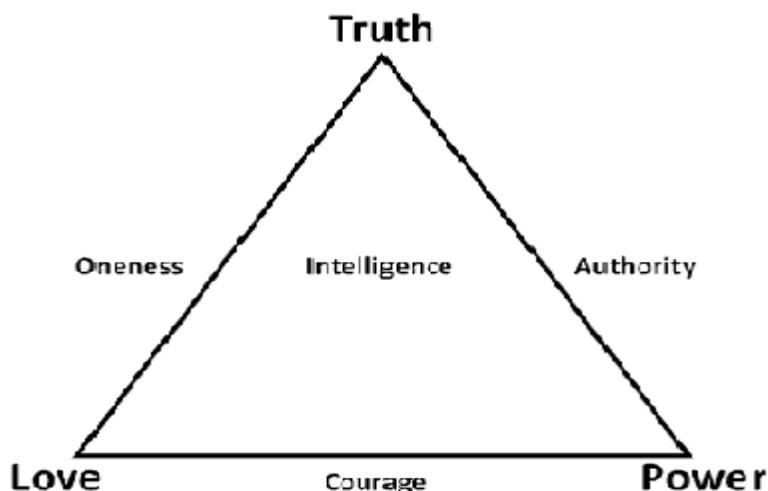


Figure 2 The Core Principles of Personal Growth

What arises from this model is a new definition of human intelligence: *Intelligence is one's degree of alignment with truth, love, and power.*

Multitasking means doing several things in the same time, more concurrent tasks. Nowadays almost everybody does multitasking, from the kid that plays lego and watches TV to the grandma who cooks while listening to the radio. We all do multitasking, from time to time. We check the email while listening to the radio, or we even work and listen to the radio, to music or we talk in the same time on chat, we drive and talk on the phone, we walk while listening to music etc. Although we have the impression that we can do more in a shorter amount of time, we deceive ourselves, because we do them worse and they take us slightly more time to perform. Mark Forester, in his book „Do it Tomorrow” considers his principle of doing one thing at a time as fundamental. When people do multitasking, they combine an pleasant with an unpleasant activity (i.e. homework + music) in order to feel the time passing faster and to feel that work is done by itself. They try to feel the pleasure from the thing they like and to minimize the discomfort from the thing they dislike.

When you don't do multitasking you will feel more free, more concentrated, calmer, more efficient, because the mind will not be disrupted by so many activities. There are studies that prove the negative effects of multitasking, as for example the fact that the more productive employees don't check email every 5 minutes, or that kids that do their homework while watching TV do them worse. The psychologist David Meyer, from the University of Michigan discovered that multitasking favours the secretion of stress hormones and adrenaline, which, if not controlled, can create health problems on the long term. It was discovered that workers that get too much email and too many phone calls suffer from a decrease in IQ that is twice bigger than the one found at marijuana addicts.

Methodology

The key elements of time management are:

- planning and programming time;
- Planning time doesn't.

Planning time doesn't necessarily suppose complicated techniques, but we have to try to predict activities and their execution time. If planning means defining *what* we will do and when the action will be completed, to program means to decide when we will act and *what* resources we will use.

The method of the *4 quadrans* is a concept of Stephen Covey. This ia a method that helps you do what you have to do and to leave behind what you don't have to. When we have set a program or when there are more things to do, or when there isn't enough time we have to ask ourselves if an activity can be put into one of the cathegories from the below figure:

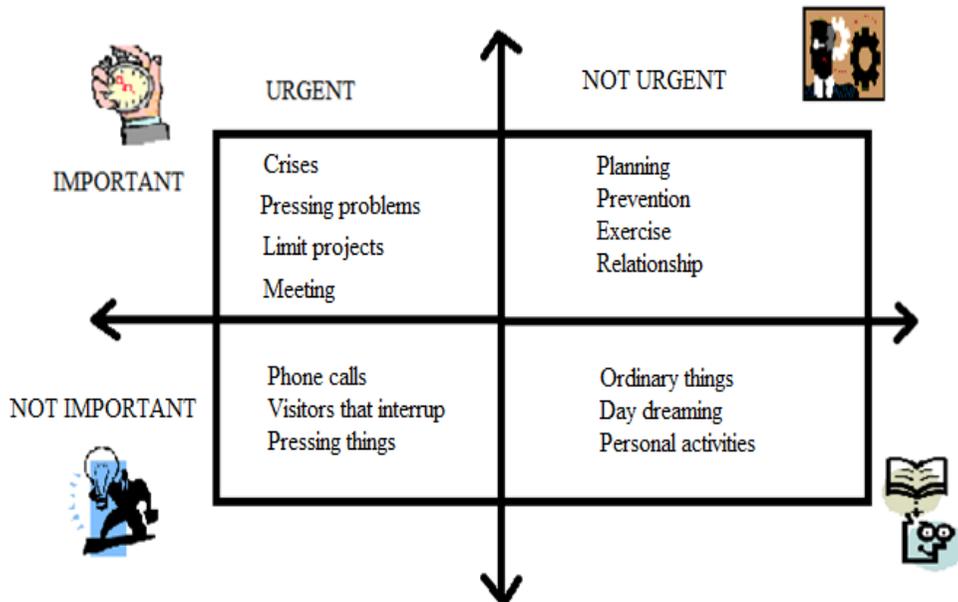


Figure 3 Four quadrans of time management

- When analysing a situation from a time management perspective we have to:
- understand why open and direct communication can bring many positive results;
 - communicate better to work more harmoniously and constructively with others, thus contributing to creating better teams;
 - recognise the behavioral profile of the interlocutor;
 - understand what is behind some arguments, messages or motivations;
 - manage more practical information in order to process both verbal non-verbal messages;
 - recognise aggressive or pasive behavior tendencies;
 - acquire a series of techniques for approaching misunderstandings and confrontations;
 - proactively open communication channels.

There are 6 types of communication blockings:

- 1) when people create opinions based on too little information;
- 2) when they leave the impression that they understood everything after little information was communicated;
- 3) when they use in their speech principles that are not accepted by everybody („it is not good to talk when you were not asked”);
- 4) when they have a tendency to exaggerate;
- 5) when one of the participants in communication has strong beliefs about things he didn't even tried to study;
- 6) when suppositions are made that are many times misleading.

The development of planning techniques became important after the second world war. The best known planning techniques are:

- the technique of Gantt diagrams or bars;
- the technique of networks of type: *PERT* (Program Evaluation and Review Technique), *CPM* (Critical Path Method), *PDM* (Precedence Diagram Method), *GERT* (Graphical Evaluation and Review Technique).

When planning a project, in order to use a network technique, the project has to be divided in the component parts: activities and events. The activities represent an

effort and demand resources: human, time, financial and equipment. In the framework of a project the activities have to be performed in a certain order, which can be: serial or in parallel. The event represents fulfillment of one or more activities at a certain moment in time. The event is like a „milestone” or a verification point for the stage of the project (for example finishing a training, handing over a program, receiving spare parts etc). The events can be seen as goals reached, while the activities represent means to attaining these goals.

Companies and person that expand internationally have a number of challenges to overcome; and one of the biggest is to change their perspective to adapt to their new markets. A personal digital assistant (PDA) allows you to efficiently access, organize, collect, store, and process various kinds of information, and work with it on the run. It is small in size, like a pocket calculator or a pocket address book. Being a hand-held electronic device, it is designed to fit your palm as easily as your pocket. Unlike an ordinary computer, it is always with you.

Results

In business and in the current activity, the days are too short. The lack of time is always a problem and that's why the one who uses his time well is easy to recognise as one who is never in a hurry, spending more and more hours at work, and this doesn't help him meet deadlines. The people who don't manage their time well changes his priorities all the time, never sets deadlines and doesn't have his objectives quantified and there is an enormous difference between doing things well and doing only the necessary things.

For better organizing the time of a day, the simplest way is the following:

3. noting tasks that have to be accomplished
4. evaluating the length of each activity
5. booking time for unpredicted cases
6. grouping similar activities
7. classifying activities according to priorities
8. delegating activities when it is possible

At the end of the working day, can be performed the following activities:

- nothing obtained results;
- realocating time for unfinalized activities (reprogramming according to priorities);
- archiving documents that are not necessary;
- verifying activities delegated to other coworkers or subordinates.

There has to be a clear separation between: *INPUTS* (what we do with our time) – *OUTPUTS* (results of our efforts) and *RESULTS* (relevance of all that was done for attaining the established objectives). The efficient management of time means to be able to realistically estimate the necessary time for fulfilling a task depending on its complexity. Also, the efficient management of time supposes setting priorities when performing tasks depending on their importance, urgency and/or results. Moreover the efficient management of time implies organizing the activities so that to meet the deadlines and to delegate responsibilities to adequate persons in order to help meeting deadlines.

For an efficient use of time, the following should be taken into account:

- *Information* – without information, there is no accumulation of knowledge, and without these a decision can't be taken and an activity can't be performed.
- It is essential to set the *OBJECTIVES*, when you don't know where you're going you can't meet your objectives.
- *Activities* have to be always oriented toward the desired objectives;

- *Results* – suppose that a task represents 100%, we're not only interested in the whole, but also if a portion of the task is accomplished;
- *Concentration* – one can work efficiently, in a short time interval, in a single direction (one can't solve well and efficiently more tasks at a time);
- *Initiative* – if one thing is desired to happen, someone should take the initiative and act accordingly;
- *Programming* – when an activity is programmed, we can suppose for sure that it will happen before others;
- *Respect for time* – if you don't respect your time, don't expect others to do it;
- *Simplicity* – when choosing between more alternatives, it is always preferable to choose the simplest.

Some simple principles govern the efficient management of time:

- setting the objectives clearly;
 - transforming them in SMART objectives;
 - knowing the tasks;
 - knowing the constraints;
 - establishing priorities;
 - planning tasks.
- In order to manage well the time allocated to a project, a manager has to:
- always have available up to date information about the progress of activities and the stages of the project, including the problems encountered;
 - periodically analyse the progress of the project with the personnel and all the factors involved;
 - have alternative partners and providers for the project;
 - redefine the priorities of the stages, the critical path etc.
 - create alternative plans for bringing back the project to normal parameters if the situation in which the activity has been disrupted;
 - to be an example for meeting deadlines, without forgetting the goals that need to be attained.

When programming time, one has to have in mind the following rules:

- to program first the time and then the activities that have to be executed;
- to adapt the rhythm of work, if possible, to the biological rhythm of each person;
- to use the travel time and the waiting time;
- to include in the daily program time for personal issues;
- to create a resume of the following day in the last minutes of the day;
- to have the activities programmed according to the envisaged objectives;
- to allocate at least half a day per week to reading items of professional interest.

Conclusions

Being a limited resource that is dynamically unidirectional, time has to be planned in such a way that it can be used with maximum efficiency. Being one of the resources that gets consumed irreversibly, the efficiency of using it is very important.

It is necessary that the importance of each activity is understood, including planning time resources in a project and developing knowledge and the habits of efficient planning of the goal and of the objectives of any activity.

The good communication inside a project team, regarding the planning of current activities is a step in achieving an efficient management of time.

Using the most suitable methods and techniques of managing time depending on the specifics of it, using the newest IT&C tools, like those that represent diagrams of time (Gantt graphic) or activities (Work Breakdown Structure).

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THE IMPACT OF ONLINE ENVIRONMENT ON THE DECISION OF THE CONSUMER OF HEALTH SERVICES

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Abstract: *The online environment has opened new opportunities for consumers of health services, both in terms of the need for information on identified health problem and the possibilities of solving them and choosing the desired health service, resulting in a significant impact on decision of the consumer of health services. The consumers of health services use the internet to get information on identified health problems both before consulting a health service or its buying decision, because of their desire to be informed when acquiring health service, and its subsequent purchase to verify the correctness of service received. In this context, the health care provider cannot create and promote his own desires and beliefs if he wants to be the top choice of the consumers of health services. This paper aims to analyze the impact of the online environment on the decisions of the consumer of health services. The study was conducted on a sample of 223 patients admitted to two public hospitals in Oradea. The patients were given a questionnaire with 20 items, which mainly focused on: information sources, accessing sites with medical content, the moment of accessing the site, verification of information and information from the online influence on their behavior. From the analysis it appears that the information sought by patients online are general, fewer patients frequently access sites of medical institutions, health care facilities or health blogs and forums. The decisions of the Consumers of health care services are influenced to a lesser extent by the information from the online environment, the decisive role in terms of making a decision represent the information received from the doctor. Finally, for the consumer of health care services is difficult to choose because, to some extent even if the needs are becoming increasingly difficult to satisfy a substrate remains related to the personality and mentality of each, of the personal factors regarding buying decision that cannot be changed as easily as it may seem at first glance.*

Keywords: online environment, health, information, buying decision, health services, consumer of health services

JEL classification: M31, I11

1. Purpose

The paper aims to analyze the impact the online environment has on the consumer of health services.

2. Material and methods

The population group studied was one composed of people over 15 years, hospitalized in two public hospitals in Oradea. Based on statistical data on patients hospitalized on July 4 2013 and its structure by sex and age groups, we calculated a sample of 223 subjects, stratified by sex and age group (Figure 1)

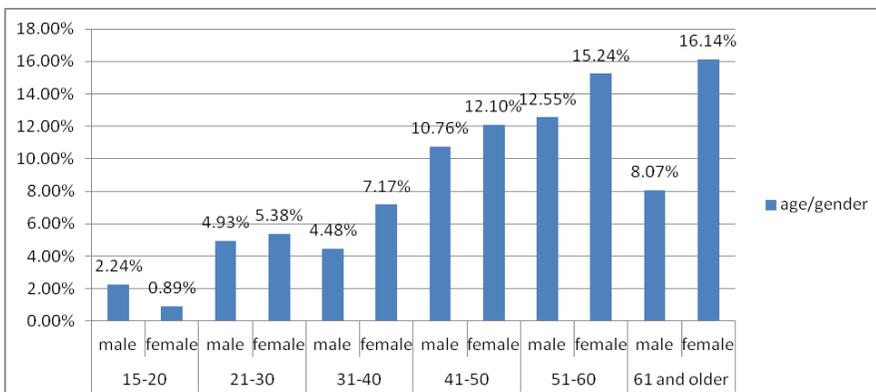


Figure 1. Distribution of the study group by gender and age group

Within each layer, the choice of subjects was random, the only exclusion criteria was patients who do not use the Internet. The education level of the subjects and background is shown in Fig. 2 and 3.

