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SECTION I

REGIONAL DEVELOPMENT STRATEGIES AND POLICIES

THE NEW COMMON AGRICULTURAL POLICY OF THE EUROPEAN UNION

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Abstract

The Common Agricultural Policy (CAP) is one of the first common policies adopted by the European Union and it is the most integrated European policy in the European Union. Regarding the new Common Agricultural Policy, this will be a greener Common Agricultural Policy, which will support the transition to a more sustainable agriculture, with major objectives in what the climate, environment and animal welfare are concerned. Stimulating organic farming is an important step for each country's economy because the future of Europe, of all the people, depends on a healthy planet. We can state that the new Common Agricultural Policy marks the beginning of an evident change in the way we practice agriculture in Europe. The directions of the new Common Agricultural Policy are: a more equitable Common Agricultural Policy, a greener Common Agricultural Policy, a more flexible Common Agricultural Policy. These objectives will be implemented from January 2023 by all Member States, which will have to develop strategic plans.

The article presents the analysis of the directions of the new common agricultural policy and states new elements for a long-term sustainable development framework in Romania together with the rest of the member states of the European Union, which must move towards the new type of "green" agriculture.

Keywords: *Common Agricultural Policy, green agriculture, strategic plan, sustainable development*

JEL classification: *Q01, Q18, Q15*

Introduction

In the economy of any country in the European Union, agriculture is a very important branch, which influences all citizens.

With a history of over 50 years, the Common Agricultural Policy (CAP) was the first measure developed and adopted by the European Union and is one of the major policies of the Union, both in terms of budget and impact on Europeans who have been in the field of the CAP are in favor of rural development. In my opinion, despite the reforms of recent years, the CAP has not developed sufficiently to support or stimulate food sovereignty or agro-ecological strategies. A change of direction is needed and the CAP needs to be better implemented in the European Union (EU).

The Romanian farmer and those from the member states of the European Union must adapt to the existing economic reality at European and world level and adopt technical and economic methods that offer him economic stability and efficiency. At the same time the products obtained must be in accordance with market standards European and world.

In the current context, for the economic and social recovery, following the impact of the Covid 19 pandemic on the economy of each country, a recovery plan for Europe is needed. In this regard, the European Commission proposes a consolidation of the funds available to support farmers and rural areas and which aims to achieve the objectives of the European Green Pact.

1. Objectives of the future Common Agricultural Policy

The objectives of the future Common Agricultural Policy must be to develop smart and resilient agriculture that has an attractive level of support and meets the financial needs of

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farmers. "In order to have a healthy planet, sustainable food systems are a central element of the European Green Pact, the EU's strategy for sustainable and inclusive growth." (European Commission, Strategy, Priorities 2019-2024, A European Green Deal, Agriculture and the Green Deal). It is designed to boost the economy, improve people's health and quality of life, and care for nature.

During this period, global climate change with repercussions on the environment is a danger to Europe and the world. In this context, the European Green Pact¹ will help the EU to transform Member States' economies into modern, competitive and resource-efficient economies. The European Green Pact can be seen as a lifeline for a way out of the COVID-19 pandemic. This is why it will be funded with **one third** of investments amounting to **1 800 billion** from NextGenerationEU Recovery Plan and with funds from the EU budget for seven years.

"The objectives" (European Commission, Strategy, Priorities 2019-2024, A European Green Deal, Agriculture and the Green Deal) of European Union (EU) in the field of the CAP are:

- to ensure access for all and permanently to food necessary for a healthy life in the conditions of climate change
- to reduce the negative effects of the food system on the environment and the climate
- to strengthen the resilience of the food system
- to determine a global transition to competitive sustainability, from farm to consumer.

In my opinion, taking into account the period we are going through - the Covid crisis 19 - I consider that a shock-resistant system is indispensable for all states despite the disturbing factors. The resilient system is the system on which shocks can not cause significant losses. In this sense, the objectives of the new Common Agricultural Policy aims to include services provided by nature in economic formula, because we can not talk about developing an economy if there are no resources.

In the period 2023-2027, the common agricultural policy will be based on 9 main objectives that take into account social, economic and of course environmental protection. These must be taken as a starting point in the CAP strategic plans of the Member States of the European Union.

These objectives, as we can see in figure 1.1, aim at:

- to bring farmers a fair income;
- to encourage competitiveness;
- to balance the food chain;
- to combat climate change;
- to protect the environment;
- to conserve landscapes and biodiversity;
- encourage generational renewal;
- to support the revitalization of rural areas;
- to promote food quality and health.

¹ The European Green Pact - The Green Pact is the EU's new growth strategy, which aims to put Europe on the path to a climate-neutral, equitable and prosperous society with a modern, efficient economy. of resource use and competitiveness <https://www.consilium.europa.eu/en/policies/green-deal/>

Figure 1.1 - CAP objectives



Source: European Commission, Common agricultural policy, New CAP: 2023-2027, Key policy objectives of the new CAP

2. Financing of the Common Agricultural Policy

"The CAP contributes to the EU's rural development goals with the help of the European Agricultural Fund for Rural Development" (EAFRD) (European Commission, food-farming-fisheries, Key policies, Common agricultural policy, Rural development). Rural development programs are co-financed from the Member State budget and can be developed at national or regional level.

Agriculture is financed by the European Union through the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development and is based on the Common Agricultural Policy.

- **EAGF** - European Agricultural Guarantee Fund - for measures to regulate or support agricultural markets and for direct payments to farmers in the context of the common agricultural policy

- **EAFRD** - European Agricultural Fund for Rural Development - to finance rural development programs.

The European Commission is the institution of the European Union that is responsible for overseeing, if this policy is funded fairly, comprehensively and transparently.

"Next Generation EU" (European Commission, Strategy, Recovery plan for Europe, May 2020) is the new direction of recovery, through which the European Commission proposes to increase the budget for the European Agricultural Fund for Rural Development by EUR 15 billion to help rural areas make the necessary changes in line with the objectives of the European Green Pact. Rural areas through rural development will play a key role in making the transition to a green economy. These funds meet the broad climate and environmental objectives set out in the new biodiversity strategy and the new "Farm to Consumer Strategy" (European Council, Policies, From Farm to Fork , May 2020).

The European Agricultural Guarantee Fund (EAGF) under the CAP will be increased by EUR 4 billion, while the European Agricultural Fund for Rural Development (EAFRD) of the CAP will be increased by a further EUR 5 billion.

Commission proposal from 2018 on the future CAP , provides that Member States will be able to opt for the transfer of 15 % of their CAP allocations, between direct payments and rural development. (European Commission, EU budget:the Common Agricultural Policy beyond 2020 – Bruxelles, June 2018) Thus, any country is moving in a direction that will allow it to better adapt its policy to the needs of its own agriculture.

3. The future Common Agricultural Policy - a framework for long-term sustainable development

The characteristics of the rural space represent important landmarks in achieving a sustainable development. Talking about "rural development" and trying to establish the priorities of this sector is, in my opinion, one of the most ambitious and difficult projects. By rural development we mean the development of rural communities, which represents a whole process of territorial development, including economic, social, cultural, political aspects. In order to achieve a sustainable economic development of rural areas, the financing of the rural environment through European funds has an essential role.

The Romanian rural economy and that of the member states of the European Union is largely dominated by agriculture. In the current context of the market economy, the future Common Agricultural Policy can be considered a real pillar of support for rural development.

CAP strategic plans (European Commission, Communication from the Commission to the European Parliament, the Council, Recommendations to Member States - Bruxelles, December 2020), are of major importance in this transition. Through the CAP's strategic plans, Member States will show how they can achieve these diverse goals, including economic recovery and the assurance that their farmers meet environmental and climate requirements. Member States must also explain how they will use the funds from both pillars of the CAP in support of their strategy. The proposed targets will be periodically assessed to measure progress.

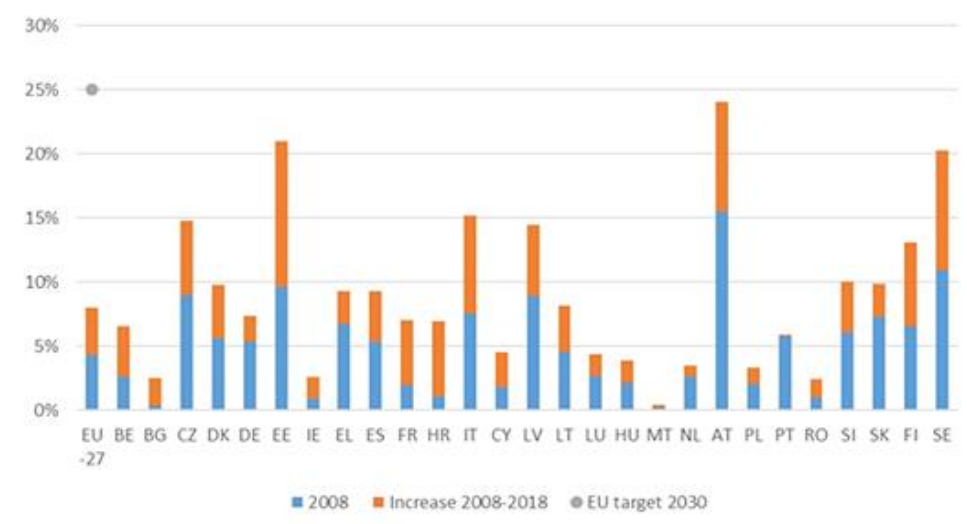
I believe that each Member State 's strategic plans are an important element in achieving the objectives of the future CAP. They must be efficient, adapted to the agriculture and economy of each country, to the needs of each Member State. When drawing up CAP strategic plans, Member States must ensure transparency and aim at targeting support for long-term sustainable development.

The strategic plans of the CAP of each Member State must be drawn up in such a way as to achieve the objectives of the Green Pact.

Rural areas offer many opportunities, but unfortunately many of them face a dynamic of depopulation and / or aging that requires effective solutions to **attract young people** , including in the agricultural sector. Young people must be attracted to agriculture because they come up with new ideas and use new technologies essential for the future. Only by integrating young people into agriculture can we keep rural areas alive.

The strategic plans of the CAP must contribute to a healthier food environment, paying attention to food loss and waste. **Agro-ecological agriculture** is the one that contributes to the protection of the environment. The European Commission is supporting Member States with certain directions that need to be included in national action plans on organic farming, in order to increase the share of organic farming at national level. Major differences can be noticed between Member States regarding the share of agricultural land currently used for organic farming, which varies from 0.5% to over 25%. As can be seen in the figure below (figure 3.1) in some Member States farmers have already adopted organic farming, but in others the use is very low.

Figure 3.1 Share of fully converted agricultural area converted and being converted to organic farming;



Source: EUROSTAT [org_cropar_h1] and [org_cropar]¹

A very important role in supporting farmers and rural areas in general I consider to be played by **innovation and digitalization in agriculture**. (European Commission, EU budget:the Common Agricultural Policy beyond 2020 – Bruxelles, June 2018)

Digitalization and new technologies are the determinants of the transition to sustainable and healthy development. Member States need to move to digitizing the agricultural sector in order to better optimize and monitor agricultural production processes and the implementation of the CAP. The Internet and the use of digital technologies will open the horizon for the renewal of generations in agriculture and the development of a rural, modern and sustainable economy, by increasing economic and environmental performance in this sector. **Increasing the consumption of organic products** will play a very important role in meeting the objectives of the CAP. Through this direction, farmers will be motivated to move towards organic farming. To this end, there must be measures to stimulate demand for these products. Measures that can be taken would be: information on organic production, promoting the consumption of organic products, encouraging the use of organic products in public canteens and increasing the distribution of organic products in the EU program for schools. At the same time, private companies can encourage organic farming through "organic vouchers" (European Council,Communication from the Commission to the European Parliament, The Council, The European economic and social Committee and the Committee of the regions on an action plan for ecological production development, April 2021) , which they offer to employees, and they can use them to buy organic food.To this end, the European Commission has developed an action plan for the development of organic production.

Regarding organic products, we must also keep in mind that these products are more expensive in stores than chemical products. High prices may be due to more expensive agricultural practices, strict tax legislation or due to low crop yields. I believe that each country could come up with certain support measures to increase the consumption of organic products by reducing certain taxes on these products. Also, organic education from the first years of kindergarten and school helps children to differentiate between food produced with

¹ The European Commission. CAP context indicator C.19 Agricultural area used for organic farming. Based on EUROSTAT [org_cropar_h1] in combination with [apro_cpsh1] and [org_cropar]. The data for Croatia refer to 2019

chemicals and organic. By consuming organic products we are healthier and we also protect the environment.

The European Commission aims to improve the performance of organic farming in terms of **sustainability** (European Commission, food – farming - fisheries, Sustainability, Environmental sustainability, CAP and environment, January 2019) . Thus, the measures will focus on improving animal welfare, ensuring organic seeds, reducing the sector's carbon footprint and reducing the use of plastics, water and energy. At the same time, the Commission intends to increase the share of research and innovation activities and to direct at least 30% of the budget for research and innovation in agriculture, forestry and rural areas for specific issues in the organic farming sector.

For his part, Commissioner for Agriculture Janusz Wojciechowski said: “(...) *The organic farming sector is recognized for its sustainable practices and sustainable use of resources, which gives it a central role in achieving the objectives of the Ecological Pact. In order to reach the target of 25% of land devoted to organic farming, we need to ensure that demand stimulates the growth of this sector, while taking into account the significant differences between the sectors of organic farming in each Member State. The action plan on organic farming provides tools and ideas to accompany a balanced growth of this sector .*” . (SUMMARY OF THE ACTIVITIES OF THE EUROPEAN Nr. 11/2021 22 to 28 March 2021 page 15 http://www.cdep.ro/afaceri_europene/afeur/2021/szs_3119.pdf)

Conclusions

In conclusion, the directions of the future Common Agricultural Policy are beneficial and opportune for the Romanian rural environment and not only, the recommendation being to capitalize on it as intensely as possible taking into account the fact that the future of Europe depends on a healthy planet. I reckon that the directions of action of the future Common Agricultural Policy will lead to multiple positive results:

- increasing productivity in the agricultural and agri-food sector;
- increasing the resilience of agricultural holdings to climate change;
- increasing the incomes of farmers and those in rural areas;
- attracting young people to agriculture;
- increasing the role of research in the production of agricultural products;
- efficient use of agricultural resources;
- increasing the quality of life in rural areas.

The positive results of the implementation of the future Common Agricultural Policy formulate new elements for a long-term sustainable development framework for a sustainable and competitive future. The future Common Agricultural Policy will support as many farmers as possible, help increase production and have an effect positive on the environment.

In the context of the coronavirus pandemic, the objectives pursued by this policy aim to strengthen the resistance of our countries to the current crisis and possible threats, such as: food insecurity, forest fires, various outbreaks of diseases, threats with negative effects on climate, through development strategies sustainable for agriculture.

The transition to a sustainable food and agricultural system can bring social, health and environmental benefits, as well as long-term economic benefits. The Covid 19 pandemic recalled the importance of a resilient food and agricultural system .

I believe that the recovery from the Covid 19 pandemic will put us on a sustainable path if we are to repair the damage caused by the crisis in a way that we can invest in our long-term future.

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THE IMPACT OF THE CORONAVIRUS PANDEMIC ON THE ENERGY SECTOR

Oana, Chindriș-Vășioiu¹
Mădălina, Tocan²

Abstract

In the context in which energy has become a vital component, a cost factor for economic development, the paper represents an analysis regarding the importance and approach of the energy sector in the European Union (EU), the energy strategy for Romania and an analysis of the energy crisis caused by the Coronavirus Pandemic. The article briefly presents the European Union's energy policy, which is a key element in achieving national energy strategies, each country, including Romania, acting in the energy sector so as to meet the EU's global and sustainable energy policy goals. The current Coronavirus crisis is having wider effects than those related to public health, with profound and long-term socio-economic consequences. Pre-existing factors leading to energy poverty have amplified all this time, by decreasing or losing revenue and increasing bills due to increased energy consumption..

Keywords: energy efficiency, energy markets, energy strategy, European Union

JEL classification: Q43, Q48.

Introduction

The interdependent world we live in is becoming more and more complex. Uncontrolled growth in consumption causes a drastic reduction of resources on a global scale, represents a challenge for our society and affects the sense of security that plays a key role in quality of life, with serious consequences for the environment.

The energy sector has begun to face growing problems caused by population growth and, implicitly, by increasing consumption. The consumption increasing has led to an increase of the resources used in production, which increases the risk of depletion of natural resources. Thus, European states have faced a decrease in the amount of resources.

European energy policy comes to explain the challenges facing Europe in the 21st century, namely: lack of resources, dependence on gas imports and the risks to which European countries are exposed. These risks include increasing global energy demand and consumption, the lack of diversity of renewable energy sources, but also the absence of a single energy market to maintain the stability of this sector. Energy policy addresses issues such as the internal energy market, energy security and the climate change component.

Recent developments of the European policy in the field of energy and environmental security have led to a new strategy for achieving the Energy Union for the European Union states, with priority given to those facing problems in supporting energy needs. (Naumescu and Moldovan, 2019, p.198)

1. European Union energy policy

The EU's energy challenges include aspects such as: increasing import dependence, high and volatile energy prices, rising of global energy demand, security risks which affect the producer and transit countries, growing threats of the climate change, decarbonisation, slow progress towards energy efficiency, the challenges arising from the growing share of renewable energy, and also the need for a greater transparency and better integration and interconnection in energy markets. The EU's energy policy has at its center a set of various

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measures aimed at achieving an integrated energy market and ensuring security of energy supply and the sustainability of the energy sector.

Energy security continues to occupy an important place on the European agenda. The situation of the European energy security policy of the Member States is a topical issue. The main problem of the Energy Union is related to the distribution infrastructure of the interconnecting corridors, which unfortunately still revolve around political stakes of states that have economic interests, but also around the differences in status between states. This problem is not new in Europe and it can also be observed in the differentiated purchase price of energy resources from key energy policy actors.

The energy has always been a component of the European integration process. Thus, the Treaty on the European Coal and Steel Community (1951) and the Euratom Treaty on the Establishment of a European Atomic Energy Community (1957) focused on two of the most important energy sources, namely coal and nuclear energy.

With a view to creating a European energy market, regulatory activity in the field of energy at Community level has intensified and led, after 50 years, to a legal basis for EU energy policy under the Lisbon Treaty (2007), but also to the sharing of competences in this field between the European Union and the EU Member States. Article 194 of the Treaty on the Functioning of the EU sets out the objectives of the European Union's energy policy, namely:

- ensuring the energy market functioning;
- ensuring the security of energy supply in the Union;
- promoting the energy efficiency and energy saving, as well as developing new energy sources and renewable energies.

In 2015, the Commission launched the Communication on the Energy Union which sets out the vision for the future of the European energy system and the necessary steps to achieve it. The Energy Union is based on the three objectives of EU energy policy (competitiveness, sustainability and energy supply security) and focuses on five dimensions:

- energy security, solidarity and trust;
- the internal energy market;
- energetic efficiency;
- economy decarbonization;
- research, innovation and competitiveness.

The creation of a fully functioning Energy Union contributes to boosting the EU economy, its energy security and its commitment to combating climate change, while offering a wider range of options and lower prices for EU consumers and businesses.

To achieve the objectives of the European Green Deal, the European Commission have launched in 2020 five EU strategies for integrating energy systems, hydrogen, reducing methane emissions, harnessing the potential of offshore renewable energy, and renovating buildings in Europe. Also, in addition to the European Commission's efforts, European energy ministers decided to adopt three sets of Conclusions in the fields of the European hydrogen market, European cooperation related to offshore renewable energy and the impact of the COVID-19 pandemic on the energy sector in Europe. (Ministry of Foreign Affairs, 2021)

The support provided by the European Green Deal is a key factor for the transition to low-carbon energy industries across the European Union. The researchers are increasingly concerned about the impact of economic activities on the environment. For this reason the climate change has become a priority on the decision-makers' agenda. The sanitary crisis caused by the Coronavirus Pandemic has heightened the concerns about climate change and drew the attention to increasing sustainability and environmental protection around the world.

The need for decarbonisation has generated changes in the governments and companies global strategies in terms of energy efficiency and renewable energy sources.

However, denial of climate change, populist movements and the low adoption of renewable energy sources in some countries have undermined the efforts made so far to decarbonise and combat climate change.

Neutrality in the greenhouse gas emissions has been defined as a 2050 target for the European Union, a goal set out in the European Green Deal. This is a legal commitment, a set of initiatives aimed at facilitating Europe's transition to a clean and circular economy through the efficient use of resources, the restoration of biodiversity and the reduction of pollution in all its forms. The implementation of the agreement addresses various levels, such as agricultural innovation, investments in hydrogen for energy purposes, renovation of buildings stock, offshore energy, minimization of current pollution and various forms of sustainable investment.

By 2030, the target for reducing greenhouse gases is 50% - 60% compared to 1990 levels. One of the main modalities through which the European Commission aims to achieve climate neutrality is the decarbonizing the energy sector. Emissions carbon trading or carbon offsetting and reduction projects are short-term solutions to a pressing problem. 75% of the EU's greenhouse gas emissions come from energy production and use in economic sectors. (European Commission, 2021)

The year 2021 began with a European diplomatic approach to setting out, in the form of Council of Europe Conclusions, the EU's goals of accelerating the global energy transition, the relevance of strengthening energy security and the EU and its partners resilience, and also of the importance of deepening cooperation in relevant international fora in the field of energy diplomacy and climate change. (Council of the European Union, 2021)

2. Romania's Energy Strategy

Energy security represents, along with competitiveness and sustainable development, one of the Romania's energy strategy pillars. Our country has the necessary resources to grow the energy system, and this must be prepared to support the development of industry and agriculture, of the economy as a whole, as well as improving the quality of life in both urban and rural areas. These resources must be harnessed in order to shift from an expectation paradigm to a proactive and courageous development paradigm, respecting, of course, the principle of sustainability.

The development of the energy sector is part of Romania's development process. Romania's energy development means: the use of non-polluting innovative technologies in all subsectors of the energy system and the maintenance of Romania as an energy supplier state, a factor of energy stability in the southern European area; building new production capacities based on clean top technologies; the transition from solid fuels (coal, lignite, etc.) to natural gas and renewable energy sources; refurbishment and modernization of existing production capacities and their compliance with environmental norms, strengthening of energy transmission and distribution networks; encouraging decentralized energy production; encouraging the growth of energy-efficient domestic consumption; export. Thus, the national energy system will be stronger, safer and more stable.