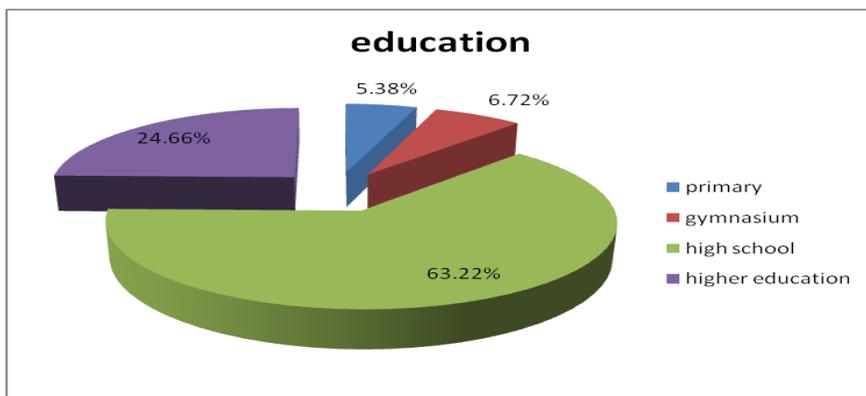


Figure 2. Distribution of the study group by level of education

Most hospitalized patients have an average level of schooling 63.22% and 24.66% higher studies.

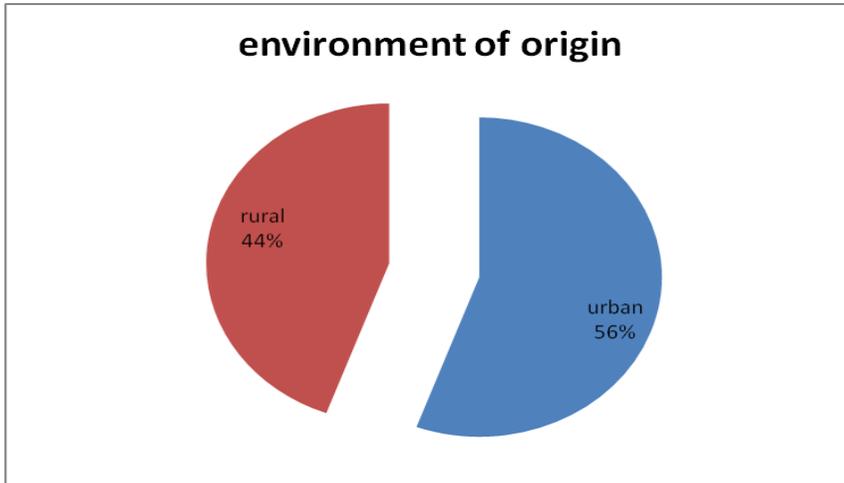


Figure 3. Distribution of study group after environment of origin

Patients come predominantly from urban environment (56%). Declaratively approximately 69.05% of the patients have a "good" health condition, 14.34% "bad" health condition and only 9.41% "very good". Compared to the health of the European population, where the population's perception of good health is 49% ,nor bad nor good 20%, good 24%, the population of patients admitted to two hospitals have the perception of good health in a higher percentage and very good at a rate much lower than the European population (figure 4).

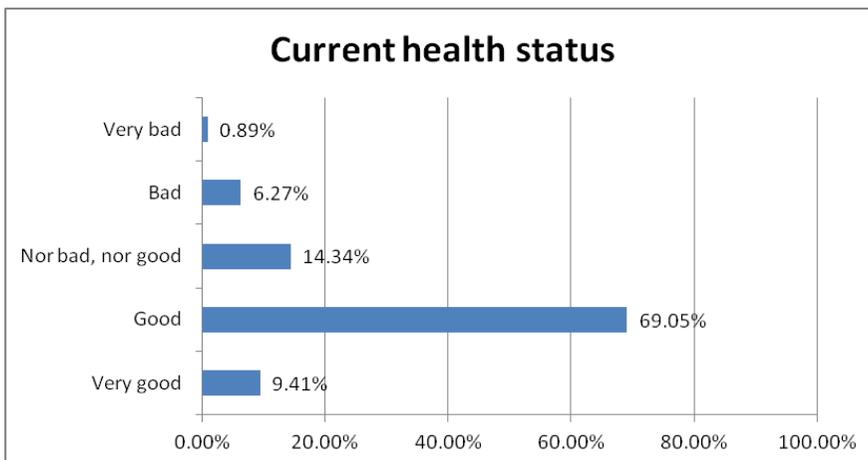


Figure 4. Distribution of study group on perception of actual health status

As a data collection tool used original questionnaire, self-administered, including the main socio-demographic data of respondents and 20 specific items (factual questions, referring to knowledge and opinion, in closed, open and mixed form).

3. Results and discussions

Of the analysis and interpretation of the responses to the questions individually applied, it can be found that there is insufficient knowledge of the role of the Internet as a source of information, less than half of the patients surveyed (43%) using the Internet (Figure 5).

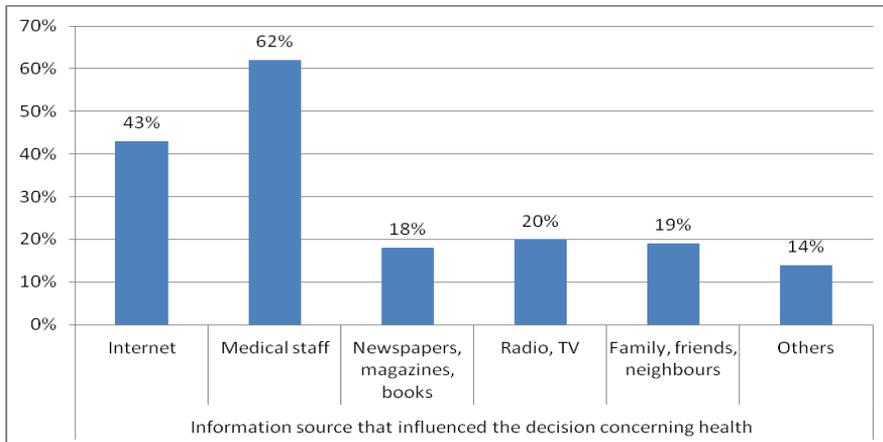


Figure 5. Distribution of the study group after the source of information used to influence a decision on health

Those who take decisions on health, by accessing the Internet are young people and adults (81% younger than 49 years), over the age of 60 as source of information prevails the medical staff (93%). There are no significant differences by gender or backgrounds. Accessed online source for obtaining health information is diverse, 84% of patients surveyed accessing multiple sources. Frequently accessed sites with various medical content (86%), compared to sites of medical institutions (83%) or medical facilities (hospitals, clinics, offices) ((62%) (Figure 6).

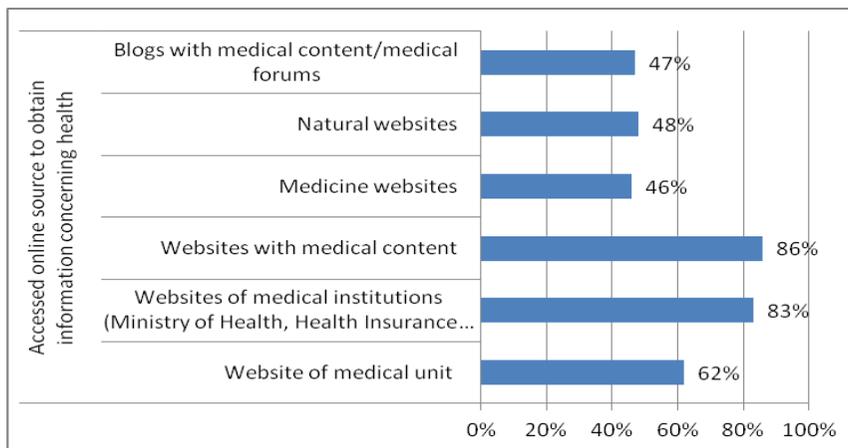


Figure 6. Distribution of the study group after the source accessed online to get health information

About half of the surveyed use blogs or forums. Declaratively these sources are more accurate since the interaction and the feedback that they realize.

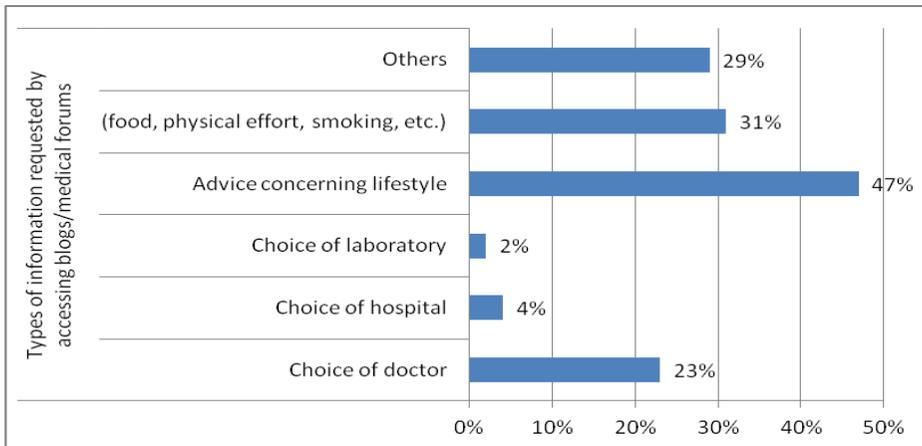


Figure 7. Distribution of the study group by type of information requested by accessing blogs / medical forums

Type of information requested on blogs / forums are diverse, most frequently people ask for advice on lifestyle: diet, what efforts are allowed to do, what treatment to take for the health problem, how to prevent the occurrence of disease (included in the chart to others) which doctor to choose.

Another question concerned the time they accessed information by visiting the doctor. Only 22% of patients access online environment before the visit to the doctor, if signs of disease appear, and half of the patients (51%) say they use the Internet both before and after visiting the doctor (figure 8).

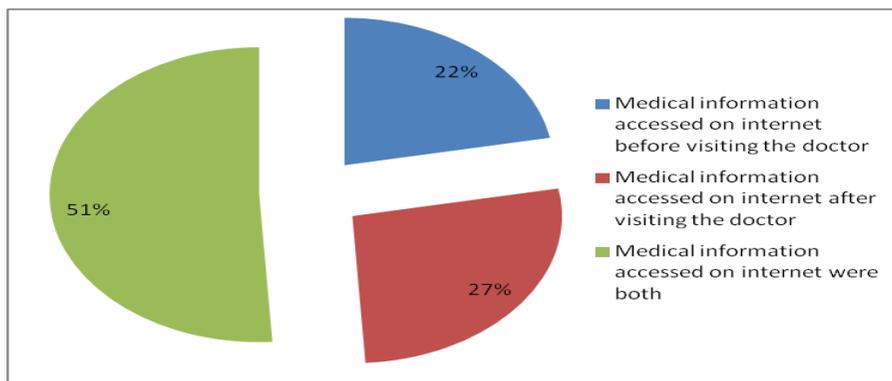


Figure 8. Distribution of the study group after when accessing the Internet reported to visit the doctor

Before the visit to the doctor declarative patients access information online in the desire to stay healthy or to have physical and good mental capacity (72%), because it takes too long to be scheduled in consultation or spend too much time in line for a referral or prescription (included in other) (23%), a small percentage (3%) rely on low accessibility (office or hospital too far, problems with transportation in the area where they live) (figure 9)

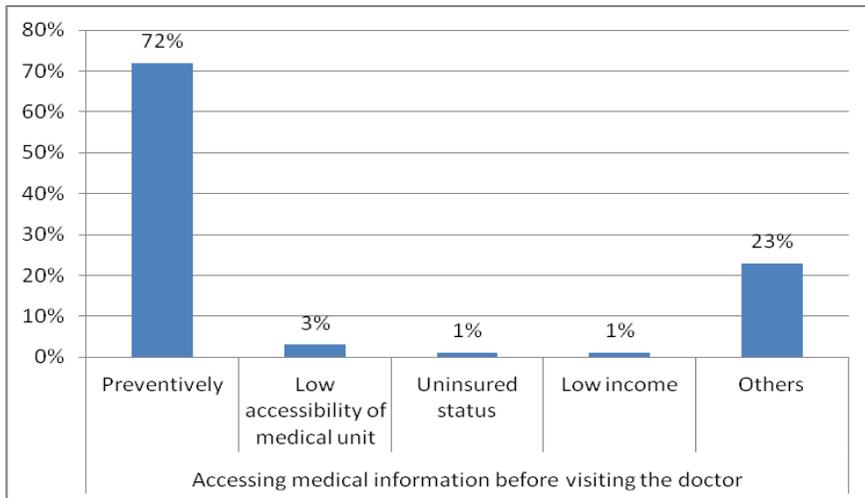


Figure 9. Distribution of the study group after when accessing medical information Before the visit to the doctor

After visiting the doctor the patient seeking medical information on the internet to obtain information (declaratively - I like to be informed to know more about the disease or treatment) (72%), 24% access the internet for explanations about the disease received from the doctor are summary. A small proportion (4%) is not satisfied with the information received and implicitly the doctor who gave this information (4%) (Figure 10)

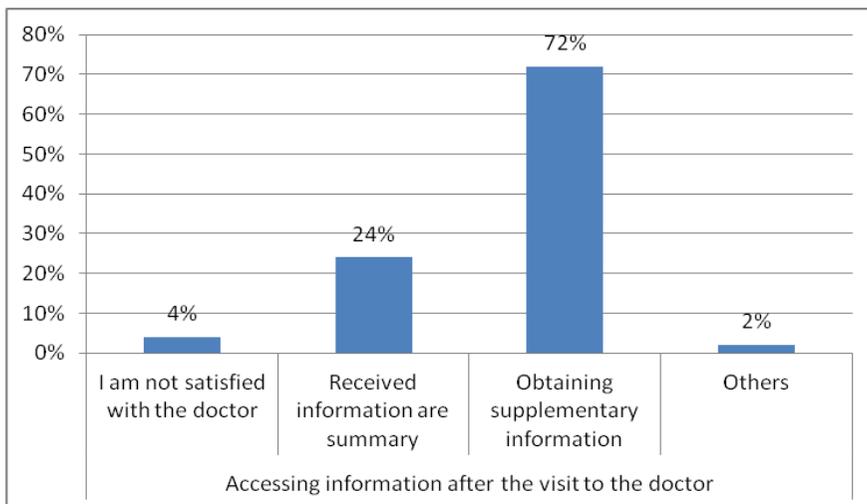


Figure 10. Distribution of the study group after when accessing health information after visiting the doctor

The doctor-patient relationship deteriorates at a rate of 31% when the patient does not obtain additional information from the doctor (Figure 11), and is forced to look for this information on the internet. Patients do not return to the doctor for a new visit to discuss with your medical information obtained from the internet, or to not to upset the doctor or the doctor believes that he is not interested. Half of the patients (53%) declaratively do not realize the extent to which obtaining new information on the Internet have influenced the relationship with their doctors.

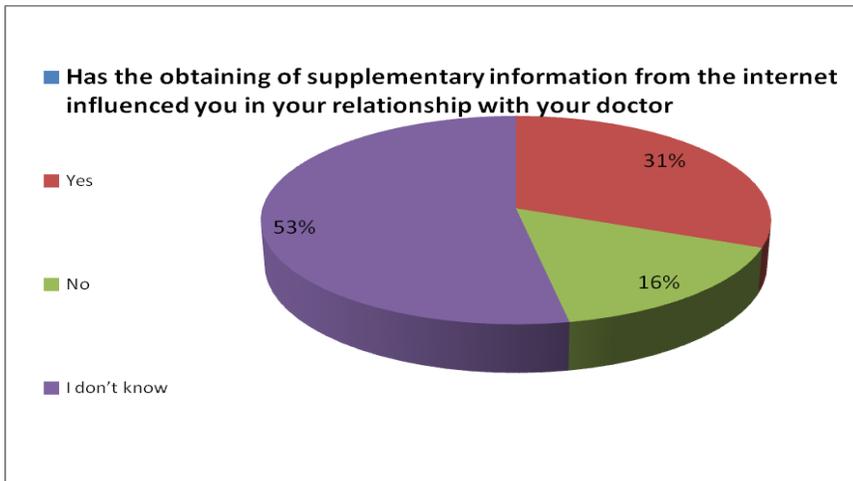


Figure 11. Distribution of the study group after the online influence exerted on the doctor-patient relationship

The degree of understanding of the information obtained from the Internet differs depending on the level of education of patients. Those with high school and higher education perceived much better information access, stating that this information are the same as those received from the doctor, but they were better understood from the Internet, or the physical state of consultation time that prevented understanding correct information (figure 12). In a small proportion of patients (6%) have been confused by online information, whether they did not fit the correlation between the diagnosis given and the signs and symptoms of the disease, or accessible information made it possible for the patient to assume a more serious diagnosis than it actually was.

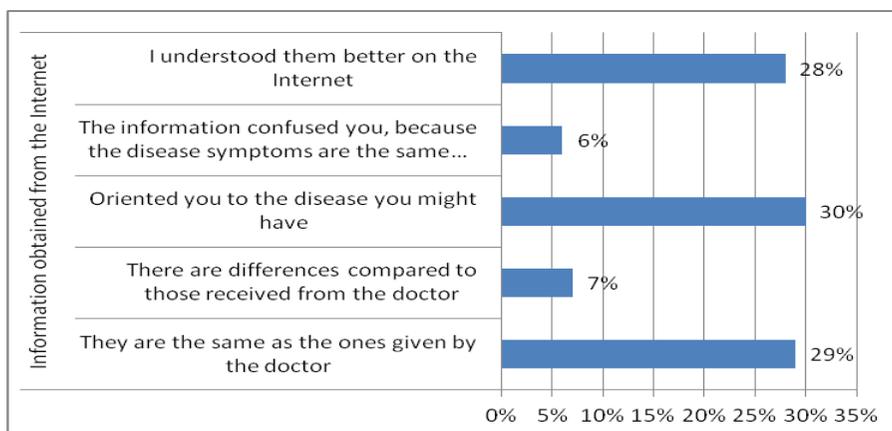


Figure 12. Distribution of study group after the understanding level of the information obtained from the Internet

The decisions taken by patients after obtaining access to online medical information are different (Figure 13).

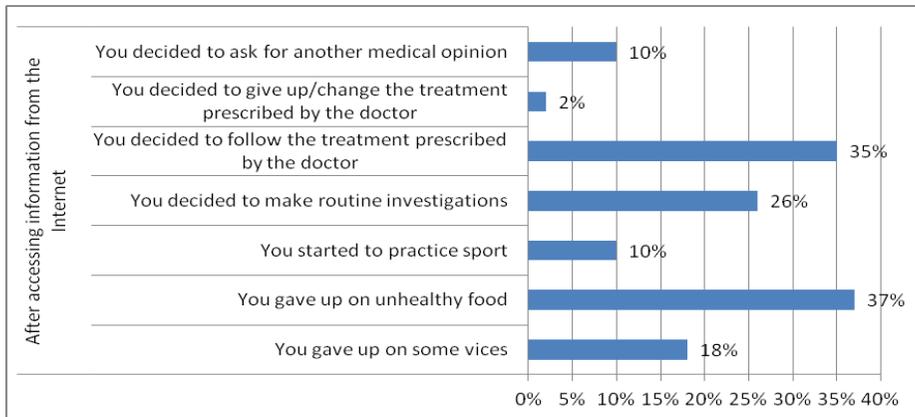


Figure 13. Distribution of study group based on the influence of information obtained from the Internet

A large number of patients are turning to a healthy lifestyle in terms of diet (37%), to give up some vices (18%) practice sports (10%). 35% of patients initially dissatisfied with the information received from the physician decide to follow the treatment, 26% decide to make further investigations and 10% request another medical opinion.

The usefulness of the Internet is considered very good and good 60% of patients, satisfactory by 29% patients. 11% of patients are not satisfied with the usefulness of the Internet, stating that the information provided is often contradictory, alarmist, do not explain many medical aspects.

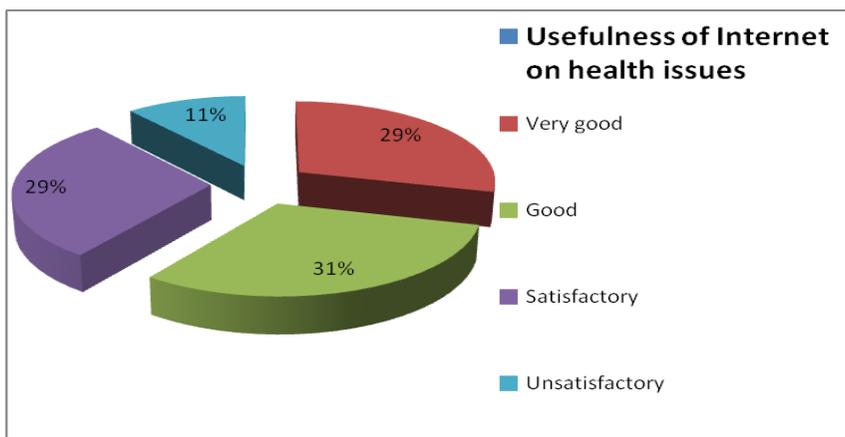


Figure 14. Distribution of study group after the usefulness of Internet concerning health issues

4. Conclusions

From the analysis it appears that the information sought by patients online are general, few patients frequently access sites of medical institutions, health care facilities or blogs and health forums. Consumer health care decisions are influenced to a lesser extent by the information from the online environment the decisive role in terms of making a decision has the information from the doctor. Finally, the consumer of health care is in a difficult position of choosing because, to some extent even if the needs are becoming

increasingly difficult to satisfy, a substrate remains related to the personality and mentality of each of the personal factors regarding the buying decision that cannot be changed as easily as it may seem at first glance.

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DEVELOPMENT EGOVERNANCE INSTRUMENTS IN PUBLIC ADMINISTRATION LOCAL INSTITUTIONS IN BIHOR COUNTY

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Abstract: *In our paper we focus on a broadly debated topic regarding the need of public administrations to improve their processes using new ICT technology. This topic can be analyzed in the light of adherence to e-governance instruments. Developing websites and the usage of different online resources are both tools for a better public management as well as legal conditions for transparency and public accountability. International comparisons place Romania on an average classification of e-governance tools development, however Romania is considered to have a very good (high speed) internet access. In our paper we analyze the existence and level of development of the websites of all 101 Mayor's Offices from Bihor County. The data was gathered in March 2014 in order to assess the development of e-governance instruments at local level. The grid for the data collection was constructed on consistent literature review as well as on previous similar analysis of the authors. The main hypotheses tested in this paper were: (1) 90% of Mayor's Offices at local level from Bihor County are at the first stage of development of e-government instruments; (2) 70% of these websites respect the legal regulations of transparency regarding the information posted; (3) less than 30% of Mayor's Offices reached a two-way communication level of e-governance instruments development. The paper starts with a brief outline of the theoretical framework of this topic, and reviews the most important recent findings regarding e-governance, especially in Eastern Europe and Romania. The empirical section highlights our main results, testing the above formulated hypothesis. There is a significant improvement in the existence of websites at local level public administration institutions; nonetheless in most cases we found one-way communication development level. All of our hypotheses were refuted by our data, as the level of development of online tools is lower at local level in Bihor County. The concluding section proposes both some explanations regarding the current state of affairs regarding e-governance instruments development in Romania, as well as proposals for future research and policy improvements.*

Keywords: e-governance, public administration, transparency, public accountability, online processing of public affairs.

JEL classification: D73, H80, H83, L38

1. Theoretical background

1.1. Why do we talk about e-governance? E-governance instruments and their measurement

The use of ICT is proved to increase the efficiency of many processes due to access to more information, rapidity, and flexibility. More and more governments, national and local public institutions, use ICT in their processes with long-term positive effects (Colesca & Dobrica, 2008).

e-Government is a concept referring to the use of ICT in the delivery of the public services, while e-governance involves also the dimension of digital democracy (Carrizales et. al, 2011). While we acknowledge the significant difference (Godse & Garg, 2007) between the two concepts, we consider that to a greater extent our article reflects both aspects and thus we will refer to e-governance. We are looking to several facets of the interaction of the public authorities with the citizens using ICT, specifically internet.

e-Governance instruments are proven to the strengthening of governance processes, since it is considered to ensure transparent information for the public and consequently to increase public's competence. However, as the UN synthesis shows, citizen involvement still varies across countries (UN Report 2010: 25-27).

The most common measurement scale for e-government instruments is developed at world scale by United Nations, Department of Economic and Social Affairs in 2003. This index is a wide spread methodology used in assessments at both national and local (municipal) levels. As Moura e Sa reports (2011) the scale for evaluating the different levels of web site development for governmental institutions as follows:

- 0 level – the absence of a web site for the public,
- level 1 – information: the website provides the information necessary for fulfilling procedures,
- level 2 – one-way interaction: the website offers the possibility to download forms,
- level 3 – two-way interaction: the website offers the instruments to initiate procedures, fill in forms on-line, apply for certificates and check taxes payment and make on-line payments,
- level 4 – transaction: full electronic procedures (Moura e Sa 2011).

One must note that evidence shows that these levels are intertwined in practice, it is possible that a website includes components that are characteristic for a specific level, yet the previous levels are not fully developed (Stoica & Ilas, 2009).

The development of e-government instruments as well as their usage, are influenced by several factors: national and regional policies or programmes (Pandzo & Taljanovic, 2012; Carrizales et. al, 2011), the transparency and friendliness of the available data (Grimmelikhuijsen, 2012), citizens' positive experiences increase trust and readiness to use such instruments (Colesca & Dobrica, 2008), level of development and size of the locality (Abrudan et. al, 2012). In the following section we will focus on Romania's position at a global scale regarding e-government.

1.2. E-governance in Romania

The United Nation's 2012 e-Government Report reveals the discrepancies between different regions of the world, using a four-stage online service development scheme (UN Report, 2012 pp. 123): emerging, enhanced, transactional and connected. The e-government development index, measured repeatedly since 2003, is based on the thorough analysis of national governmental websites for the following dimensions: e-participation, e-Governance, human capital development, on-line services provision and national infrastructure.

This study showed that, as far as the level of development of e-Government instruments is concerned, Romania ranks 62 out of the over 193 nations included in this research, a lower position than the one reached in 2010. Nonetheless most of Eastern European countries have a lower index, consequently Romania is ranked third in this area (after Moldova, world ranked 69 and Ukraine, ranked 68). Romania's mean score is 0.55, a little higher than the 0.44 world mean score. When referring to Romania's position in Eastern Europe, we consider the following figure relevant as it details the scores obtained at each analyzed dimension (Figure no. 1), for all Eastern European countries.