The Energy Strategy has eight fundamental strategic objectives that structure the entire analysis and planning approach for the period 2020-2030 and the time horizon of 2050. Achieving the objectives requires a balanced approach of the national energy sector development, both from the perspective of national and European regulations and from the investment expenditures. The objectives of the strategy support the achievement of the national targets assumed at the level of 2030:

- 43.9% reduction of emissions related to ETS sectors compared to the level of 2005, respectively by 2% of emissions related to non-ETS sectors compared to the level of 2005;

- 30.7% share of energy from renewable sources in gross final energy consumption;
- 40.4% reduction in final energy consumption compared to the PRIMES 2007 projection.

The objectives of the Energy Strategy are:

1. Ensuring access to electricity and heat for all consumers;
2. Clean energy and energy efficiency;
3. Corporate governance system and institutional regulatory capacity modernization;
4. Protecting the vulnerable consumer and reducing energy poverty;
5. Competitive energy markets, the basis of a competitive economy;
6. Increasing the quality of education in the field of energy and continuous training of qualified human resources;
7. Romania, regional energy security provider;
8. Increasing Romania's energy contribution on regional and European markets by capitalizing on national primary energy resources.

According to the vision and the eight fundamental objectives of the Strategy, the development of the energy sector is directly proportional with the realization of investment projects in the Romanian energy system. The production of electricity based on low carbon technologies, in which the transition from solid fossil fuels to natural gas, as a transition fuel, renewable energy sources and nuclear source represents priority projects, respectively digitization of networks projects, storage, the use of hydrogen and the energy efficiency measures will contribute to the achievement of the fundamental strategic objectives of national interest mentioned above.

The achieving of the strategic objectives requires a rigorous anchoring in the reality of the energy sector, with a good understanding of the international context and technological, economic and geopolitical trends.

In the Energy Strategy, an important place is destined to the analysis of the European context and the policies for the creation of the Energy Union. The strategy orients Romania's positioning in relation to the reform proposals of the European energy market and presents, through the operational objectives and priority actions, the intervention strategic options of the Romanian state in the energy sector.

At the same time, from the perspective of regional energy policies, the Strategy reiterates the importance of interconnections under construction in Central and South-Eastern Europe. They contribute to the development of energy markets and regional energy security mechanisms that will operate according to common EU rules. The vision and fundamental objectives defining took into account the country's energy resources, as well as the fact that Romania has and will continue to rely on a balanced and diversified energy mix, which provides credibility for ensuring the country's long-term energy security.

The Energy Strategy establishes that Romania will maintain its position as an energy producer in the region and will have an active and important role in managing stressful situations at regional level. The Strategy also analyzes the perspective of the national energy system for 2050. The projections for 2050, even if they have a higher degree of uncertainty, are relevant in terms of the vision and fundamental objectives of the development of the energy system assumed by the Strategy. These will be able to be outlined more clearly in the context of the Long-Term Strategy elaboration, a programmatic document which is under development, in accordance with the Regulation on the Governance of the Energy Union and Climate Action.

An important aspect of the development of the Romanian energy sector will be the ensuring of a fair energy transition by managing the transition social and economic effects, especially in mono-industrial and carbon-dependent regions. In this sense, the support of the European Union within the Mechanism for a Fair Transition and the dedicated structural

funds related to the new multiannual financial framework 2021 - 2027 will be particularly important for Romania.

In the context of the Clean Energy for All Europeans package and the European Green Deal, which impose the transformation of the energy sector through decarbonisation, based on clean, innovative technologies which cope to the competition on an integrated electricity market, it is necessary to adapt the Romanian energy sector to new development trends.

This involves a significant investment volume throughout the whole technological chain, from electricity generation, to smart gas and electricity transmission and distribution networks as well as to the reform of the electricity and gas market to face a new market model, based on efficient, clean, flexible energy capacities and innovative technologies in a regional and European competitive environment. (Ministry of Economy, Energy and Business Environment, 2020)

3. The energy crisis caused by the Coronavirus Pandemic

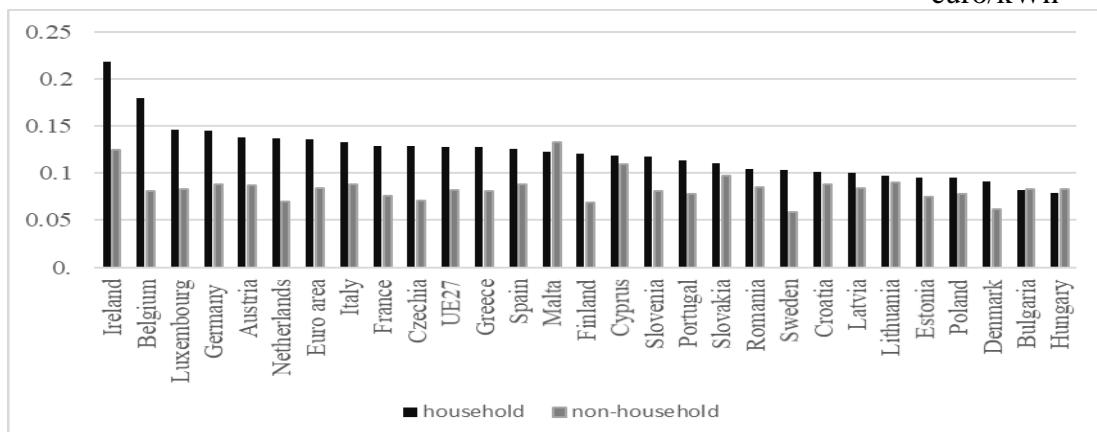
The Coronavirus pandemic is a major and serious public health crisis which affects the citizens, societies and economies around the world. The scale of the health crisis, but also the response measures taken at the policy level to control it are unprecedented. Therefore, the socio-economic impact of the crisis is far-reaching. From now on, it is clear that this presents unprecedented and strong challenges for the financial and economic systems of the EU Member States.

The shock felt by the EU economy is symmetrical insofar as the pandemic has hit all Member States; instead, the impact of the pandemic differs considerably from one Member State to another, and also their ability to absorb and respond to economic and fiscal-budgetary shocks, depending on the specific economic structures and initial conditions of the Member States. Therefore, there is a risk that this crisis will deepen disparities within the Union, threatening collective economic and social resilience. (European Commission, 2020)

The Coronavirus pandemic has affected both the world health system and the economic system. Implicitly, the effects were also felt on the energy sector. In the following paragraphs we will try to make an analysis of the impact that the Pandemic had on the energy sector of the EU member states.

Fig. no. 1 – Electricity prices in EU countries, second semester 2020

- euro/kWh-

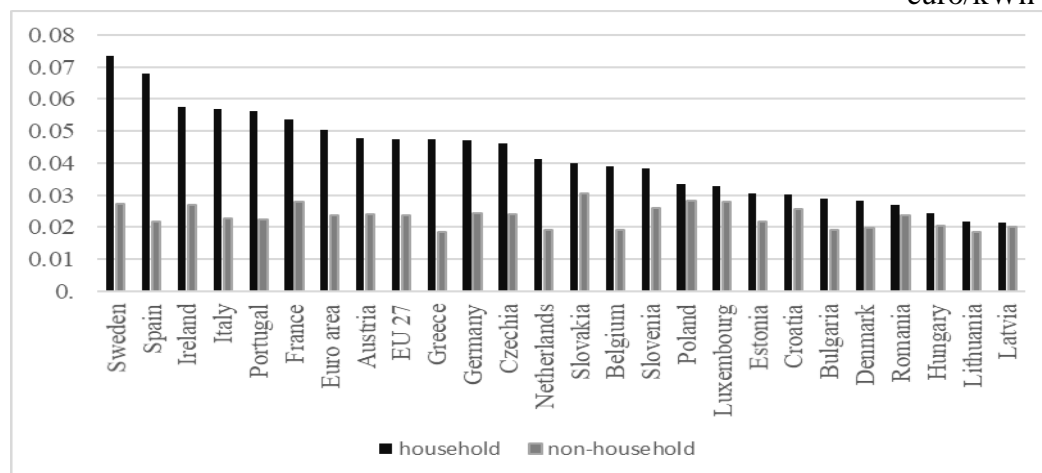


Source: Author's processing based on Eurostat data,
<https://ec.europa.eu/eurostat/data/database>

2020 was a special year because it was the year of the Coronavirus pandemic beginning in Europe, and European economies faced for the first time a crisis caused by health causes, not

economic ones. The economic aspects of the health crisis are unprecedented and they required a set of responses very different from those used to counter previous economic crises. However, if we refer to energy prices, they did not change significantly last year.

Fig. no. 2 - Gas prices in EU countries in the second half of 2020
- euro/kWh-



Source: Author's processing based on Eurostat data,
<https://ec.europa.eu/eurostat/data/database>

We started our analysis with the second semester of 2020, considering that in March last year, the World Health Organization was declared Coronavirus Panedemia worldwide.

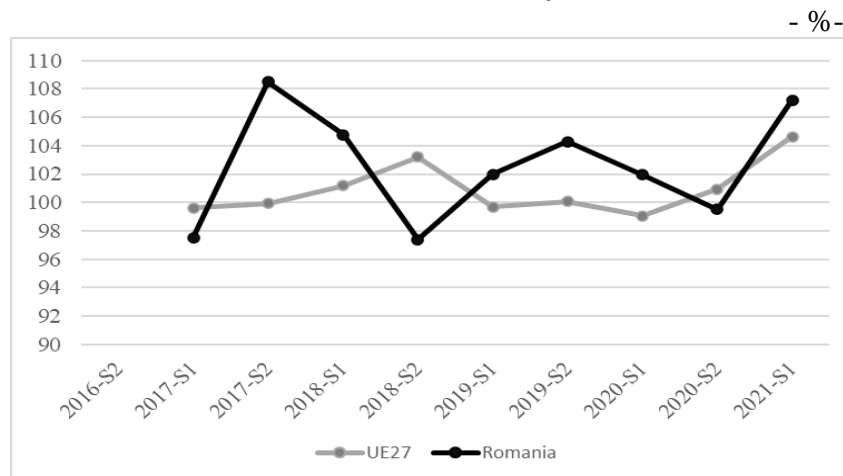
Based on the data presented in the above figures, we can observe that in the second half of 2020 in Romania there were relatively low levels of energy prices for domestic and non-household consumers, compared to other European Union countries. Also, the price of natural gas for household consumers was, during this period, the fourth lowest price in the EU.

Against the background of a relative economic recovery in the first part of 2021, but also due to a higher energy consumption, mainly among household consumers caused by working from home, over the past year, at europenan level the energy prices are rapidly and widely growing starting in the middle of this year.

The increase in electricity prices can also be explained by the increase in natural gas prices from imports, from non-EU sources, mainly from Russia, which prepares the ground for the putting in operations the Nord Stream 2 gas pipeline. We have to keep in mind that in the European Union about 20% of electricity production is obtained through natural gas plants. This leads to an increase in electricity prices at EU level in line with natural gas prices.

Regarding Romania, electricity prices for household consumers increased in the first half of 2021 at a higher rate than the average increase in prices in the European Union (Fig. no. 3). Besides, we can observe that in all the semesters of the last five years in which Romania registered an increase in the price of electricity for household consumers, this increase exceeded the average price increase in the European Union. The existence of this gap shows that, in addition to external factors, internal factors (high demand, supply strategy of producers, liberalization of the energy market, etc.) have played an important role.

Fig. no. 3 –The dynamics of electricity prices for household consumers in the EU and Romania in the last 5 years



Source: Author's processing based on Eurostat data, on <https://ec.europa.eu/eurostat/data/database>

Taking into consideration, the internal factors which influence the Romanian energy market, "beyond the necessary policies to protect vulnerable consumers, both domestic and industrial consumers, those procedures and market behaviors that induce deficiencies and amplify discrepancies at the level of price dynamics need to be radically reviewed". In this context, ANRE and the Competition Council have a key role, which must be exercised especially during this period.

However, it is essential that the current corrective measures do not induce adverse effects on the development of the energy sector in the medium and long term, do not discourage investment in new production capacities or jeopardize the security in the energy supply and our energy security.

In this regard, the intervention measures must be harmonized at European level and brought into line with European legislation, so that common problems at European level are addressed through converged national solutions that alleviate the imbalances in the energy market, not exacerbate them. "(Marinescu, 2021)

Conclusions

The Coronavirus pandemic produces wider effects than those related to public health, with profound and long-term socio-economic consequences. The factors leading to energy poverty have increased since last year, by revenues lowering or losing and bills rising due to increased energy consumption.

Public policies in the field of energy need to be strengthened in order to reach a resilient and fair market in which the consumer plays a leading role. The pandemic has given rise to economic imbalances that risk undermining social cohesion. In this context, it is necessary the development of a solidarity pact to reduce social inequalities, focusing on the health and well-being of the vulnerable population. A proper distribution of pandemic costs between households, state and private sector is necessary to protect the energy vulnerable population. We also emphasize the need for further efforts in research and development in order to better understand the impact of such global crises on the population in a state of vulnerability or energy poverty.

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THE TOOLS USED BY THE EUROPEAN UNION FOR CONFLICT PREVENT

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Emilia, Iordache²

Abstract

As a global player, the European Union promotes conflict prevention and resolution as a means of supporting peace and prosperity throughout the world. The European Union's overall strategy combines security, development and diplomatic action in support of common goals. The European Union ensures an integrated approach to conflicts and crises by using the comprehensive tools at its disposal - at all stages of a conflict, from prevention to crisis management - to contribute to lasting peace. The European Union strives to ensure stabilization and peace, in close coordination with the Member States, combining conflict prevention, mediation and peacebuilding in an effective way. With regard to conflict prevention, the European Union aims to address the structural risks of violent conflict through all relevant policies, instruments and instruments, in a timely and successive manner. In addition to conducting conflict analysis, the European Union uses specific tools, such as the European Union Early Warning System and Horizontal Scanning, to identify countries at risk of instability and / or violent conflict. Systematic analyzes of conflicts in countries in danger or facing conflict or instability, in which the European Union has a significant ongoing or planned commitment, are essential to play a key role in preventing and consolidating peace.

Keywords: *European Union, conflict, prevention, European Union early warning system, conflict analysis*

JEL classification: F50, F51

1. Conflict prevention - the general framework

The idea of conflict prevention is linked not only to the idea of avoiding armed conflict, but also to the prevention of violence, genocide, violent extremism and humanitarian disasters, including those in which natural phenomena play an important role.

Conflict prevention is a diplomatic approach that refers to a variety of activities and strategies within peacebuilding fields that are deployed to pre-empt and subsequently neutralise potential triggers to widespread violent conflict. Former UN Secretary-General Dag Hammarskiöld first articulated the concept of conflict prevention more than half a century ago (1954). Since its inception the concept has grown in popularity in fields of diplomacy as key actors and institutions have increasingly shifted from a culture of reaction of prevention in their approach to violent conflict. This shift towards a preventive approach to violent conflict has been accelerated by a number of moral, political and economic imperatives. The human suffering, destruction of communities and loss of lives that routinely occur in violent conflicts are the primary moral justifications for a preventive approach. Beyond these humanitarian considerations, the economic degradation that nations suffer whilst embroiled in violent conflict – through loss of livelihoods, destruction of property, loss of trade and foreign investment – demonstrates why a preventive approach is also an economic imperative for actors engaged in violent conflict. Furthermore, the detrimental humanitarian and economic effects of any violent conflict rarely reside within national boundaries. Once conflict has broken out the costly security and humanitarian interventions that often result cause the international community to place their citizens at risk – both directly and indirectly – as well as placing a huge financial burden upon the international community.

As early as 2016, the idea of peaceful conflict prevention and resolution was brought back to the forefront by the UN Under-Secretary-General, who urged that peace prevention and resolution be prioritized. Also in 2016 (during the presentation of the Secretary-General's

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Report on Policy Issues Concerning Special Political Missions), the President of the UN General Assembly, Peter Thomson, noted that never before in the history of the United Nations have so many forces been deployed of peace to address so many simultaneous security and humanitarian crises. The magnitude and number of crises worldwide have put unprecedented pressure on resources and increased attention has to be paid to conflict prevention, including through the use of special political missions and other diplomatic tools. On January 10, 2017, in an open ministerial debate of the UN Security Council on conflict prevention and peacekeeping, UN Secretary-General António Guterres outlined his vision for a renewed focus on prevention, and governments discussed ways to achieving the "peacekeeping" agenda.

2. The European Union's vision for conflict prevention

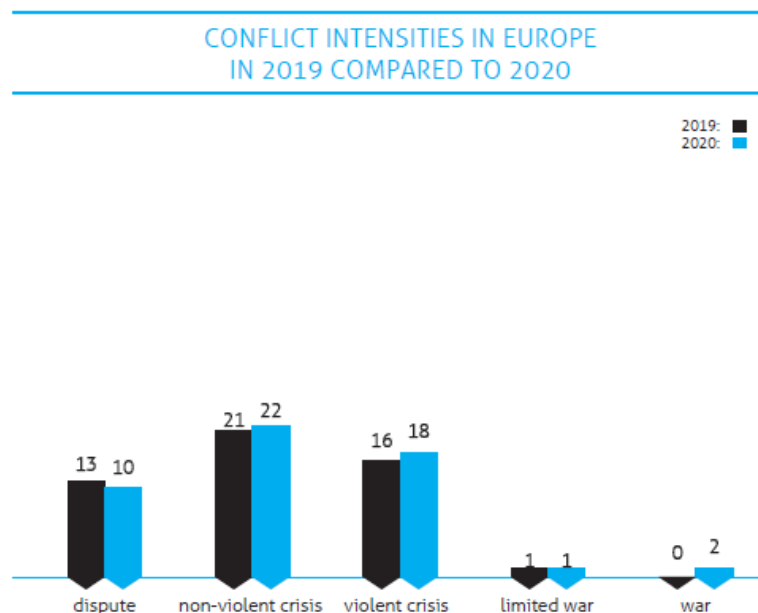
In recent years, the security environment of the European Union has changed dramatically. The main challenges to peace and stability in the EU's eastern and southern neighborhood continue to highlight the need for the Union to adapt and increase its capacity as a security provider, with a strong emphasis on the close link between external and internal security.

The Common Security and Defense Policy (CSDP) enables the European Union to play a leading role in peacekeeping, conflict prevention and strengthening international security. It is an integral part of the EU's comprehensive approach to crisis management, building on civilian and military resources. According to Article 21(2) (c) of the Treaty on European Union, conflict prevention is one of the objectives of the European Union's foreign policy.

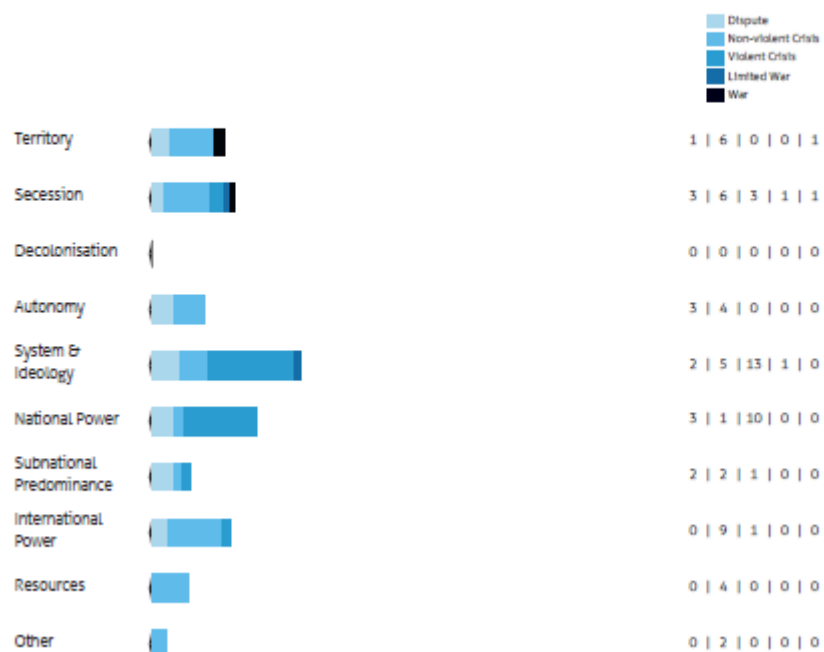
Many of today's challenges to peace, security and prosperity stem from instability in the EU's immediate neighborhood and evolving forms of threats.

According to the Conflict Barometer developed by the Heidelberg Institute for International Conflict Research for the period 01/01/2020–12/31/2020, the situation of conflicts in Europe is as follows (HIIK, 2021):

Figure no.1



FREQUENCY OF CONFLICT INTENSITIES BY CONFLICT ITEM IN EUROPE IN 2020



FREQUENCY OF CONFLICT INTENSITIES BY CONFLICT TYPE IN EUROPE IN 2020



Source: (HIIK, 2021)

An X-ray of Europe in 2020 reveals that, according to the data presented in the Conflict Barometer, there were crises or conflicts, at various levels of intensity, in the following states: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Greece, Estonia, France, Georgia, Germany, Lithuania, Moldova, Montenegro, Northern Macedonia, Romania, Kosovo, Serbia, Slovenia, Spain, Russia, Hungary, Ukraine, Turkey, United Kingdom. To these are added, most recently in 2021, the conflict situations in Poland and Belarus. It is observed that violent crises within the borders of nation-states (17) and interstate non-violent crises predominate as a frequency (10). In these circumstances, the creation and use by the European Union of tools to prevent conflicts and intervene in their dynamics is a necessity.

As early as 2014, European Commission President Jean-Claude Juncker stressed that we must "work to make Europe stronger in terms of security and defense" and that European and

national instruments must be correlated in a more effective than in the past, and in June 2015, the European Council recalled the need to mobilize EU instruments to help counter hybrid threats.

In addressing crisis and conflict prevention and management mechanisms, the EU starts from the fundamental premise that there can be no development without peace and security. As a global player, the EU promotes conflict prevention and resolution as a means of supporting peace and prosperity around the world. The EU's overall strategy combines security, development and diplomatic action in support of common goals. The EU ensures an integrated approach to conflicts and crises by using the comprehensive tools at the EU's disposal - at all stages of a conflict, from prevention to crisis management - to contribute to lasting peace.

3. The tools used by the European Union for conflict prevent

The EU strives to ensure stabilization and peace, in close coordination with Member States, combining conflict prevention, mediation and peacebuilding in an effective way. With regard to conflict prevention, the EU aims to address the structural risks of violent conflicts through all relevant policies and instruments in a timely and successive manner. In addition to conducting conflict analysis, the EU uses specific tools, such as the EU Early Warning System and Horizon Scanning, to identify countries at risk of instability and/or violent conflict. Systematic analyzes of conflicts in countries in danger or facing conflict or instability, in which the EU has a significant ongoing or planned commitment, are essential to play a key role in preventing and consolidating peace.

3.1 The EU Conflict Early Warning System (EWS)

The EU external action service has several instruments at its disposal to put conflict prevention into practice.