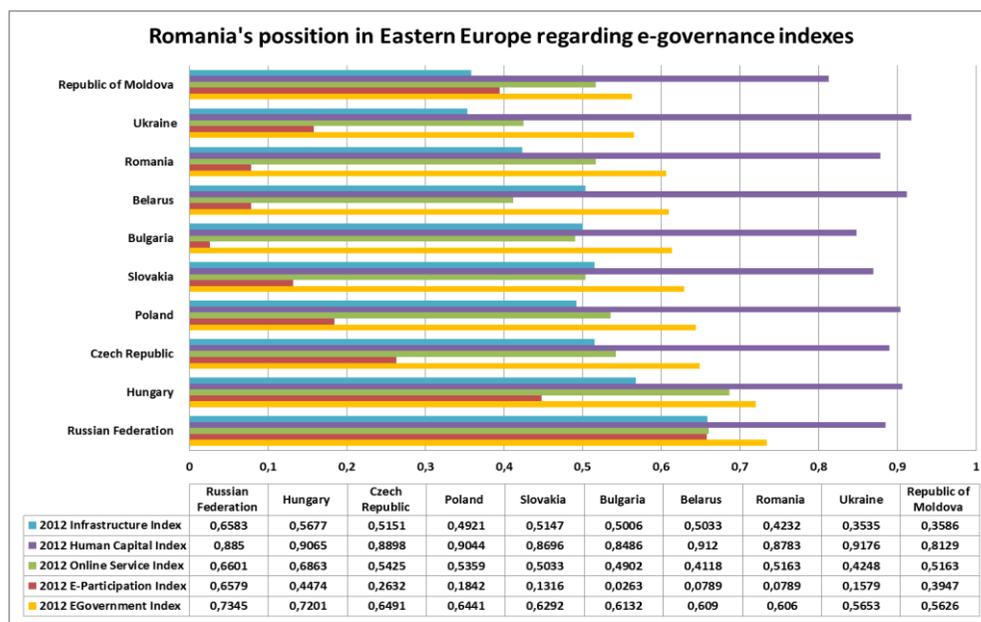


Figure 1. Indexes of e-Governance development in Eastern Europe 2012, based on UN E-Governance data downloaded from <http://unpan3.un.org/egovkb/datacenter/countryview.aspx> – own analysis

Romania has a weak point in e-participation, an index that covers e-information sharing (provision of information to citizens), e-consultation (online interactions) and e-decision making. In the light of general analysis on this topics (Bratu & Nastase, 2007) we would argue that Romania should improve its participative decision making processes and after that to make efforts in using ICT in these processes.

The following figure (no. 2) shows the evolution of different indexes in Romania. The surprising fact is that after a slow increase in most measured dimensions, 2012 shows a decline in two of them: e-participation and human capital index. This may be the consequence of adjustments done by the researchers, yet the low score gained for e-participation raises important questions regarding the utility and importance attributed to this dimension. The e-participation measures how well the government prepares and makes use of e-information sharing, e-consultation and e-decision making.

As shown in figure no. 2, the scores for human capital index, though one of the highest for Romania, is in 2012 the lower. In this particular case it may be the effect of changes in measurement procedures. Human capital index is a composite measure with two dimensions: adult literacy and school enrolment at different levels. Nonetheless policy makers in this field should pay attention to such negative trends.

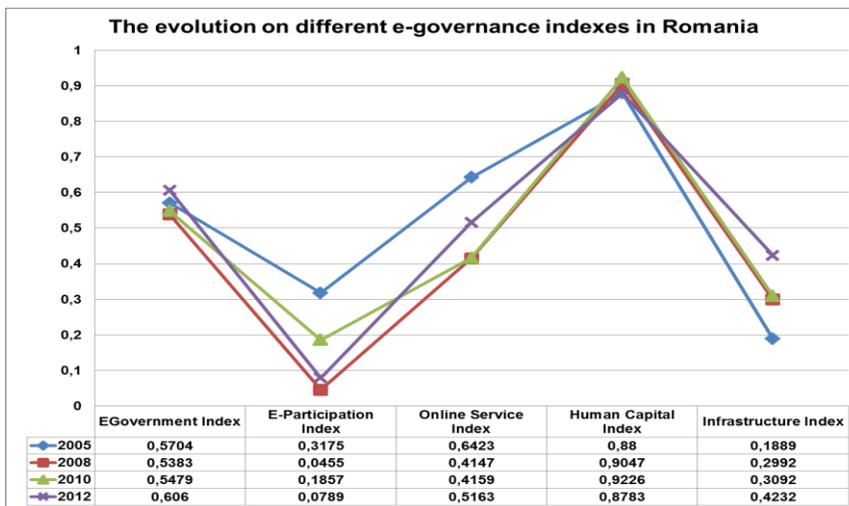


Figure 2. Evolution of indexes of e-Governance development in Romania, 2005-2012, based on UN E-Governance data downloaded from <http://unpan3.un.org/egovkb/datacenter/countryview.aspx> – own analysis

Several studies conducted on Romania, prove the improvement made in this field in last years (Stoica & Ilas, 2009; Glavan & Matusescu, 2012, Vrabie, 2011). The development of national e-government portals should (Banciu, 2009), in time, stimulate the adaptation of such instruments at local level as well. Yet, as Stoica and Ilas (2009) shows Romania still has to solve several problems related to data protection and security of website. E-democracy is still an underdeveloped dimension, both in terms of openness on behalf of public institutions and as actual participation from citizens. Transparency is a dimension showing improvements, as it is regulated by Law no. 52/2003, yet it is still lacking behind compared to other cities (Vrabie, 2011).

In our analysis we continue these efforts by analyzing the local websites, yet in a more concentrated area – Bihor County. We surpass the limits of the existent literature by looking also at the rural communities which have benefited of much less attention in this area of research.

We will explore the level of development of local public administration e-governance

instruments, expecting that: (1) 90% of Mayor's Offices at local level from Bihor County will have a web site at the first level of e-governance instruments development; (2) 70% of these websites respect the legal regulations of transparency regarding the information posted; (3) less than 30% of Mayor's Offices reached a two-way communication level of e-governance instruments development (level 3).

2. Research methodological framework

The data presented in this paper was collected in March 2014, following an improved structure than the one used in 2012 (Abrudan & Saveanu, 2012b). There are 101 localities as administrative units in Bihor County. For each we have searched an official website maintained by Mayor Offices. In the cases where there are websites, information was collected whether different type of information or services are available on the website. A dichotomous yes/no scale was used in most cases, nonetheless the data collector used also the "non-functional" response where a section exists yet no information can be downloaded, or the service was not actually available. In the analysis, in most cases we recoded the "non-functional" into the "no" category.

The data was collected by a volunteer, a MA student at our faculty. The gathered information was first introduced in an excel workbook, and then transformed in an SPSS data base. The SPSS statistical package was used by the authors of this article to analyze the data.

3. Analysis

3.1. Level of development of e-governance instruments in Bihor County

Since 2012, when we conducted a similar study, most Mayor's Offices developed websites (Abrudan et al, 2012a). While in 2012, 70% of all the 101 communities in Bihor County had an official website, in 2014 this percent increased to 96%, a total of 97 localities. With this information we would validate our first hypothesis that more than 90% of localities, both urban and rural, have an official website. All of the urban localities (large and small) have their official website.

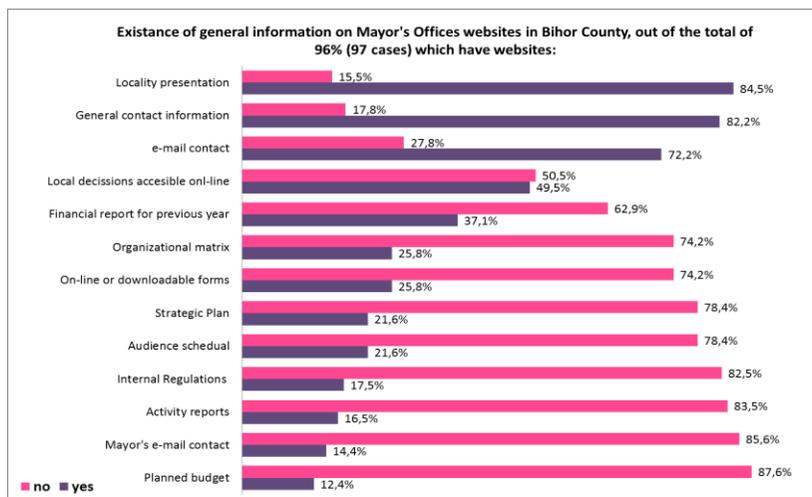


Figure 3. General information available on Mayor's office websites, own analysis

As shown in figure no. 3, most of the Mayor's Offices have on their websites merely general information such as the presentation of the locality and contact information

(including e-mail contact). This type of information has little relevance for the online management of the public affairs. Having access to local official decisions is one of the relevant information; however it is accessible online in 49% of the Mayor's Offices which have websites. Relevant data both for transparency of the decisional process and for the understanding of the public regarding the management of the public affairs are less present online. We consider that the official decisions, the planned budget, the financial report, along with activity reports are more important yet less accessible online especially at rural level. All this information reflects the transparency dimension. We would consider that the difference between level 0 and 1 of development is not merely observed in the existence of an official website but also on the relevance of the information available. *We can conclude that even if 96% of localities have a website, only 72% have one or more of relevant information as defined above.*

If one looks solely at the urban localities, as presented in table no. 1, may note that even in this case, we cannot say fully that 90% of the communities have developed a site to level 1. Consequently we will refute our first hypothesis.

Table no 1. Information available on websites on type of locality, own analysis

	Urban		Rural	
	no	yes	no	yes
Local decisions	1	9	45	42
Planned budget	6	4	79	8
Financial report	6	4	55	32
Activity reports	5	5	76	11

3.2. Transparency

The second hypothesis stated that, as long as transparency related aspects are clearly regulated by Law no. 52/2002, we would expect that this type of information would be available in at least 70% of the cases. As shown in figure no. 4, this hypothesis can be also refuted.

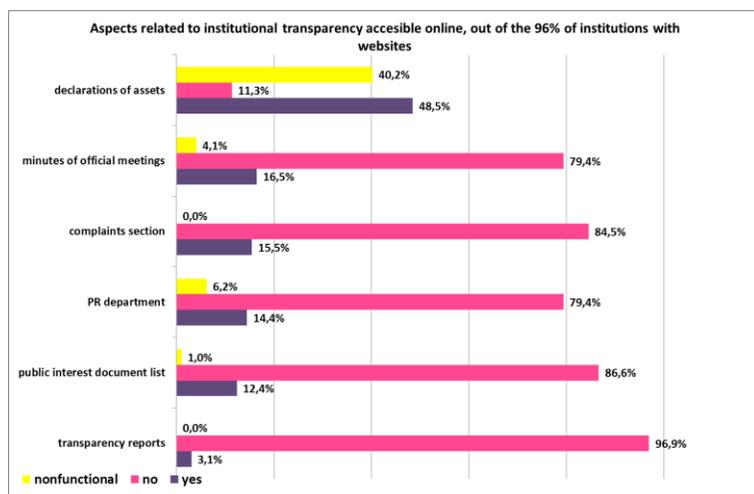


Figure 4. Online transparency at local level, own analysis

Even looking at the urban communities, this percent does not rise to the expected 70%. The municipalities (large towns with higher administrative responsibility) we can talk of a high transparency level (all four have access to declaration of assets, complaints sections and local meetings minutes; three of them have transparency reports online as well as the list of public interest documents; while two have the PR department visible online).

This data suggest that more effort should be made in promoting online instruments as tools to increase transparency of the institutions. This lack may be linked to both understanding, on behalf of public officials, of the importance and usefulness of such tools, as well as the acknowledgement of the importance of transparency per-se, independent of the communication tool used. Better monitoring and enforcement of existent legislative frame may help in improving this aspect.

3.3. Development of e-government specific instruments

Turning to the last aspect analyzed in this paper, as expected we can hardly talk of the two-way communication level of development (level 3). Surely these aspects should be taken into account in the light of the usage of such instruments, information that was not accessible in our study. Nonetheless, the mere existence of such instruments online proves the readiness and interest of the public institution in using them. However, as shown in Figure no. 5, in 32% of the Mayor’s Offices websites there are online forums, and 22% offer the possibility of checking and payment of taxes online. With this information we can refute the final hypothesis of our analysis.

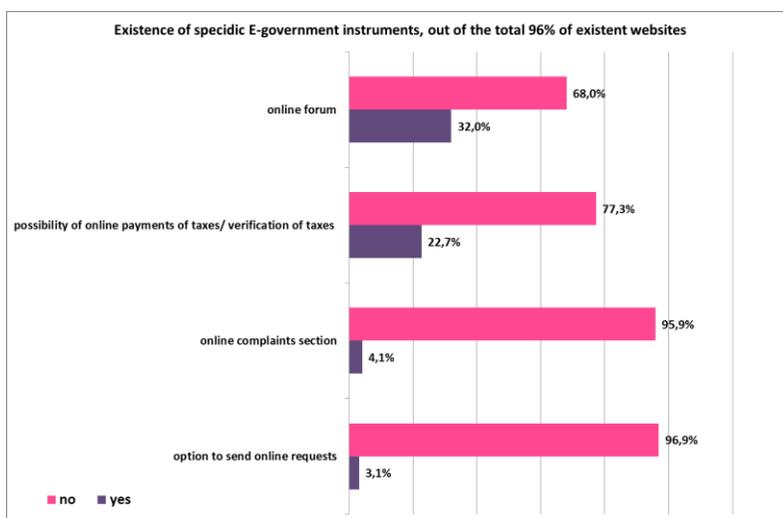


Figure 5. E-government instruments development at local level, own analysis

Looking at these differences on type of rural or urban locality, we may note that the situation of municipalities and town is not much more developed. The data is presented in table no. 2 below. One interesting aspect is the integration of web forums on such

large number of website, yet this is an aspect that needs further investigation regarding the topics discussed on these forums.