For the early identification of risk of violent conflict, and closing the gap to early action, Early Warning System helps to prioritize countries at risk of violence.

The EU Conflict Early Warning System (EWS) is a robust risk management tool that identifies, assesses and helps to prioritise situations at risk of violent conflict for non-EU countries (see Figure 1).

Figure. 1 Visualisation of the four steps of the EU Conflict Early Warning System



Source: (EEAS, 2014)

The EU conflict EWS is an evidence-based risk management tool that **identifies, prioritises and assesses situations at risk of violent conflict** in non-EU countries, focusing on structural risk factors with a time horizon of up to four years. The EU conflict EWS seeks to identify **conflict prevention and peace building opportunities** through joint, shared analysis and to develop timely, relevant, coherent and conflict-sensitive responses to prevent the emergence, re-emergence or escalation of violence. The EU conflict EWS is unique in its initial reliance on **quantitative data and in its scientific and systematic approach**, providing an evidence-based starting point for a shared conflict risk assessment. The entry point of the system is the Global Conflict Risk Index (GCRI), which forecasts the probability and intensity of violent conflict using structural indicators related to fragility and violent conflict. The EU conflict EWS **is not a prediction tool**, as it is always difficult to pinpoint the exact triggers for violence. There are, however, certain structural factors and indicators frequently associated with an increased conflict risk that the EU conflict EWS can help identify and mitigate. The EU conflict EWS assessment methodology facilitates EU-wide discussion of those risks and of integrated actions to mitigate them. The focus is on multiplying the preventive and peacebuilding impact of EU engagement, as well as its conflict sensitivity. (European Commission, 2020)

The essential elements of the EU conflict EWS are risk scanning, prioritisation, shared assessment and follow-up and monitoring.

Risk scanning is the preparatory component and aims to compile all available risk information into a single document, which serves as a basis for further prioritization and conflict risk assessment. The main resource is a quantitative index of conflict risk (the Global Conflict Risk Index – GCRI). As a structural conflict risk model, the GCRI does not cover recent events or conflict triggers. Findings from the index are therefore complemented with intelligence-based analysis from the Single Intelligence Analysis Capacity (SIAC) and the latest qualitative situation analysis from open sources and internal assessments across the EEAS and the Commission, including EU Delegations. The resulting global overview of conflict risk, compiled in Regional Risk Tables (RRTs), forms the starting point for prioritisation (Component 1).

Prioritisation allows the EU and Member States to focus resources and political action where the prospects for effective violence prevention are the strongest, also considering the EU's strategic interests.

The second component of the EU Early Warning System is **shared assessment and follow-up**; this brings together the country's broader teams (geographical and thematic experts from both the country and the headquarters) with the aim of identifying coherent options for conflict-sensitive preventive action, based on a common risk assessment and conflict dynamics.

In order to assess the structural risks of the conflict, a number of key factors related to human security are taken into account, covering 10 risk areas: Legitimacy; The rule of law; Security; Relationships between groups; Human rights; Civil society and the media; Society; Climate change, the environment and disasters; Economic performance and Regional stability. During this process, an assessment is made of existing and planned interventions and their impact on conflict risk factors. Such interventions include preventive or peace-building actions, as well as actions with other objectives (eg development, security, migration, policy) with a conflict-sensitive focus. As a next step, a Conflict Prevention Report (CPR) is prepared for each priority country, outlining key risks as well as options and recommendations for preventive and conflict-sensitive engagements across EU external action domains. (European Commission, 2020)

As a new component in the EWS, a follow-up mission will take place approximately one and a half years after the first in-country assessment. The follow-up mission will serve to: (1) update the structural risk factors assessment in view of changes in the risk environment of the country; (2) delve deeper into the assessment of the most relevant priority risk domains and related preventive actions by using analytical tools such as scenario planning and theory of change, and carry out conflict sensitivity assessments of specific programmes; and (3) assess the implementation of previously identified options for action, develop adjustments and pinpoint new opportunities for engagement, which can be reflected in an updated CPR or separate action plan.

The monitoring phase seeks to address the question of how the EU conflict EWS and the actions identified in the CPR have helped to address the underlying risks of conflict in priority countries. Assessing the implementation and results of the identified actions is a key component of this phase.

The EWS is designed to close the gap between early warning and early action by engaging EU staff across headquarters and in-country in a joint assessment to prepare specific recommendations and follow-up actions. Effective conflict prevention relies upon a sound understanding of conflict situations (root causes, actors and scenarios).

The EU conflict early warning process itself, with its emphasis on early action, provides a path to understanding the effectiveness of EU actions undertaken to mitigate specific conflict risks, in a variety of contexts. In this respect, the EU conflict EWS may help shape the trajectory of ongoing or future programming and interventions, and monitor them to ensure that they are conflict-sensitive. The EU conflict EWS also helps strengthen partnerships in the relevant sectors of EU operations in the country concerned, and globally. Finally, lessons learned during an EU conflict EWS cycle will benefit the system as a whole, further improving the EU conflict EWS as an effective EU tool to prevent violent conflict. (European Commission, 2020)

3.2 EU conflict analysis offers insight into the drivers of conflict using a structured approach. The EU promotes the systematic use of conflict analysis, notably in fragile and conflict-affected countries. A team of experts advises EU Delegations on conflict sensitivity in fragile contexts, on policy, programming, training, technical support and operational issues. The EU's conflict analysis methodology is robust yet flexible to accommodate different timelines and environments. Conflict analysis can usefully inform decision-making at different levels, as it facilitates a common understanding of the crises between all EU actors and enhances identification of the range of options for EU action.

This way, conflict analysis can make EU diplomacy, missions and development cooperation more relevant, more effective and potentially more influential.

Key components of EU conflict analysis (EEAS, 2020)

1. **Conflict dynamics** – an overview of the historical and current conflict environment, highlighting the main contested areas, the scope and nature of ongoing violence (e.g. insurgency, extremism, post-election violence) and its overall impact (e.g. migration, humanitarian toll, economic consequences, human rights abuses, *etc.*). Particular attention should be paid to gender dynamics;

2. **Causes/drivers of conflict**, including structural causes that are resistant to immediate change, triggers that may tip a high-risk situation over the threshold of violence, correlations with climate change and environmental degradation, and patterns of resilience or local capacities for peace that allow stable high-risk areas (or bright spots) to withstand the risk of violence;

3. **Stakeholder mapping**, including parties to the conflict, people affected and those with interests and stakes in the conflict;

4. **Possible future scenarios**, including a variety of combinations of key uncertainties for the security landscape in terms of conflict scope or impact, indicating the likelihood of each scenario and what it could mean for the EU;

5. **Review of ongoing engagements** to ensure integrated and conflict-sensitive EU external action, including a mapping of prevention, peacebuilding and stabilisation activities and programming, and focussing on lessons learned;

6. **Actionable recommendations** for EU conflict prevention and resolution, to follow alone or in partnership, including short- and long-term initiatives.

The EU undertakes joint conflict analysis in order to:

- shape conflict prevention and conflict resolution efforts;
- ensure effective and conflict-sensitive engagement in countries at risk of violent conflict;
- strengthen coherence and coordination in line with the 'integrated approach to conflict and crises; and
- inform analytical processes, EU foreign policy and programming decisions relating to countries at risk of violence or ongoing violent conflict. (EEAS, 2020)

Depending on the objectives of the conflict analysis, the form it takes will vary in terms of duration and methodology. While the analytical process remains flexible and can be adapted to the available timeframe, certain standard phases can generally be identified:

- planning;
- data collection, analysis and recommendations; and
- reporting.

Overview of the conflict analysis process (EEAS, 2020)

1. Planning and design

STEP 1: Request by a Delegation, a geographic service, an EUSR, or any other part of the EU

STEP 2: Internal Scoping

STEP 3: ToR Drafting

2. Data collection, analysis and recommendations

STEP 1: Data collection

STEP 2: Conflict analysis workshops/exercises

STEP 3: Member state involvement

STEP 4: Recommendations

3. Reporting, feedback and follow-up

When to conduct a conflict analysis?

Conflict analysis is ideally initiated at the earliest signs or warning of future violent conflict or tension in third countries. The analysis is particularly opportune in countries that are in a state of unstable peace, where the risk of violence is substantial but still latent. However, conflict analysis also serves an important purpose in ongoing conflict or post-conflict situations, as it can inform efforts to prevent a violent escalation or the repeat of recent violent conflict. From 2020 to 2022, ISP.2 (as the EEAS centre of expertise on conflict prevention and mediation support, contributes to the broader EU efforts to preserve peace and prevent conflicts, in line with the **Integrated Approach to Security and Peace**) is coordinating approximately 60 EU conflict analyses in fragile and conflict-affected countries to support the new programming cycle, in close collaboration with DG INTPA/DG NEAR, and the EU Delegations.

4. Conclusion

Moral motivations and economic considerations demonstrate why a preventive approach can play an economic imperative for actors involved in violent conflicts. A characteristic feature of a violent conflict is its location; the harmful humanitarian and economic effects of any violent conflict are seldom manifested within national borders.

In Europe, the European Union is becoming increasingly visible as a major provider of stability. In the formula of NATO-EU cooperation, the European Union is the most important player in ensuring and guaranteeing security and stability at European level.

In the field of crisis management, the European security system includes structures that, having become operational, allow it to carry out successful multinational missions under a UN mandate. The system is structured on the basis of the European Security Strategy and its successive transformations will determine that, in the near future, the organization will be able to support simultaneously several operations for which military and civilian rapid response capabilities are required.

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MANAGEMENT STRATEGIES FOR RE-LAUNCHING MARITIME TRANSPORT IN ROMANIA

Florin Iordănoaia¹

Abstract

Romania has not had a commercial maritime fleet for many years. In the university environments, in the communities of navigators, solutions are discussed and sought in order to re-launch this type of transport, which is very important for the national economy. We have a large number of officers and sailors working for foreign companies, which is a force that must be taken into account. They are highly qualified people, with adequate training in the maritime field, with a long experience at sea. In addition, the high profits of foreign shipping companies prove that those who carry the sea, manage to meet the challenges and be profitable. In this paper, an analysis of the managerial errors that led to the abolition of the national fleet is carried out and further, several strategic directions are pursued in order to set up a maritime navigation company, with ships carrying the Romanian flag, to solve a series of navigator problems and bring profits to our state.

Keywords: maritime, ships, management, strategies.

JEL classification: M 12, R 42.

1. Introduction

At the end of 1989, Romania had one of the largest shipping companies in the world. But in 1990, the Romanian state company, IEFM “Navrom”, was structured according to the fleets that included all maritime ships of the type: oil tanks, bulk carriers, cargo ships, Ro-Ro, a total of 302 ships, which had a capacity of transport of approx. 9.2 mil. tdw. All ships were registered under the Romanian flag. However, other ships of some Romanian ship-owners have a flag of compliance, their headquarters are registered abroad and the respective companies do not pay taxes to the Romanian state. Over time, I have studied the situation of our merchant fleet in order to understand what happened to our ships, Iordanoaia (1999). I thus discovered many serious situations, many managerial mistakes of company leaders.

2. Research methodology used

The realization of this work began many years before. I studied the documents at the headquarters of the former shipping companies “Navrom”, “Petromin” and “Romline”, and I presented the research results on various occasions, Iordanoaia (2001), Navrom (1990), Petromin (1990), Romline (1990). In order to carry out this work, I studied the documents from the three Romanian maritime navigation companies, between 1990-1998, but also a series of press articles and chapters in the volumes of some specialized works. All information was systematized and centralized to meet the requirements of such a study. Used the methodology that consisted of the systematic, oriented and coherent study, in connection with the principles that accompany a scientific investigation in the field of managerial strategies. The main method of research is the “transfer of concepts”, but also the transfer of personal ideas, which I have developed over time.

3. Study and managerial analysis of the situation of loss of the commercial maritime fleet

Since 1990, the restructuring of the Romanian Commercial Fleet has started, in the general context of the political, social and economic transformations in Romania, starting from the division of the “Maritime Fleet Operating Company” (IEFM) into 3 state-owned shipping companies thus: the Maritime Navigation Company “Petromin” SA, having in its component the oil and mineral type ships; MNC “Romline” SA, with the “Ro-Ro” type ships;

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MNC “Navrom” SA, with the cargo type ships. From the Ministry of Transport, newly established in 1990, OM (1990) and from the management of the companies, initiated a series of necessary managerial measures in that context, with a relatively opportunistic character, for the moment, without conceiving a new development strategy in this field, the new stage of transition from the state economy to the capitalist economy, among which can be mentioned:

- Decentralization of company management by reducing the role of the State Inspectorate of Civil Navigation, as a representative of the Ministry of Transport.
- Increasing the companies' own capacity for coordinating, monitoring and controlling the situation of ships.
- Increasing the economic efficiency of naval transports depending on the specifics of the ships.
- Performing ship repairs, equipping them with modern navigation installations and equipment.
- Continuing the construction of new ships and equipping companies with modern ships.
- Improving working and living conditions on board ships.
- Increasing the salaries of the embarked personnel and granting bonuses for hard working conditions.

In this situation it can be considered that the political and social factors from the early '90s, which were the basis for the establishment of shipping companies, were favorable, with generous objectives, which were estimated to lead to positive results, to obtain significant benefits for the development of this activity. But in reality, the situation for shipping companies was completely different. They started their activity with a series of shortcomings and debts, taken over together with the ships, from the old company “Navrom”, as shown in table 1.

Table 1. TECHNICAL AND ECONOMIC SITUATION SINCE 1990

No	TECHNICAL AND ECONOMIC SITUATIONS	ECONOMIC IMPLICATIONS
1.	The relatively large "age" of most ships was 15-20 years (100 ships).	This practically meant that ships had to undergo partial or major repairs in a relatively short period of time, with high costs involved, which required the existence of a considerable source of financing.
2.	Old equipment and installations on board.	The equipment on board, in most of the ships, was "morally" outdated, no longer complied with the new international regulations imposed by the International Maritime Organization (IMO), being necessary to replace them with modern equipment, but which involved high costs for procurement, transport and boarding.
3.	Lack of spare parts.	Lack of many spare parts, so that a number of ships were not in operation, being stationed in ports, waiting for their entry into the shipyards, for repairs.
4.	The general economic situation of Romania.	From this transition period meant: the permanent decrease of the national production; the loss of the traditional markets for Romanian products (abolition of the Economic Council for Mutual Aid - CAER); reducing the share of naval transport and reorienting the national economy, from intense exports before 1990 to imports.
5.	Inadequate legislation.	Lack of adequate legislation in the naval field, corresponding to the new stage, of transition from a state economy with a bureaucratic, inefficient, uneconomic, political command system, to a liberal economic system, with the reduction or even cancellation of the state role in the field shipping.
6.	The "historical" debts of the company.	Large debts taken over from the former shipping company “Navrom”. In total, at the beginning of 1990 the company “Navrom” had debts of approximately USD 29 million.
7.	The situation of the world economy.	Fluctuations and crises of the World Economy, strongly reflected on the maritime market and in international trade.

Source: author's study, company documents Navrom (1990), Petromin (1990), Romline (1990).

From the beginning of the establishment of the companies, a series of problems appeared, which reflected the old mentalities and attitudes, totally inconsistent with the new imperatives of the moment. Table 2 summarizes these situations and problems.

Table 2. SITUATION AND PROBLEMS OF MARITIME NAVIGATION COMPANIES

No	SITUATIONS FROM COMPANIES	MANAGERIAL ERRORS. PROBLEMS
1.	Top Management of companies.	In the new management teams, both at the top and at the execution levels, the promotions in positions were not based on professional criteria. Thus, people imposed by trade unions (in the spring of 1990), then on criteria of political or other affiliation, advanced in office. The lack of experience of the new managers of the shipping companies, in the field of world trade, market economy, privatization, knowing that the super centralized economic system before 1990, did not leave room for any initiatives in the field of foreign trade, practically trade relations of Romania, were led by specially elected and trained people, from the ranks of the party nomenclature or Secret services.
2.	Increasing the number of functions.	The restructuring of the "Commercial Fleet" by setting up these three companies meant first of all the increase of the number of administrative staff "TESA", the creation of new jobs, at the companies' headquarters. But people were hired, who generally did not have knowledge and training in the naval field, were not specialists in the economics of maritime transport.
3.	Salary increase.	Sudden increase in wages and bonuses, at very high levels, compared to the previous period. First of all, it was due to the strikes of the spring of 1990, which had a real social support, but not an economic base. This increase in salaries had a spectacular evolution, so, for example, a deck officer had a daily allowance of \$ 1.55 / day in 1989 plus a salary of approximately 2,000 lei / month. In 1990, the daily allowance increased to \$ 7 / day and after 1993, to \$ 30 / day. In the same way, the salaries of the managers increased, reaching, at one of the companies, up to \$ 8,000 / month, being practically the highest salary in Romania, at a state company. This increase in wages was made without: increasing the productivity of labor on board ships; increasing the number of transport contracts; reduction of ship overheads; reducing the expenses of the companies, at their headquarters; elimination of losses; reducing the number of employees, etc.
4.	Staff recruitment.	The personnel recruitment policy for the staffing of the crews has not been changed, keeping the same ways of promotion, on non-professional criteria.
5.	Lack of specializations in the field.	No training and improvement measures have been taken in the field of management and marketing specific to the market economy, shipping, despite the fact that the number of trips abroad of company leaders has increased, but these were more for: participation in various symposia, specialized conferences; contract negotiations; check the ship.
6.	Indiscipline, errors in the administration of ships.	Against the background of a degradation of the discipline on board, of some mistakes of driving the ships, the number of fines and penalties increased for: transport delays (due to some complex causes); non-compliance with the technical norms for equipping ships; non-compliance with pollution regulations; the deficiencies found following the controls performed on ships, by the various Romanian and foreign port authorities.
7.	Performing ship repairs.	Repairs to ships began to be carried out abroad, starting from the principle that there "repairs are of quality and at lower prices than in the country", Iordanoaia (1999). But in reality, the bills for repairs, endowments with modern equipment, were "loaded".
8.	Increased costs.	The payment notes for food and crew equipment, fuels, lubricants, spare parts, which before 1990 were procured from manufacturing companies in the country, and now from various companies abroad, increased the bills, considering that the products obtained from abroad, they have a much better quality, but the prices were much higher.
9.	Lack of investment in modern information systems.	The following were not introduced quickly and efficiently at the level of companies and ships: computer systems for data management and processing; fast and efficient communication systems; supervisory and control systems. At the beginning of the '90s, there was only one computer office, at the level of the entire port of Constanta, and the formation of its own systems for recording and managing data about ships, personnel and contracts was cumbersome, inefficient and even incomplete.
10.	Lack of investment in new ships and equipment.	Appropriate investment policies have not been adopted so no new ships have been purchased to gradually replace the old ones, the purchase of modern equipment has not fully met the needs of the ships. Several ships were received, which were under construction from 1989-1990, but they also arrived at companies to late.
11.	Unjustified payments.	Courses and examination fees were paid for promotion to a number of employees of the companies, which unjustifiably increased their expenses, due to the fact that the vast majority of people who benefited from these facilities were transferred to other companies, usually foreign. The recovery of the sums from them took place with great delays even as a result of some legal processes, resulting in large losses.
12.	Non-performing bank loans.	The companies' policy in the field of bank loans was not efficient, the loans were not used for development, but for consumption. These have generated high interest rates and unprofitable repayment terms for a shipping activity.

13.	Sponsorships and donations.	Many sponsorships have been made in almost all areas of civil society, many of them unjustified or with a purpose other than the official one, but the basis of these sponsorships was not a real profit of the companies, but one based on revenues that were not collected. on time or income from the sale of ships.
14.	Wrong financial concepts.	The volume and nature of the companies' expenses represented misconceptions about the manner of carrying out the advertisement and the protocol of the companies, the repair works and modernization of the companies' headquarters, the endowments made with various materials and installations for ships and companies.
15.	Failure to perform functional duties.	The successive managements of the companies were involved in the activities of the political parties, pursuing the achievement of other objectives than the economic ones, related to the specifics of the companies' activity. Practically, the management of the companies was done opportunistically, without any vision or managerial strategy, without respecting the simplest techniques and management methods.
16.	Tax evasion.	Legal fees and taxes were not paid to the state, various articles of financial laws and regulations were misinterpreted, leading to heavy penalties, investigations, criminal proceedings and convictions.
17.	Criminal investigations.	A number of managers, ship captains, etc. have been discovered with many irregularities, investigated, tried and convicted for fraud, abuse in the service and others, but many cases, for various reasons, have not been completed. These situations were due to the inefficiency of the management of the three companies, the lack of cooperation of the managers with the specialists of the companies in legal or finance-accounting issues, etc. Discretionary management of companies, sometimes authoritarian, but essentially incompetent, arrogant and fraudulent, has negatively influenced the activity of companies, leading to poor results and then bankruptcy.
18.	Effects due to the State Property Fund.	The establishment of the State Property Fund, GD (1992) and the involvement of some people who represented this Fund, in the management problems of the shipping companies, most of the times people who had nothing to do with shipping, meant another strong blow for companies. By the decisions taken at the level of the SPF the development strategies of the companies, their perspectives were influenced, and the solutions chosen for privatization, by selling the ships and practically dismantling the companies, led to the elimination of some big competitors on the world maritime market.

Source: author's study, company documents Navrom (1990), Petromin (1990), Romline (1990).

The modalities of privatization, decided at the level of each company, constituted the worst blows for them. Privatization at the level of shipping companies began with the following forms: management contracts, "joint venture" and "bare-boat". These forms of privatization or collaboration are practiced worldwide, but the conditions for their realization in Romania were completely different. The principles underlying the conclusion of these types of contracts were not respected. The partners of our companies were Romanian and foreign economic agents, who took over the ships through the system of management location, of the contracts in "bare-boat" which were used for a long period of time. Table 3 presents some aspects related to these contracts.

Table 3. ANALYSIS OF THE SITUATION OF BARE-BOAT CONTRACTS

No	SITUATION OF CONTRACTS	ECONOMIC IMPLICATIONS
1.	Non-economic criteria for ship transfer.	Delivery of ships to private operators (Romanian, newly established companies or foreign companies), on non-economic criteria, without material guarantees, Iordanoaia (2001). That is, the ships were taken over by Ltd.s companies with a share capital of 100,000 lei, very small compared to the huge sums necessary for the operation of the ships. Or by foreign companies, through contracts disadvantageous for Romanian companies.
2.	Inadequate contractual clauses.	The contracts concluded with the partners had major deficiencies regarding: <ul style="list-style-type: none"> - Ship operating clauses. - Material liability in various situations. - Maintaining the technical condition of ships. - Timely payment of rent and crews, all debts incurred by the charterer. - Firm material guarantees were not included in the contracts. The guarantees were such as: "the charterer guarantees that no debit will go to the ship-owner when the ships return", which did not happen in reality, Teodor (1998). - Contracts with partners were not effectively pursued. - They received little information about the condition of the ships, and these were not checked effectively. - No specialized control commissions have been set up.