Table no 2. e-government instruments on type of locality, own analysis

no. of cases	Urban		Rural	
	no	yes	no	yes
Online forum	5	5	59	28
Online complaints section	9	1	84	3
Possibility to send online requests	9	1	85	2
Check and pay taxes online	8	2	67	20

The interesting aspect related to these results derive from the fact that, while two of the urban Mayor's Offices website offer the possibility of verification and payment of taxes online, 20 of the rural ones have this function suggesting a better development in rural areas. Nonetheless, this can be explained by the fact that most rural websites are developed by a few web development companies, using the same format for each of them. In this case these websites are developed by one company (SITCO Plus) which integrated this service to all their websites.

We must also note that, as Stoica and Ilas (2008) noted, the development levels should not be seen in an evolutionary manner. As seen by our data, even if most of the websites do not have downloadable forms, which mirror the second level of development, some do have online forums which would be specific to the third level. Integrating different components in websites is done by companies developing these websites in a more opportunistic manner choosing from existent services. These do not necessarily use an integrated approach for all components.

4. Concluding remarks

Our paper investigated the level of development of e-government instruments at local level, both urban and rural, in Bihor County. This type of analysis fills a gap in the field mostly by looking at the rural level. Surely comparisons can be made solely between similar types of communities; consequently it would be interesting to compare rural Mayor's Offices websites between Romanian and other developed countries.

All of our hypotheses were refuted by our data, as the level of development of e-governance instruments are less developed at local level in Bihor County. It is true that 96% of communities have official websites, nonetheless the information available on this websites are no that relevant. In most cases the websites present the locality (historical, geographical and demographic perspectives) and have some contact information. The relevant information from a public management perspective can be noted in around 40% of the existent websites. The same can be noted regarding online transparency and the availability of e-government services. Improvements should be made in these directions both in enforcing the existent legislation and in the increase awareness on behalf of public officials regarding these aspects. Continuously efforts should be made in assessing the level of usage of these instruments by the citizens.

From this last observation derives the main limit of our analysis: these type of studies should include reflections regarding the users of online public administration services. Relevance, level of usage, and readiness to use such tools are important aspects that should be accounted for in order to fully understand this phenomenon

One interesting finding of our study refers also to the fact the development of these instruments is rather opportunistic and should not be seen in an evolutionary perspective. We have found that websites that lack components that define the second level, do have instruments specific to the third level. An integrated analysis of these instruments should note this observation, and maybe qualitative research approaches would account for the reasons for this state of affairs.

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HERITAGE AS A STRATEGIC RESOURCE: EXPERIENCE OF ROMANIAN RURAL TOURISTIC FIRMS

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Abstract: *To achieve sustainable performance, touristic rural firms must offer more than food, accommodation and transport services. In this context, heritage plays a key role in rural tourism, directly linked with a competitive offer based on innovation and a responsible and sustainable tourism. The promotion of original elements from the life and culture of an area represents a strong touristic attraction for a significant segment of tourists. These tourists look for authenticity and they want to observe the daily life of people interspersed with local cultural elements. In our paper, firstly, we will present the Romanian rural heritage, with his particular and unique elements. Then, it will be explained how heritage can be valorised like strategic resource in order to attain competitive advantage and economic development. Finally, some examples will be presented based on study-parts of two European project implemented in the Western region of Romania.*

Keywords: *Romania; heritage; strategic resource; touristic competitive offer.*

JEL classification: *M10 – General.*

1. The Romanian Heritage: General Framework

Modernity has entered the Romanian society for over 200 years, but it did not profoundly altered the structure of economic and social life, especially in rural areas, as the Romanian village. The continuous transition of Romanian society and especially the ultimate, the one representing the last 20 years, has given birth to a mosaic, to "patch type" modernity without a clear dominant form. It is a tendential modernity, that is a type of modernity that affects only a certain part of society and benefits only certain groups concerned with their economic and social condition (Schifirneț, C., 2009). The Romanian culture and civilization oscillates between the Western and Eastern and clearly stands by a strong vein of national identity. It seems the Romanian has two souls: one of a shepherd and one of a plougher. The ploughmen are "field dependent", conformists, with a contextual-heteronomous moral judgment and specific thinking, while shepherds are comparatively independent, unsuggestible and with a principial-independent moral judgment and abstract thinking.

Romania has a rural tourist potential which so far has not been highlighted. The research conducted in order to create the country brand (Romania - Explore the Carpathian Garden) revealed as competitive advantages for Romanian tourism: spectacular nature and diverse and untouched landscapes such as those offered by the Carpathian Mountains and Danube Delta, cultural heritage which includes sights inscribed in UNESCO, but also historical sights covering all important periods of human history and well preserved traditions and national culture that provides a significant advantage to the Romanian tourism in a market where visitors are looking for new experiences and interaction with special lifestyle, more than luxury destinations and low prices (Romanian Ministry of Tourism, 2010).

The statement above, regarding the attractiveness of tourism potential is reinforced by the findings of the European Commission study on the attitudes of Europeans towards

tourism, held in 2011. It revealed, in order, the following reasons for the decision to purchase a tourist product: the environment (nature) - 32% of respondents, cultural heritage - 27%, entertainment - 14%, gastronomy - 7%, art - 6%, festivals and events - 5%, others - 7%, non-answers - 3%.

The team of THR-TNS specialists (Asesores en Turismo, Hotelera y Recreacion / Taylor Nelson Sofres) employed by the Ministry of Regional Development and Tourism for the country branding conducted an extensive research on eight source-countries for Romanian tourism. Among the results, we bring to the fore the fact that half the people traveling abroad analyzed markets: Germany, UK, Italy, Russia, Austria, USA, France and Hungary would not exclude choosing Romania for vacation and 29% do not have any doubt - it imagines coming for holidays in Romania. This segment represents 46 million passengers. If we take into account the 20% of the 8 countries surveyed who said they "consider the option to travel to Romania", the expanded group potential would reach 97 million.

According to the study mentioned above, Romania's nature and landscapes exceed the expectations of tourists during their visits and general expectations from Romania as a country are satisfied, but not so obsolete after these experiences. However, after visiting Romania only 23 % of tourists (excluding Hungarians, where this percentage is higher) may state the unique features of Romania. The good news for Romania is that half of the country's tourists would recommend to others and would return for the holidays themselves. Those who return home with a positive image are particularly Hungarians, Americans and Italians. Unfortunately, the Russians, the Germans and the British return home rather with a negative impression. The biggest problems that Romania's visitors have to face are mainly related to the overall infrastructure, of the specific tourism, pollution and the quality of accommodation and services.

2. Resources: Realities and Goals

Natural and cultural resources are considered to be the main sources of competitive advantage for Romanian tourism. Official data contradict us. Thus, according to the classification made by the World Economic Forum (WEF) in the calculation Tourism Competitiveness Index (ICT), Romania occupies only a modest place 94 worldwide (World Economic Forum Report, 2011, 2012).

The Index for Competitiveness in Tourism (ICT) has as an objective evaluating elements to ensure tourism development by three categories of variables, namely: regulatory policies affecting tourism; business environment, infrastructure and natural resources; cultural and human resources involved in tourism.

It is true that, the touristic potential given by nature exists and places us on the 43 rank. What presses us down the rankings is that WEF methodology takes into account only natural sights included in UNESCO, the environment quality, the diversity of wildlife and natural parks. Romania occupies a modest place, mainly determined by the quality of the environment (rank 104), low diversity fauna (rank 83) and protected areas (number 77).

To become more competitive in this chapter, Romania must take measures to implement strategies to improve the environment and protected areas, on the other hand to begin efforts to identify new natural resources that can be included in UNESCO. And regarding cultural resources, Romania is behind direct competitors, despite the cultural heritage value. The cause is the lack of concrete animation action for this heritage, illustrated, for example, by the number of fairs and exhibitions or the performance of creative industries. Regarding the quality of the human factor in tourism, it is generated by the education system, which provides quality training and leads to greater specialization of work force in the tourism, a chapter whereas again, we suffer (Botezat, Benea, 2012; Wei-Chiang Hong, 2008).

The success of a tourist destination lies in the perception of tourists that will be well received, that they will be in a safe environment and if necessary will have access to good quality medical facilities. The role of the touristic product is to meet the needs of those who purchase and physiological needs, safety needs and the need for respect and acceptance are the most important needs according to Maslow's pyramid of needs. We emphasize the role of hospitality in tourism satisfying physiological needs such as hunger or thirst and the need for esteem or acceptance.

A survey conducted in November 2011 on a sample of 1,111 respondent's interview using the face to face method, at the respondents' homes revealed that "the Romanians see themselves as hospitable, resourceful, generous, hardworking and carping". The fact that, in terms of affinity towards tourism, we generically call hospitality, Romania occupies the 95th place, by the Competitiveness Touristic Index value, raises serious questions again. Basically it is about recognized - demonstrated hospitality by the balance of payments of travel and tolerance towards foreign visitors.

The conclusion we reach is that the appreciation of resource's attributes implies a reference to the competitive environment. Discussing the attributes of resource (Dierickx și Cool, 1989; Conner, 1991; Peteraf, 1993; Barney, 1991) involves a reference to external references.

In our opinion, the natural and cultural resources of Romania can evolve to represent sources of competitive advantage for Romanian tourism, only if they get a good score as the attributes mentioned in the literature as the VRIO framework. VRIO is an acronym for the group of concepts: value, rarity, inimitable and organization (exploitability).

A resource can be considered valuable if it allows obtaining additional profit compared to if it was missing. The value of resources determines the increase of the held market share. The profile of the targeted tourist presents the following characteristics: it is a discerning traveler, experienced, willing to make extra efforts to live new experiences and emotions, to satisfy particular interest to learn new things. This type of tourist is attracted to nature and landscape, to authentic lifestyle and culture and has values centered around the idea of healthy, active life, based on tolerance. The identification of valuable resources is through an analysis that consists in an activities chain decomposition. The weaknesses of the method is that it can be dropped out of sight the synergies arising from the combined use of resources (nature walks and folk events, for example), or combinations of different entities (hostels, inns, restaurants, museums, craftsmen houses).

A resource is considered to be rare, if the number of competitors holding it is relatively small. Rarity, once recognized as existing, is a sustainable attribute. Of course, the best case is that we are dealing with a single owner of the resource. It is obvious that, in tourism, the site/ environment, by the fact that it is unique, represents a scarce resource. The problem stems from the fact that each community is unique, what makes the difference, in terms of economic performance, is awareness. In other words, a scarce resource in tourism has value insofar as it is known and ranked higher in positive charts like "the most ..."

The problem regarding imitating a resource involves two different relative aspects: proper imitation and substitutability. A resource is considered inimitable if a competitor cannot take possession of it in a short time or if it does not induce the purchase cost disadvantages. Non - substitutability means the inability of a competitor to achieve the same benefit in a new combination of resources. Only if a resource is inimitable, the advantage of value and rarity can be stored. Time "plays" in the favor of natural and cultural resources, in that it creates a barrier against copies. Specifically, the imitation of the economic point of view, involves high costs. After Barney (1991), we are dealing with costs related to historical conditions determined by the position in time and space, the lack of identifiable causality of resources or their way of combination, social com-

plexity which generates an unique psychosocial phenomenon, legal protection, patent types for example.

The resource management must be understood as the ability to exploit the resource, which is supposed to be valuable, rare, inimitable. Basically, we can talk about resource management, i.e. to get the maximum of what we have. In our opinion, possible, to the extent in which we can adequate answer to the questions Why? How? What?. Basically it regards needed capabilities (the theoretic part), skills (the practical part), motivation and opportunities. We believe that a prime element, with an increasing potential is the creativity, the innovative capacity. The one who wants to win this race needs to innovate faster than competitors and can support what he created.

3. Research and hypothesis

The main method proposed for the present research is the case study, considered by the team that implemented the projects to be the most suitable method which can cover all the studied problems. Our research is circumscribed to specific projects such as: The Summer School for *The Management of Touristic Destination*, the First Edition of 2007 and The Second Edition of 2008, the Project of *Developing and Promoting Integrated Common Touristic Packages in the Euro-Region Bihor - Hajdu -Bihar* financed by the Phare Programme CBC 2006/INTERREG IIIA conducted between August 15th 2008 - November 15th 2009, *Entrepreneurship and Equal Opportunities Project. A Inter-Regional Model of Entrepreneurial School for Women*, funded by the European Social Fund (ESF), the Operational Programme Human Resources Development (POS DRU), Priority 3 - Increasing adaptability of work force and enterprises, Key Area of Intervention 3.1 - Promoting entrepreneurial culture, developed between January 3rd 2009 - December 31st 2010 (Botezat, E., 2011).. The case study analysis is a holistic approach that can be applied to complex situations with relevant and valuable results. The main objective of the investigation of the case study is critical analysis and impact assessment. The research of the case study approach is complex and includes a variety of quantitative and qualitative methods. During field research we used the following methods: secondary analysis of statistical data and relevant literature consist of reports, strategies, studies, monographs etc. about Bihor region, semi-structured interviews with key-informants and structured interviews to collect information about successful initiatives for rural cultural heritage.

Bihor County is located in north-western Romania, holds 7,535 km² - 2.94% of the country and at the end of 2013 had a population of 634 854 inhabitants, which represents 3.01% of the total population of Romania. Here live Romanians, Hungarians, Hebrews, Germans, Rromany, Slovaks etc. Due to natural and anthropic touristic potential and the valuable material base, the present forms of tourism are: health tourism, cultural tourism, rural tourism and agro-tourism, mountaineering tourism.

Research objectives were both theoretical, consisting of bringing into focus the importance of traditions – part of Romanian rural heritage in the current context, and also practical aspects related to identifying if these resources can become an innovative element in order to develop a competitive touristic offer.

Hypothesis I: Bihor County has traditions – part of Romanian rural heritage, but they are not enough known and promoted.

Hypothesis II: The Bihor County traditions – part of Romanian rural heritage can be an element of innovation for the Romanian tourism.

4. Presentation of research outputs

4.1. Outputs regarding the first hypothesis

The past of Bihor County is alive and lives mainly in rural settlements and in the spirit and art of the people of Bihor.

Embroidery is the occupation of women whose hands refuse to stand for nothing. They plait, twist and sew cotton thread in countless motifs inspired from the immediate reality of the man from the village. We find oak leaves, stars, fir trees, cipcas, screen embroidery. Decorated objects are especially traditional towels, tablecloths, costumes or support pieces.

Pottery itself carries a whole mythology associated with divine creation. Pottery pieces are reflections of the human universe, with its shapes and color, stylized transposed. The two active centers in the county produce red pottery, of Roman specific, in the Crișul Negru region (Leheceeni, Criștior și Săliște de Vașcău) and white ceramics, very rare in Romania, in the valley of Crișul Repede.

Crafting wood starts from choosing wood fiber suitable for the type of object that will be produced and goes until its decoration with motifs that highlight the wood and the shape of the object. In Bihor County currently people manufacture chests and ladders and especially among the Rromany population, the manufacturing of spoons, wooden chops and wooden kneading-troughs. Manufacturing wooden furniture is increasing.

The manufacturing of fabrics still persists under pressure from the industrial production of textiles. In Bihor there are some households that are involved in processing of textile fibers (linen, wool, hemp, cotton) and not many women who weave the loom. They can be found mainly in mountain areas. The items they work at are towels, tablecloths, bags, rugs, mats. The colors and the reasons vary depending on the area, leaving the white as the base color.

Braided corn husks, twigs or rushes are different by the materials that are used and that are found in different areas, by way of preparation and processing of the material as well as for the crafted object. Generally, woven rush and husk are more common in lowlands (Abram, Otomani, Borș) and wickerwork exist in other areas (Salonta, around Beiuș).

Necessary handmade household items used in working the field can be found in every village in Bihor County. However, there are some villages specialized in the realization of certain objects, especially in the Beiuș area: wooden rakes and forks at Criștior, stairs at Cresuia, iron tools at Vărzarii de Jos. Not to be neglected is the cauldron craft, practiced with predilection by the Rromany population.

Making jewelry from beads, addresses more to women, who do wear them mostly at holidays. Traditional in Bihor are necklaces with red, white, black, green beads and geometric motifs (scales, precure).

Decorating Easter eggs is practiced for the Easter holyday. Th beautification craft for Easter eggs include the choosing of the egg, dyeing them (often with dyes obtained from plants) and the proper wax-painting, alternately. In Bihor, the craft is practiced in some villages in Beiuș area such as: Drăgoteni, Remetea, Budureasa.

Making gingerbread after a traditional recipe and decorating it with egg white foam is usually present mainly in Hungarian communities. Usually the cake is brown and white patterns are applied over. It can be presented as colored cakes as well as gingerbread items.

Making glass and wooden icons was associated with monastic life, especially with Nicula monastery. Many churches in Bihor have unique icons. Native painting on glass was practiced by many villagers and represent scenes from everyday life. Nowadays, there are organized centers in Oradea and Beiuș centers frequented by young people.

Making musical instruments such as: violins, flutes wooden flutes and pan-pippes is representative for The county. Specific for Bihor is the violin with a trumpet on it.

Traditional beverage includes the famous brandy (palinca), wine and soft drinks. Red plum brandy, bistuca plum brandy, apples, pears or apricots brandy led fame to the region. Known are cherry, blueberry brandy or white wines from the Ierului valley. For lovers of refreshments it can be prepared elder drinks and raspberries, blueberries, strawberries, blackberries, syrups made with cold water spring. In the mountains people prepare pine nuts syrup.

Traditional cuisine is varied and tasty, generated by long coexistence between Romanians, Hungarians, Germans and Slovaks. It is about day to day dishes and special holiday dishes.

4.2. Outputs regarding the second hypothesis

Research conducted during the development of the strategy for the creation and development of Romania's touristic brand resulted also in the establishment of tourism products that can make Romania a competitive destination. Their analysis directed on identifying interconditionality with the existence of a well-preserved tradition in Bihor encourages us to conclude that the inclusion of proper traditions - part of Romanian rural heritage in the tourist offer is an innovative element that can lead to performance in the Bihor touristic market.

The product "circuits / tours", may be the fastest growing product. This is in order about more circuits.

The circuit of Oradea-Ciucea comprises: Wooden Churches (Peștiș, Subpiatră, Vîrciorog, Gheghie, Aușeu, Lunçsoara, Lugașu de Sus), traditional villages and households Zece Hotare, Damiș, Bulz, Tomnatic), craftsmen (Vadu Crișului, Șuncuiuș, Zece Hotare, Bratca, Damiș, Bulz), peasant installations (Bulz, Valea Brățuței, Mișidului).

The circuit Oradea - Beiuș - Vașcău includes: Wooden Churches (Lazuri de Beiuș, Sebiș, Saca, Brădet, Dumbrăveni, Căpâna, Luncașprie, Drăgănești, Petreasa, Vașcău), traditional villages and households (Roșia, Meziad, Budureasa, Cresuia, Saca, Gurani, Briheni, Criștiorul de Sus), craftsmen (Drăgoteni, Roșia, Meziad, Budureasa, Căbești, Cărpinet, Lunca, Rieni, Cresuia, Finiș, Nucet, Leheceni, Criștioru de Jos, Totoreni, Tinca, Lazuri de Roșia), peasant installations (Roșia, Lazuri de Roșia, Pietroasa, Budureasa).

The circuit Oradea-Salonta comprises in: Wooden Churches (Ineu, Nojorid), craftsmen (Salonta, Borș, Avram Iancu).

The circuit Oradea-Valea lui Mihai includes: cellars and vineyards (Săcuieni, Diosig, Tarcea, Valea lui Mihai, valea Ierului, Vășad, Sanislău, Pișcolț), craftsmen (Abram, Tarcea; Sălacea, Otomani, Derna, Sacalasa).

In our view, a problem to be solved is to overcome the phase of fragmented use of the touristic potential of the area. We can successfully combine the incremental innovation with niche innovation. Operating costs could be reduced by setting up structures / associations of producers and tenderers to handle organizing events to attract tourists into several periods of the year, the tourism promotion but also the purchase of products from practicing craftsmen. In this way, each bidder will return a share of lower cost and purchase cost will decrease due to higher orders and regular character.

5. Conclusions and discussions

Subscribing G. Stiegler's theory (1962) on the determinants of life and economic dynamics of a country, we emphasize along with the ability of organization and resource allocation, the importance of an unique, specific spiritual model, built over time which causes the motivation of using these resources. It is the result of a more pragmatic and liberal approach that can be distinguished from the classic, mercantilist one (Barbie, 1998; Hammer, 2008).

The object to competitive travel packages is customized, increasingly more through differentiation and the main source for this is the vast majority of situations, *creativity, innovation*. As a result, those who perform will be those that will learn faster how to offer better benefits and / or differentiated from the competition on the market. Consumers claim solutions to their problems rather than the goods and services themselves. As a result, the goals of a touristic business no longer expressed as lower cost, highly skilled labor and better management but through customer satisfaction! In the current crisis, tourism entrepreneurs strive to design added value, through small sieve any variable, any weak signal, any strategy, budget and control plan to be able to notice changes in consumer needs for travel, choose the most appropriate market segment to develop.

Innovation niche may be considered, in our opinion, combining elements of interest in the area at events (peasant fairs, tasting contest, festivals - the Locust trees in bloom, the Slovak hutens, Autumn on the Ier Valley and so on). Expected benefits would be: increased tourist traffic and the number of nights, industrial development side, higher revenues for local budgets, the increasing popularity of the area.

The sustainability of competitive advantage is possible when tourism company has developed skills based on resources and capabilities, hard to find or imitated. Knowing that the consumer travel decision to visit a destination is to meet a need, innovation must respond to this need and be presented in a way that tourists become aware that that need will be met by the tour package proposed, the package that includes products resulted from tradition - part of Romanian rural heritage, in our case.

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FINANCIAL INDICATORS FOR THE ROMANIAN COMPANIES BETWEEN ELIGIBILITY AND BANKABILITY OF EU FINANCED PROJECTS

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Abstract: *The main goal of this research is to compare the eligibility indicators for accessing EU projects with the bankability indicators at the level of Romanian companies. This study was realized in a period when the term of bankability seems to be in the focus of the beneficiaries and management authorities for European funding, of the banking system and of the mass-media as well. This happens for the first time since the launch in 2007-2008 of the main structural EU funding programs focusing on the development of competitive SMEs, which brought significant changes in the EU funding environment. The same with the public institutions, many SMEs have applied for grants in order to finance their investments using different funding programs, especially under the European Regional Development Fund. This process to obtain European funding was a long one in term of evaluation and contracting periods. Under this context, the initial success of SMEs that have successfully applied and even managed to gain access to European funding was overshadowed by another sharper problem: lack of financial resources for co-financing to support investments or expenditures in the initial stages funding the project. This was also a big problem since the start of word financial and economic crisis. Under this context the banking sector was supposed to be heavily involved in ensuring external financing. The main difficulties in co-financing European funding projects by the banks came from the fact that the companies were requested to obtain satisfactory scores in order to qualify for the banking loans. Several indicators were used by the banking sector to analyze the creditworthiness of the applicant companies. From these indicators we selected five of them to be tested by using Student distribution modelling within the ModelRISK – VoseSoftware application over a group of 50 companies located in the North-Western region of Romania. After the model was created in this paper we tried to validate it. During the validation process of the model were observed differences between the relevancy of the proposed indicators in the analysis of the selected companies creditworthiness and also in the investment analysis itself.*

Keywords: *Bankability, Dispersion Modelling, Financing investment projects, Financial Indicators, Creditworthiness*

JEL classification: *H43, G30, G32, C61, G17, G21*

1. INTRODUCTION

In the last years the biggest financial impact of the development of the Romanian companies came from European funding and also from the fight to avoid the effects of the economic and financial crisis. After their launch, in Romania, The European funds brought a several effects over the economy, especially at the level of enterprises and their competitiveness development (Droj, 2010). In this period a massive wave of SMEs have applied for investments grants within the different funding programs, especially in

the Regional Operational Programme and under the Sectorial Operational Programme – Increasing Economic Competitiveness(Droj, 2012). But this phenomenon had mixed effects: an initial success of the SMEs that have successfully applied and even managed to gain access to European funding was overshadowed by another more acute problem: lack of financial resources for co-financing to support investments or expenditures in the initial stages funding the project(Droj, 2012).

The problems were more acute at the initial stages of the projects, when European funding grant recipient must invest their own financial resources to support the projects. These resources will be reimbursed later by the Management Authorities of the Programmes, if the projects are carried out respecting the national legislation, the rules of the programme and the expenses are considered eligible under the conditions of the financing contract.

Bankability of the projects became an issue, in this stage when confronted with the absence of sufficient internal resources to co-finance European projects, beneficiaries have returned again to seek the support of the banking sector (Droj, 2010). The banking system, as well reacted, to this new opportunity and created special departments to deal with the requests from their clients. Also new special packages of products exclusively dedicated for co-financing and/or pre-financing were created and proposed by the main Romanian banks: Banca Transilvania, BRD, BCR, Unicredit, Banca Carpatica, etc. This increase of applicants for special banking products which were required for sustaining project grants was initially received with a huge enthusiasm by the banking sector. But soon this transformed into a dilemma: the applicants which already obtained financial funding from the EU Programmes Management Authorities had huge problems in being able to obtain satisfactory scores in the credit analysis, according to the banking standards.

2. BANKABILITY ANALYSIS

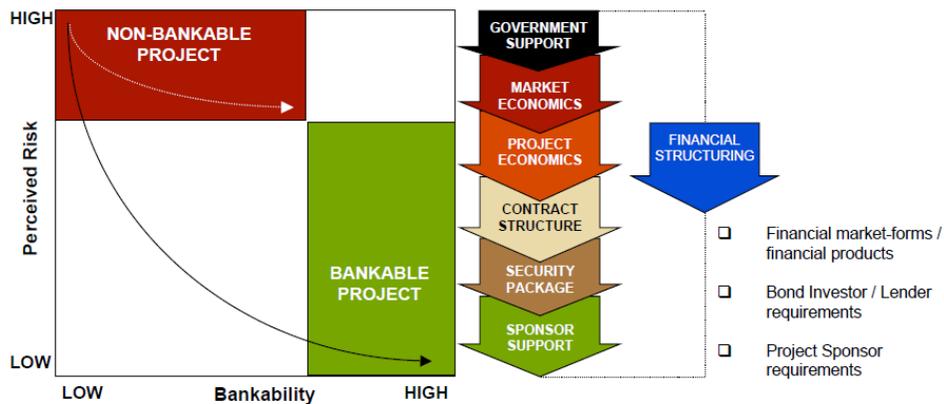
One of the main topics these days: bankability of the European projects is linked also with the topic of creditworthiness. Creditworthiness or “bankability” analysis are performed quite often in the last years especially concerning investment projects(Droj, 2012). Bankability, comes from the term bankable and was defined in the Business Dictionary(2014) to be a “Project or proposal that has sufficient collateral, future cash-flow, and high probability of success, to be acceptable to institutional lenders for financing” or more simple defined a project “Acceptable to or at a bank”(Eze, 2010). The European Investment Bank(2014) based on Vinter(2006) considers that a “project is considered bankable if lenders are willing to finance it”.