		- They did not terminate the contracts, as they were entitled to for various reasons such as: negligence in office, fraud, incompetence, misinformation, etc.
3.	Situation at the end of contracts.	Following some serious situations, the ships were still withdrawn from some charterers, but on return they were as follows: - With damage to material goods and equipment on board. - Repairs not carried out, practically the ships have reached scrap metal. - Large foreign currency debts to crews, as well as to authorities in various ports around the world.

Source: author's study, company documents Navrom (1990), Petromin (1990), Romline (1990).

4. The influences of naval transport on the economy

In the period after the Second World War, the naval transports in our country had great implications at the macroeconomic level, of the general economic policy of the state, but also at the level of the state economic agents, which operated in the field of shipping, on the with activity in ports or related to the field, ASR (1989). Now, this economic policy must be oriented according to a series of strategic factors, as presented in Table 4.

Table 4. STRATEGY FACTORS THAT INFLUENCE THE ECONOMY

No	STRATEGIC FACTORS	INFLUENCES ON THE NATIONAL ECONOMY
1.	Geographic position.	They are very important: going out to sea, navigating the river and inland waters. In this context, the sea and river ports, the Danube-Black Sea canal and very much, the Danube river, on which the ships move, are of great importance.
2.	The structure of the national economy.	Romania's economic analysis at 2020, as it is, is not very encouraging, but it can offer some opportunities. We have exporting industrial enterprises, shipyards that build ships for export, an agriculture from which large quantities of grain are exported, but also other industries that can be re-launched for export.
3.	Orientation and trends of foreign trade.	This is the main source of foreign exchange accumulation (USD and Euro). A very important strategic issue is the recovery of foreign markets, on which the Romanian economic agents acted, but also the entry on other markets, especially those in the European Union, Russia and China. It is true that we must respect the institutional framework and the European mechanisms, but our existence as a state depends on our strategic interest.
4.	Internal institutional framework.	Without proper, stimulating laws, nothing can be re-launched! I believe that the laws in the field of naval transport should include: "National Maritime and River Strategy", not what is now in the "Master Transport Plan of Romania", MTI (2021). This "Master Plan" does not contain anything about the re-launch of maritime transport. Another particularly important law must refer to the "Romanian Navigating Personnel Law", because we still have many sailors working abroad and many of them are in vulnerable situations, Iordanoaia (2002). Since 2012, a series of ideas and a project regarding a Law of the "International Pavilion of Romania" have been launched. Opinions regarding such a law were contradictory and the first option was not in favor of the Romanian state, but of third parties abroad.
5.	Naval transports.	The main influences of naval transport on the national economy are directly related to the activity of one or more shipping companies as follows: - General state revenues (from taxes and duties). - Maintenance and development of the production capacity of the shipyards in Romania. This will require a new horizontal industrial development. - Development of port activity (of port operators). - Imposes the development of the general transport infrastructure (road, rail, pipeline and river). - Maintaining the system of specialized education, from the training of sailors, port workers, to higher education. - Adequate legislation in the field of social protection of seafarers, shipbuilders and port workers. - Maintenance of scientific research and design in the naval field.

Source: author's study.

All of these have direct influences on the national economy, but there are a large number of indirect influences, generated by shipping, from sheet metal production to shipbuilding, to marine equipment and supplies. The domestic industry no longer has the capacity to provide everything needed for the field, but demand can stimulate new investments in the industry horizontally.

5. Managerial strategies regarding the re-launch of maritime transports

What happened to the Romanian merchant fleet, explained briefly in Chapter 3. What is not understood at the political or decision-making level, at the Ministry of Transport and at the Ministry of National Economy, is that Romania cannot remain a country without a commercial maritime fleet, which can rent foreign ships to transport Romanian goods, destined for export or import. In the reconstruction of Romania, which must really begin, I believe that an important role must be played by naval transport (sea and river). But in order to be able to have maritime transport, the entire Romanian naval transport system must be rethought, not only maritime, but also river, in order to ensure the most efficient multimodal connections, for the European transport corridors, which pass through Romania. From here, we must understand that a pragmatic approach to the future of shipping is not only necessary but also mandatory. This raises a number of questions: what do we want to have, who and what should we do and especially, with whom? In order to answer these questions, more scientific analyzes are needed, starting from the political factors (political parties and their strategies for the development of the country), the executive leadership of the state, which through the line ministries (transport, economy, finance, education), it must adopt a series of appropriate policies, based on a medium-, long-term and very long-term strategy, to start as soon as possible. I believe that the main strategic directions of action, in the field of shipping, can be approached starting from two distinct economic concepts, as presented in Table 5.

Table 5. ECONOMIC CONCEPTS REGARDING THE RE-LAUNCH OF MARITIME TRANSPORT

No	ECONOMIC CONCEPT	EFFECTS ON THE NATIONAL ECONOMY
1.	Non-involvement of the state in the field of naval transport.	That is, no investment should be made, leaving the "maritime market" to generate or even "govern" shipping. Exactly what happened after 1990, until now! This is an economic conception of liberal essence, applied at random until now, but with bad results for Romania, in all these years of transition, to the market economy.
2.	The state as the main investor or majority shareholder.	Based on a coherent policy, by creating an entire system (a naval infrastructure), which would support the development of naval transport, to solve its main problems, so that Romania has a commercial maritime fleet, another river fleet and inland waters, but to be economically efficient. The profitability of a commercial maritime or river fleet must be seen and understood, not only as a source of immediate enrichment, but rather as a secure, very long-term investment that solves several economic, social and environmental problems. . Also, the public-private partnership can be a correct solution.

Source: author's study.

One of the specialists in the field of shipping, Gheorghii Bătrîncea, considered that "from shipping you can only get rich under certain conditions, i.e., promoting rather a policy of buying and selling ships, when the market is favorable, depending on a demand and an unpredictable offer; than from the transport of goods or passengers", (personal discussions of the author, 1999). This idea, correct at the microeconomic level, is also based on a theory of economic speculation (such as those on the stock exchange), which I think is more valid at the level of small and medium shipping companies. It is a very difficult theory to dispute! But the theory of "the existence of small and efficient companies in shipping", which was the basis for the restructuring of the company "Navrom" in 1990, proved bankrupt. Therefore, in the current context of globalization, globalization, expansion of multinational corporations in all fields, only a large, strong company can withstand the fluctuations of the maritime market and especially the fierce competition in this field. I believe that all the principles underlying naval transport must be reconsidered, in the current world situation, when other types of transport, especially road and air, are gaining ground on certain routes, connections or areas.

The share of naval transports is maintained at high levels, but the trade areas, the transport routes have a different dynamic, practically at 10 years new routes and ports appeared and appear, new areas of economic interest, then they rise in states that have

rhythms high development. The sea lines are constantly changing! It is already observed that the center of gravity of shipping will be transferred to the Pacific Ocean, between the US, Japan, Australia, China and India, which will have the largest share of total maritime trade. But new states are also emerging from other parts of the world, which have high growth rates. This will mean an impetus for the development of maritime transport, the construction of new ships, which will assimilate the latest conquests of the scientific-technical revolution (the Fifth Industrial Revolution, especially robotization), but also the diversification of auxiliary or transport-related services. actually. It all consists in correctly forecasting favorable situations and being prepared to use the opportunities that appear on the maritime market, because there is a rich experience in shipping in Romania, Iordanoaia (2009). We have a great wealth of seafarers who are ready to work on any kind of ship, in any kind of sea conditions. There is also a great pain in this field! Romania does not lack specialists to work on board ships, specialists are lacking in the field of management of maritime shipping companies. There is a certain fear of this type of management, there is a certain reluctance and they are motivated by the respondents, but not all their arguments are convincing. If we now had directors at the big maritime shipping companies abroad, maybe they, in a certain period of time, could have returned home, to run a big Romanian company. But we do not have, and without a high level of experience, it is very difficult for someone to offer the guarantee of their quality management in this field.

To re-launch something, we need a national shipping company. Without such an economic unit, we can only talk about the modernization of ports (for the ships of others), the maintenance of the navigable channel on the Maritime Danube and on the rest of the river, the monitoring of the traffic and the surveillance of the territorial waters, etc. I think we must first understand very well how to organize a national shipping company. Then a series of strategic objectives must be set, such as: sources of funding; what kind of transport we want to do (goods and / or people); new shipbuilding and then repairs; general maritime and river transport infrastructure; port activity; environment protection; social protection and job creation; scientific research and education. Table 6 presents the managerial strategies required to set up the shipping company.

Table 6. STRATEGIC DIRECTIONS FOR THE ESTABLISHMENT OF THE MARITIME NAVIGATION COMPANY

No	STRATEGIC DIRECTIONS	QUESTIONS AND GUIDELINES FOR MANAGING STRATEGIES
1.	Financing sources.	<p>A very important question is this: What are the sources of funding? I believe that the following can be used to set up a national shipping company:</p> <ul style="list-style-type: none"> - The state budget, providing a certain percentage of GDP annually, requiring very large amounts from the beginning. - An investment bank in the naval field. Romanian banks do not have the courage to invest in this field! The CEC, as a state bank, can be a starting point, based on a plan developed by the state, for financing. - External loans from international bodies. The idea is very little agreed by specialists. - The public-private partnership, by public subscription, for the establishment or completion of the share capital of the maritime navigation company, established as a joint stock company and with shares traded on the Stock Exchange. - Private investment funds. The American model is the most common, but in our country, after the existence and experience of "Caritas" type games, the trust in such companies is very low. <p>The beginning is always the hardest, so in the first phase the political will is very important to achieve this. Based on the political initiative and some government funds, initially limited, the shipping company can be set up, with majority state or mixed capital.</p>
2.	What kind of shipping company needs to be established?	<ul style="list-style-type: none"> - It is a question that can only be answered for a short period of time, approx. 10-15 years. After 10 years, everything can change and we must not have illusions that there is something eternal in this field. - Compared to 15 years ago, when I finalized my ideas and presented them at a scientific communication session, a lot of data on the problem changed. -If then I saw the national company consisting of oil tanks and container vessels, now I have a completely different perspective.