As reflected in recent studies (Hampl et all, 2011) the realization of infrastructure investments are conditioned by making these investments bankable. Even if bankability is perceived differently by the different stakeholders: banks, project management companies, beneficiaries, European/national management authorities.

The banks seem to concentrate and emphasize more on stable cash flows and on their impact over the project’s long-term debt service(Hampl et all, 2011). The same study specifies that in which concerns the equity investors they tend to focus on their expectations, on the possible investment returns, on possible tax incentives and over their portfolio strategies. It stressed the importance of ensuring „the project’s soundness, diligence in legal, technical and economic matters” (Hampl et all, 2011) for all factors

involved. This is presented in the below picture:

Figure 1. The General Project Finance feasibility Matrix



Source: UNECE (2013) - Capacity Building to Develop Bankable Energy Efficiency Projects

Also Delmon(2010) considers that bankability requirements and lender appetite will depend on the nature of the lender, their existing loan portfolio, their strategy for portfolio development and their desire to enter into new markets.

In terms of indicators of creditworthiness, the financial analysis performed by the banks, they are different indicators from one bank to another depending on their profile, sales policy and their exposure. In order to create an image as complete and effective as possible over the economic and financial situation of the credit applicants and to diagnose the state of their creditworthiness, as we noted above, banks defined and apply a set of internal evaluation indicators. The indicators must be chosen so as to support banking decision making officials on lending and later on allowing individual monitoring of the performance for each loan. In general, banks have a rating system based on the granting relative scores, with a minimum level of accessibility and intermediate levels as targets to be reached (Nevit and Fabozzi, 2000).

The main financial indicators of analysis presented by the specialized literature Trencu (2006) are:

- Liquidity Indicators
- Management indicators: turnover of current assets, inventory turnover, receivables turnover, rotation of suppliers, etc..
- Profitability Indicators: gross profit margin, net profit margin, etc..
- Solvency indicators: leverage, debt coverage (operating profit / interest paid)
- Cash-flow/treasury Indicators: cash flow = total revenue of the period / total number of payments

Following interviews with various officials involved in analysing loan documentation shaped the idea that five of the indicators mentioned above have high scores in the banking evaluation scales and are widely used. They are defined by various authors (Brealey et al, 2004), (Droj, 2012) and Pierre(2004) as:

- **General solvency ratio** – which reflects the entity's ability to cover the total debt of total assets held in property: i.e. the ability of enterprises to cope with all his maturity, both the short and medium and long term. For the enterprise to be able to repay debts and short term, the report recommended a value greater than 1.5. In the opposite ($R_{sg} < 1.5$), the risk of insolvency.

Insolvency and lack of liquidity at a time not necessarily determines the insolvency of the analysed business. Solvency is generated by an efficient activity and ability to pay and lack of liquidity may be temporary if the company is based on a general solvency.

$$R_{sv} = \frac{\text{Total Assets}}{\text{Total Liabilities}}$$

- **The Rate of Financial Autonomy** – indicates which is the level in which company assets is financed through own resources. Being a result of financial policy pursued by each company, the financial autonomy ratio may vary from one company to another. However, analysts consider that the minimum allowable value is 33% and the banks use as a threshold rate of 30% of net assets (equity) to the total assets, although their sources should help to finance a proportion of the least 50%. If equity is at least 66% of total resources, the company has a high financial autonomy, presenting almost certain guarantees to benefit by medium and long term bank loans.

$$R_{FA} = \frac{\text{Equity}}{\text{Total Assets}} \times 100$$

- **Rate of financial debt repayment through internal capacity of self-financing(CAF)** - This rate expresses the number of years in which the company is able to repay its long-term debts incurred, based on internal self-financing capacity. The banking regulations are imposing a maximum of three years for debt repayment based on self-financing capacity of the loan requesting company.

$$R_{CAF} = \frac{\text{Long and Medium Term Debts}}{CAF}$$

- **Rotational speed of total assets** – it total reflects the efficiency usage of assets. Being a synthetic and qualitative indicator it reflects changes in the operational and financial activities of the enterprise. VRAT characterizes the supply, production and cost reduction policies at the level of the company, shortening the production cycle and the period of sale and receipt of production.

$$VRAT = \frac{\text{Turnover}}{\text{Total Assets}}$$

- **Return on Equity** – measures the company's ability to make profit from the usage of it own capital. The financial return is used to remunerate shareholders either through dividends or by increasing company's reserves, which actually represents an increase of the intrinsic value of shares. This rate should register values above the average bank interest rate in order that a business/a company should be considered profitable.

$$ROE = \frac{\text{Net income(After tax)}}{\text{Shareholder Equity}} \times 100$$

Another criterion considered by the banking sector in awarding investment loans, especially to companies demanding financial support tools in order to carry out projects financed by European funds is the analysis of cash flows in future periods.

3. USAGE OF THE FINANCIAL INDICATORS FOR THE ANALYSIS OF THE BANKABILITY OF INVESTMENT PROJECTS

As I mentioned in the previous chapter, the banking sector when performing financial creditworthiness analysis is using several financial indicators from which emerged five financial indicators which seem to be widely used by banks in Romania (Firtescu, 2008). In order to test the relevancy of these indicators were selected a set of 50 companies from the north-western region of Romania which benefited from the Operational Programme - Increase of Economic Competitiveness - Axis 1 in order to increase their competitiveness, production capacity and to diversify their operations. The financial statements of these companies were analysed to determine correlations between the indicators proposed.

The first step was the determination of financial indicators presented in the previous chapter for each company studied. In the second stage we measured the distribution of each indicator separately using the normal distribution (Gauss) because it can approximate most distributions. By definition, the variable X is a normal distribution of parameters m (mean) and s (dispersion) if its probability density is (Brooks, 2008):

$$f(x) = \frac{1}{\sigma\sqrt{2\pi}} e^{-\frac{(x-\mu)^2}{2\sigma^2}}$$

and the distribution function is:

$$F(x) = P(X < x) = \int_{-\infty}^x f(u) du$$

To determine the dispersion for reimbursement capacity and for the financial rate of return, since the range of values corresponding to these indicators generated many insignificant (0 or values which tend towards 0), we used Student dispersion (van Hauwermeiren et al, 2012). Student dispersion is used for low volume samples, less than 30, or when a normal distribution approximation is unsatisfactory.

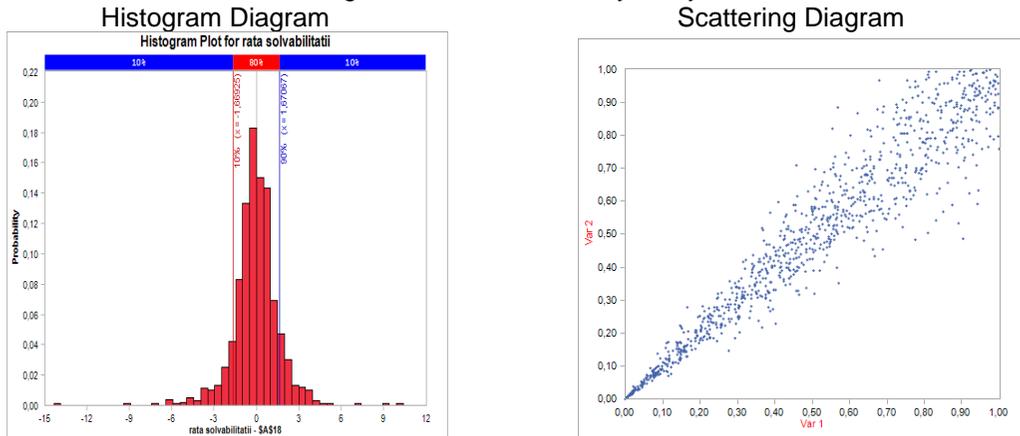
By definition, the probability density of Student distribution is:

$$f(t) = \frac{\Gamma\left(\frac{\nu+1}{2}\right)}{\sqrt{\pi\nu}\Gamma\left(\frac{\nu}{2}\right)} \left(1 + \frac{t^2}{\nu}\right)^{-\frac{\nu+1}{2}}, t \in \Re, \nu \geq 1$$

Where the distribution parameter n is called the degrees of freedom and can take the values 1, 2, ..., n . Where n is the degree of freedom greater than 30 Student distribution is equivalent to the normal distribution. In stage three the scattered diagrams were determined for each financial indicator evaluated. The scattered diagram was obtained by plotting the values of the indicators which are related to the same element in the sample (VoseSoftware, 2014). From the analysis of the cloud of points obtained we can easily analyze common distributions, marginal distributions, as well as information about

how the association of variables influences the analysis.

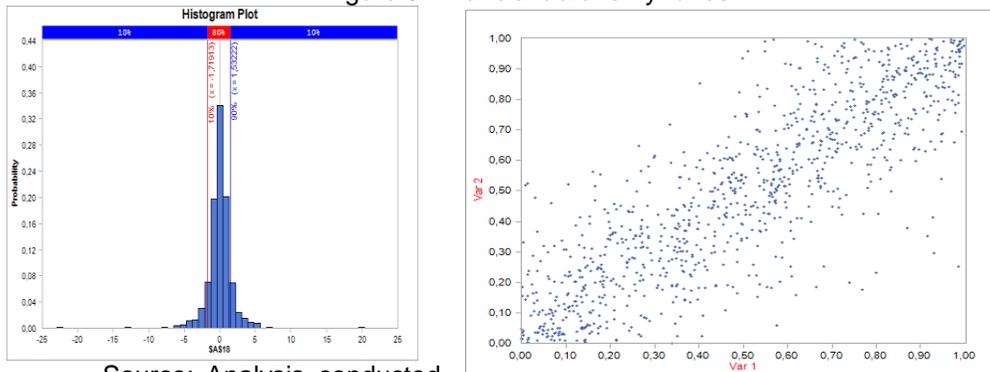
Figure 2. Rate of solvency analysis



Source: Analysis conducted by author with application ModelRISK - VoseSoftware

As shown in the figure above most companies fall into conditions surrounding the solvency of 80% of companies in the range of 1 to 1.5. The analysis of the scattering diagram shows a close positive correlation of this indicator.

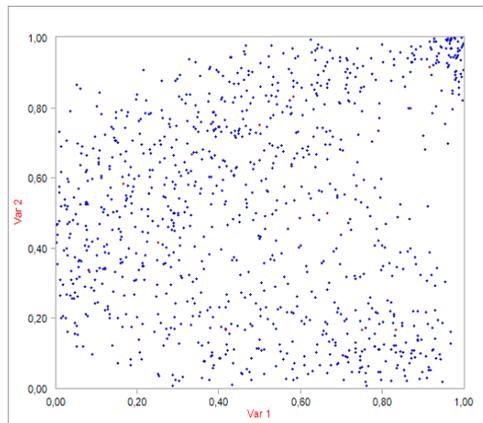
Figure 3 Financial autonomy ratios



Source: Analysis conducted by author with application ModelRISK - VoseSoftware

As shown in the figure above most companies fall into conditions surrounding the solvency 80% of companies in the range 0.3 to 0.5. Unlike the solvency ratio of the scattering diagram analysis shows a weak positive correlation of this indicator.

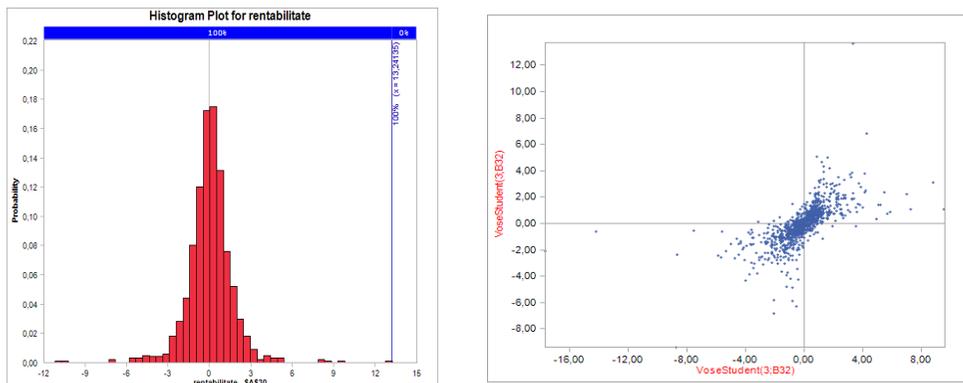
Figure 4. Rate of financial debt repayment through internal capacity of self-financing



Source: Analysis conducted by author with application ModelRISK - VoseSoftware

Rate of financial debt repayment through internal capacity of self-financing(CAF) unlike previous indicators do not show that correlation is present. Analysis of value indicators, of the calculated student distribution it shows an optimum value lower than 2. We can mention that this indicator is 0 for most of the companies which were analyzed, since most of them do not have registered long term debts.

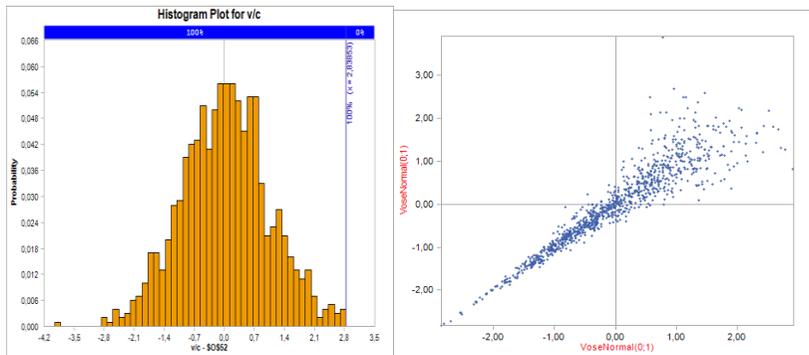
Figure 5. Return on equity



Source: Analysis conducted by author with application ModelRISK - VoseSoftware

For the analysis of the Return on Equity we used both types of analysis (histogram and the dispersion diagram). The analysis of the histogram reflects a threshold value of maximum 13% and minim 0%. In the same time the dispersion diagram represents a close relations and concentrations within the results.

Figure 6. The relation between the value of the investment and the turnover



Source: Analysis conducted by author with application ModelRISK - VoseSoftware

The relation between the value of investment and the turnover was also similar to the rest of the indicators analyzed.

As shown in the figure presented above the investment value and turnover should be in correlation, marginal values are indicating projects with value higher than the annual turnover of the company (in four projects 4, it was obtained even 10 times bigger turnover than the company value).

These kind of projects are not considered feasible for any banks in order to receive investment loans. In which concerns the evaluation of the projects at the level of the Management Authorities this criterion is not taken into account in evaluating financing projects, except the AM POR for 4.3 ROP Axis.

Conclusions

As mentioned by the ICE(2014) A project's bankability can be determined only after establishing its feasibility in terms of social, economic, financial, technical, environmental, and administrative factors. As observed from the above realized analysis, using ModelRISK – VoseSoftware, the chosen indicators performed with totally different results in the 50 selected case studies. An average recommended threshold can be determined for most of them except the Rate of financial debt repayment through internal capacity of self-financing, which seem to provide a large scale of results, impossible to quantify and to aggregate with all others indicators in a bankability analysis. A solution for a proper bankability analysis of the indicators can be using relative score or ponderation score charts.

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AN EMPIRICAL EXPLORATION OF CORPORATE ENTREPRENEURIAL ORIENTATION IN BIHOR COUNTY ROMANIA

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Abstract: *According to Schumpeter (1934) an entrepreneur is an individual who innovates and creates new combinations. Today entrepreneurship refers to a process of opportunity recognition and pursuit that leads to growth. It assumes an opportunistic approach to opportunities. It bears risks and it is associated with innovation' (Hsu et al., 2011). Last two decades have witness the birth of entrepreneurship at organizational level or corporate entrepreneurship (Sciascia and Bettinelli, 2013). Greblikaite and Krisciunas (2012) have identifies the main features that compound the modern entrepreneurship in an enterprise. According to them corporate entrepreneurship has four main components: (a) economic activity, (b) managerial activity, (c) social – cohesion activity and (d) technological and environmental activity. As an economic activity corporate entrepreneurship assumes the framework of the resource – based and transaction – costs theories, focusing on eliminating transaction costs within existing constraints in order to maximize profitability (Antoncic and Prodan, 2008). Striving for profitability, effectiveness, competitiveness, risks management, value and jobs creation are several indicators measuring the construct named economic activity (Greblikaite and Krisciunas, 2012). A second construct underlines that corporate entrepreneurship has a managerial dimension. Consequently entrepreneurs must focus on innovation, knowledge creation, team work and networking. With the advent of the new EU social cohesion policy, corporate entrepreneurship is characterized by responsiveness to different shareholders, including the society and by 'friendliness to problematic social groups' (Greblikaite and Krisciunas, 2012, p. 527). Finally appliance of technological and scientific research and focusing on renewable resources are the indicators of a forth component of corporate entrepreneurship, named Technological and Environmental activity. Synthetizing, the literature on corporate entrepreneurship identifies a central construct measuring the corporate entrepreneurship, named entrepreneurial orientation (EO). The multidimensionality of corporate entrepreneurship is reduced to a construct having only three dimensions: innovation, proactiveness and risk taking (Zahra and Nielson, 2002). For the purpose of this study principal component analysis has been chosen to conduct an exploratory analysis of the validity of scales used to measure the three dimensions of EO of firms in Bihor County. Factor scores have afterwards been used to bring empirical evidence supporting the positive effect of EO on organizational performance.*

Keywords: entrepreneurial orientation, entrepreneurship, OLS estimation

JEL classification: M10, C54

1. Entrepreneurial orientation

Covin and Slevin (1989) have identified three constructs defining the EO: (a) Innovation, (b) Proactiveness and (c) Risk Taking (Pato and Teixeira, 2013). Later, Lumpkin and Dess (1996) add two more dimensions to EO: (a) autonomy and (b) competitive aggressiveness. As some researchers argue that competitive aggressiveness is part of proactiveness dimension and autonomy is a precursor of EO we have chosen to limit the present research to the three dimensions identified initially by Lumpkin and Dess (1996).

According to Sciascia and Bettinelli (2013) innovatively defines:

- the proclivity to try new ways to conduct business, to organize production;
- the willingness to adopt new ideas and methods;
- the importance of research and development function within the organization;
- seeking creative, extraordinary solutions to existing problems
- the frequency of launching new products or approaching new markets.

Innovatively was first identified as a core element of entrepreneurship by Schumeter (1934). According to him the entrepreneur maximizes profits by means of innovation in: (a) new products, (b) new production methods, (c) new markets and (d) new forms of organization.

Risks taking refers to proclivity to undertake actions with uncertain outcomes. Such outcomes can result in negative results. Although a plethora of studies in the field of entrepreneurship focus on identifying traits favoring entrepreneurship, Knight (1921) adequately has shown that ultimately it is the change which distinguished between success and failure in business. As a personal note, although such studies are preferable to analysis making inferences based on qualitative studies (i.e. case studies), they suffer from sample selection bias and therefore their results are questionable. Consequently we prefer the conclusion of Knight (1921), even if we do not agree with him in differentiating between risks and uncertainties based on the distinction between subjective and objective probabilities (Constangioara, 2010).

Proactiveness is 'an opportunity seeking forward looking perspective involving introducing new products or services ahead of competition and acting in anticipation of future demand to create, change and shape the environment' (Vij and Bedi, 2012, p. 20).

We build a measurement model of EO composed of three dimensions. The indicators used to quantify innovation, risks taking and proactiveness are based on a questionnaire taken from Wang and Yen (2012) (table 1).

Table 1. Factors and indicators of EO

Dimension	Indicator
Innovativeness	Acting quicker than competitors
	New lines of products
	Major changes in product or service lines
Risks taking	Top management has a strong proclivity towards high-risks projects
	Bold, wide-ranging acts to achieve objectives
	Bold, aggressive posture to maximize the probability of exploiting new opportunities
Proactiveness	The 'undo –the competitors' posture
	Introducing new administrative techniques, operating technologies
	Acting quicker than competitors

Source: Based on Wang and Yen (2012)

Table 1 presents the indicators used to measure the innovativeness, risks taking and proactiveness dimensions of the EO. Obviously there is some overlapping especially between innovativeness and proactiveness. We see that both factors refer to the way the organization is acting as compared to competitors. Yet whereas innovativeness' output is given by products/services, in the case of proactiveness the output is primarily given by new administrative techniques, operating technologies.

2. Empirical studies of entrepreneurial orientation of firms in Bihor County Romania

In autumn 2013 we have conducted a research targeting an initial sample of 100 Romanian companies. Data was collected using a survey-based questionnaire returning 30 usable responses, covering firms from various industries

We use the same questionnaire proposed initially by Wang and Yen (2012) to measure the extent of EO of firms in Bihor County Romania. Our measurement model relies on a five point Likert type scale, asking respondents to rate on a five –point Likert type scale (1=strongly disagree, 5= strongly agree) the degree of EO in their firm as compared to competitors. The questionnaire is based on the indicators presented in table 1.

The survey was pre-tested and validated using the feedback of local supply chain managers. Afterwards, the measurement model was tested using a principal component analysis. The proposed measurement model required refinement. Testing is ensured by existing statistical techniques in the field.

Our proposed methodology allows for exploring the validity of scales used to measure EO.

In order to assess the organizational performance we rely on Richards et al. (2009) to choose a financial indicator as dependent variable in an OLS estimation of the relationship between organizational performances and EO. For the required analysis we have chosen to use the statistical package Eviews 7.

2.1. Results

Table 2 shows the correlations between indicators measuring innovativeness.

Table 2. Pearson Correlation Coefficients for indicators of volatility (H0: Rho=0)

	Acting quicker than competitors	New lines of products	Major changes in product or service lines
Acting quicker than competitors	1	0.58 (p<0.001)	0.47 (p=0.0003)
New lines of products	0.58 (p<0.001)	1	0.42 (p=0.0012)
Major changes in product or service lines	0.47 (p=0.0003)	0.42 (p=0.0012)	1

We see that innovativeness scale displays relatively high correlations among its indicators. All correlations are statistically significant at $p=0.005$.

Table 3 presents the results of principal component analysis of the measurement scale of innovativeness.

Table 3. Principal component results for scale measuring volatility

	Factor loadings	Final Communality estimates	Variance explained by factor
Acting quicker than competitors	0.85	0.72	1.98
New lines of products	0.83	0.68	
Major changes in product or service lines	0.76	0.58	

Only one factor has been identified. All loadings are very high (above 0.7). Final communalities estimates are also relatively high for each variable. Total variance explained by the factor is 1.98 out of 3 (66%). Cronbach's alpha is 0.74, above the recommended threshold of 0.7.

Table 4 shows the correlations between indicators measuring risks taking.

Table 4. Pearson Correlation Coefficients for indicators of risks taking (H0: Rho=0)

	Strong proclivity towards high-risks projects	Bold, wide-ranging acts to achieve objectives	Bold, aggressive posture to maximize expose to opportunities
Strong proclivity towards high-risks projects	1	0.69 (p<0.001)	0.48 (p=0.002)
Bold, wide-ranging acts to achieve objectives	0.69 (p<0.001)	1	0.52 (p<0.001)
Bold, aggressive posture to maximize expose to opportunities	0.48 (p=0.002)	0.52 (p<0.001)	1

Indicators of risks taking display high correlation coefficients, comparable to those measuring innovativeness.

Table 5. Principal component results for scale measuring risks taking

	Factor loadings	Final Communality estimates	Variance explained by factor
Strong proclivity towards high-risks projects	0.87	0.75	2.13
Bold, wide-ranging acts to achieve objectives	0.88	0.78	
Bold, aggressive posture to maximize expose to opportunities	0.77	0.60	

As expected only one factor has been identified. Loadings exceed by far the recommended threshold of 0.4. Final communalities estimates are also relatively high for each variable. Total variance explained by the factor is 2.13 out of 3 (71%). Cronbach alpha is 0.79, above the 0.7 threshold.

Table 6 shows the correlations between indicators measuring proactiveness.

Table 6. Pearson Correlation Coefficients for indicators of proactiveness (H0: Rho=0)

	The 'undo –the competitors' posture	Introducing new administrative techniques, operating technologies	Acting quicker than competitors
The 'undo –the competitors' posture	1	0.45 (p=0.005)	0.10(p=0.46)
Introducing new administrative techniques, operating technologies	0.45 (p=0.005)	1	0.34 (p=0.0091)
Acting quicker than competitors	0.10(p=0.46)	0.34 (p=0.0091)	1

In this case the correlation coefficients are lower than in previous cases. This results in lower variable loadings, lower final communality estimates and lower variable explained by the factor (table 7).

Table 7. Principal component results for scale measuring proactiveness

	Factor loadings	Final Communality estimates	Variance explained by factor
The 'undo –the competitors' posture	72	0.52	1.62
Introducing new administrative techniques, operating technologies	86	0.74	
Acting quicker than competitors	60	0.35	

Indeed we see that table 7 displays lower factor loadings, lower final communalities and lower total variance explained. The results in table 7 are above recommended threshold. The Cronbach alpha coefficient is 0.56, below the threshold.

In what follows we have used the factor scores for Risks taking and Innovativeness in a regression measuring the partial effect of EO on organizational performances (table 8).

Table 8. OLS results of performance modelling

Variable	Parameter Estimate	Pr > t
Intercept	3.51668	<.0001
innovativeness	0.09295	0.00
risks	-0.03956	0.09

Table 8 reveals that only innovativeness is statistically significant ($p=0.00$). The p-value for risks is only marginally significant at 10%.

3. Conclusions

A key construct defining the corporate entrepreneurship is represented by the concept of entrepreneurial orientation (EO). There is widespread agreement in the entrepreneurship literature that in today's volatile environment organization could benefit from adopting EO (Wang and Yen, 2012). There is also agreement on the existence of a positive relationship between EO and organizational performance (Sciascia and Bettinelli, 2013). According to same authors, firms that possess a higher degree of EO are said to be more successful than their counterparts.

Empirical analysis revealed that further refinement of the scales was unnecessary. All variable loadings were above the 0.4 threshold. Consequently our analysis proved that scales used to assess EO are unidimensional. Yet only scales for innovativeness and risks taking are deemed reliable by our alpha coefficients (>0.7). In the case of proactiveness the Cronbach alpha was only 0.56. This brings supporting evidence that the proactiveness dimension of EO is not reliable in the context of firms in Bihor county. One possible explanation is given by the overlapping content of innovativeness and proactiveness. Although innovativeness focuses on products and services whereas proactiveness on instruments and tools, both factors refer to how quickly the firm is acting as compared to competition. Our results show that firms in Bihor County does not consider important to differentiate between the outcomes of innovativeness and proactiveness. Consequently in Bihor County EO retains only two dimensions: Risks taking and Innovativeness. Further OLS estimation has revealed that only innovativeness is statistically significant. In Bihor County firms that have a proclivity to innovate have better organizational performances. Perhaps surprising, risks ventures do not bring the expected positive and statistical significant impact on performance. It might be that proper risks management strategies are needed to counteract a high volatility in the business environment. Without such strategies the risky behavior results in negative consequences on the organizational performances.

We appreciate that further research should control for environmental turbulences in order to better assess the impact of EO on organizational performances. Also as a direction for future research we propose controlling for different characteristics of firms and industries.

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