		<p>- We must take into account the evolution of the price of oil, which will fall to a price at which its transport by ships will become unprofitable. In containers, the appearance of ships of more than 20,000 containers blocks or limits our entry into the market. So we have to look for those types of ships, in perspective, which will be operated for at least 10 years, in order to be profitable, to make an investment and to make a profit! A non-profit company cannot be set up!</p> <p>- Profit is the essence of capitalism, socialism and any economic activity. The experience of the "ferry-boat" branch of the National Company "CFR-Marfa" is sufficient to understand this situation. This subsidiary was designed to operate at a loss of approx. 6 years, but it was never profitable, and now the agency has been removed from the company's organizational chart, and the ships "Mangalia" and "Eforie" are in conservation at the quay, CFR Marfa (2021).</p>
3.	What kind of ships need to be bought or built?	<p>From the study and analysis of the maritime market situation, from the documents published in various specialized publications, Mordor (2021), I consider that first of all we can invest in the following types of ships:</p> <ul style="list-style-type: none"> - LNG tanks (in 2018 there were 1932 ships on the market). - Chemical tanks (in 2018 there were 5609 ships on the market). <p>Depending on the evolution of the economic situation, investments and then operation must follow container ships (5152 ships in 2018) and passenger ships (4627 ships in 2018). All of these are expensive ships, but can enter relatively easily in certain market segments. The goods it transports bring high freight (prices) for the carrier (ship-owner).</p>
4.	How long does it take to build or purchase ships?	<p>Even using shipyard projects, which make series ships, shipbuilding time remains a major impediment. For maritime specialists, the situation is known and understood, but how can we convince a politician to support such an initiative, when it takes some time (1-3 years), between designing and launching the ship? Thus, the purchase of a ship becomes a very important issue, and the duration of the purchase of new or even "used" ships involves many aspects. So, in a reasonable amount of time, how many ships can the national company start transporting goods? If it starts with a few ships, it will be a small, insignificant company with small profits that will not help it grow. If we want to start with many ships, with a large company, the question is the source of financing, where will the funds come from and then, where do we buy many ships in a short time?</p>
5.	Decision factors.	<p>From point 4, a very serious problem arises. Who has the courage to take the risk to start, one way or another? Which politicians, from the positions they hold, can assume this responsibility? Another "key" question, is Romania ready to bear a new loss in the field? Who will pay in case of failure? The answer to these questions may be the solution to the establishment of the national shipping company.</p>
6.	Who will run the company?	<p>We have many specialists in the field, but very few large and courageous managers. The most important management functions are the following: General Manager, Deputy General Manager, Fleet Manager, Technical Director, Safety Director, Human Resources Director, Logistics Director, Financial and Economic Director, Commercial Director, Marketing Director, Legal Director, and so on Specialists for all these functions are very difficult to find. There are a number of questions about company managers:</p> <ul style="list-style-type: none"> - "How will they be elected?". On professional criteria, without political implications? Who guarantees this? The Minister of Transport, or of the Economy, the representatives of the majority shareholder?
7.	Type of management.	<p>Another important issue is the maritime management they will adopt. What kind of management must be in a worldly company, what are the challenges facing managers? Modern companies have to face many challenges in the maritime market and managers need to be very well prepared, Iordanoaia (2006).</p>
8.	The organizational structure of the company.	<p>This will be another difficult problem to solve. Modern shipping companies have specialized sections or departments by fields of activity (technical, commercial, human resources management, logistics, marketing, legal, administrative, financial, accounting, etc.), i.e. a large number of people, specialists with experience in the field .</p>
9.	Maritime crews.	<p>Romanian sailors and officers are on board many foreign ships, and most get good and very good salaries there. The question is whether a Romanian national company will be able to offer their salaries at the level of those they get at their current jobs. If the salary is not at the level or at least close to that on foreign ships, we have no guarantee that the human resource will return home and, above all, will provide high quality services. Another situation is related to the loyalty of the navigating personnel towards the company.</p>
10.	Ship operating costs.	<p>These are very large, with special financial implications. After the ship has been removed from the construction site, until the first money enters the company's account, everything represents only costs, which it has to bear.</p>
11.	Who starts the project? What is the legal way?	<p>There are a number of questions about the launch of the project. Who will make a business plan of such magnitude? Who will promote the project? Who will lobby for him? Who will really take it on? Who will make the decision to set up and for funding. By Law or Government Decision?</p>

Source: author's study.

Conclusions

The managerial strategies to set up a national company to re-launch maritime transport in Romania must be oriented towards the following directions:

- The company's vision.
- Strategy appropriate to the current stage of international trade.
- Management of the company (top, environment and management of ships), human resources at the company's headquarters.
- Company structure, on two fleets: chemical tank fleet and LNG fleet.
- The current activity of the company.
- Maritime market analysis.
- Analysis of ship and administrative operating costs.
- Investments required for headquarters, equipment, acquisition of ships and construction of new ships.
- Financial projections, source or sources of investment.

All this must be studied and designed in detailed plans, which should be integrated into the overall business strategy of the new company. The decision rests with politicians, who must introduce it into Romania's government programs and development strategy.

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ACADEMIC INTEGRITY IN THE LIGHT OF ONLINE EXAMS – STUDY CASE

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Abstract

Education has been affected, undoubtedly, by the COVID-19 pandemic. In this difficult context, for all the agents involved, both challenges and opportunities can be identified that will definitively change the way the teaching-learning-assessment activities are carried out. A less addressed research issue is that of the last stage of the educational process, the evaluation of students. The COVID-19 pandemic created an environment conducive to a higher rate of exam fraud, and teachers devoted more time to preparing subjects to reduce the possibility of cheating. Thus, academic integrity has been questioned. This study is designed to obtain an estimate of the extent of cheating in online exams from the perspective of business students. The results, based on a sample of 129 grades received by undergraduate students from a statistic course, indicate that 16% of students have been able to resolve only the problem that was identical to all students and not the random problem, even if the algorithm was similar. Using Student t-test, there is a significant difference between the “cheating” students’ grades and “honest” students’ grades. These results may represent a new direction for professors to reconsider online exams.

Key words: *education, academic integrity, online exams, COVID-19*

JEL Classification: I20, I23, I29

1. Introduction - literature review

The educational process is a systematic, planned, and an intense activity of access to knowledge, carried out through a series of scientifically validated teaching methods and techniques. Undoubtedly, the COVID-19 pandemic has brought major changes in the education system, making students more flexible and aware of the presence of difficulties (Schmidt, 2020). In this difficult context, for all the agents involved, both challenges and opportunities can be identified that will definitively change the way the teaching-learning-assessment activities are carried out.

There were two types of learning: synchronous and asynchronous. The first way is very similar to traditional communication through communication (Zoom, Teams, Webex, etc.), but makes it difficult for the teacher to work by teaching and tracking the participants' rooms at the same time. On the other hand, the asynchronous mode offers greater flexibility in setting the program (Mladenova, Kalmukov, & Valova, 2020). Thus, it is important to understand the teaching activity of that period to be able to project the future of education affected by COVID-19 (Daniel, 2020). From the beginning of the pandemic, the educational units were closed, had their courses suspended or carried out their activity in a hybrid system depending on the epidemiological conditions. At the same time, the quality of education has been affected all over the world, but to a greater or lesser extent, depending on certain factors, such as: school infrastructure, internet connection, teachers' skills, etc. (Wahab, 2020). At least in the case of Romania, there was a period of 4 weeks (April 2020) in which the courses took place depending on the choice of teachers conditioned by access to computer resources, often very limited. Thus, following this period, there is an important problem that is not only related to the fidelity of the grades obtained, but also to the degree of qualification of the graduates. Regarding this, the present study case examines the coefficient of similarity in an online exam with business students.

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2. Literature review

As for the literature, it is not yet very extensive due to the novelty of the subject, but there are some significant articles that follow, mainly, the situation in Asian countries, the first affected by COVID-19, but also in European countries. Bremmer and Clark (2020) show that in economic universities in Asia, Australia and the United Kingdom, students were most affected. Whether they are first-year students, worried about their university experience, or those in their final year entering the labor market, they have all undergone changes in terms of educational experience, but they have also felt benefits. Other authors, Liguori and Winkle (2020) point out that although there was a possibility to take a university course online before, this option was chosen by very few students, which has led to poor teaching techniques in this regard. The authors emphasize the need for documentation and preparation for online education but emphasize that not all areas can achieve very good results online.

Regarding the pandemic context in Europe, König (2020) showed, through a survey of teachers in the state of North Rhine, Germany, that, despite the closure of schools, teachers have managed to maintain a constant connection with their students. Also, following a regression analysis, it emerged that maintaining this contact is significantly influenced by the degree of digital skills of teachers.

Regarding the Romanian education during the pandemic, a study conducted by Florian and Țoc (2020) highlights the fact that, in the current context, the inequity in the educational system has been accentuated, the children from rural areas being the most disadvantaged. The authors recommend that, in the long run, the assessment methodology for national exams be rethought, teachers be supported to acquire basic technical skills, but also the construction and implementation of a framework regulation to make it mandatory to use an online educational platform.

Also, through a questionnaire, this time applied to students at a middle school in Bucharest, it turned out that 60% of them prefer classical classes due to social contact with teachers and colleagues, reducing time spent in front of the computer, but also increasing motivation to learn inside a classroom.

A less addressed research issue is that of the last stage of the educational process, the evaluation of students. The COVID-19 pandemic created an environment conducive to a higher rate of exam fraud, and teachers devoted more time to preparing subjects to reduce the possibility of copying (Jelescu & Jelescu, 2020). There are few studies regarding evaluation for online courses. For example, there are studies that examine students cheating behavior, but do not offer a comparison between online teaching and face-to-face teaching. However, there is one empirical study (Kennedy, Nowak, & Raghuraman, 2000) that concluded cheating behavior is more likely to appear in an online class than in a traditional teaching class. The results are also confirmed by another empirical study conducted by professors from University of Connecticut (Harmon & Lambrinos, 2010).

3. Methodology

In this study, the data used was obtained from one course of statistics, an online class in undergraduate level taught in 2020-2021 at Bucharest University of Economic Studies. The full course was taught entirely online using Zoom platform and the exam was set on the university personal online platform. Moreover, the students were invited to attend a zoom meeting on exam in order to be seen and to prevent, as much as possible, the fraud. The exam had 7 problems, given sequentially, with one correct answer and with different difficulty levels. The problems were both random and fixed for each student. A fixed problem is identical for all students. A random problem contains a unique value in the question for each student. However, our interest is focused on two problems (number five and number six) with the same algorithm and the approximate level of difficulty. Both problems were marked with

2 points for the correct answer. One of them was fixed (problem number 6) and one of them was random (problem number 5). The problems are approaching the algorithm for calculating the coefficient of variation. But it should be mentioned that the fixed problem, number 6, was, however, more difficult than the random problem. It was created so to be more rigorous in fraud prevention. The problems can be observed in Table 1.

Table 1. Exam problems

Fixed problem (number 6)				Random problem (number 5)			
A pharmaceutical company owns 100 stores in Bucharest. About the location of these stores and about the average value of daily sales (RON) data is known:				The following data is known regarding the average number of defects registered for Logan cars sold in 4 different locations:			
Neighbourhood	Stores	Average value of daily sales (RON)	Sales coefficient of variation (%)	Location	Number of cars	Average number of defects	Coefficient of variation
Balta Alba	25	20	6	Bucuresti	150	6.25	20
Drumul Taberei	30	...	20	Cluj	60	7.5	20
Pantelimon	15	10	13	Bacau	100	8.75	14
Berceni	10	12	12,5	Constanta	90	7	18
Baneasa	20	14	12.3	Check if the average number of defects is a representative value. Enter the value of the coefficient of variation of the ab.cd form.			
Knowing that the modal value of sales for the Drumul Taberei neighborhood was RON 5.25 and the Pearson asymmetry coefficient had a value of -0.25 it is required: To what extent does the neighborhood influence the variation of the sales value? Write the answer in ab.cd form.							

The data for this study consisted of scores on the exam from university records. To evaluate if there was cheating behavior among students, the two-sample t test assuming unequal variances (an F test was performed in order to determine this) was used in order to compare the means between the grades received by students who only solved the fixed problem and the grades received by the other students.

$$t = \frac{(\bar{x}_1 - \bar{x}_2) - (\mu_1 - \mu_2)}{\sqrt{\sigma_1^2/n_1 + \sigma_2^2/n_2}} \quad (1)$$

The hypotheses are:

H0: there is no difference between the population means.

H1: there is a difference between the population means.

P-value was set to 5%.

4. Results and discussions

First, the grades obtained by the students are between 0 and 10, as it follows (figure 1). Most of the students obtained a grade between 2 points and 4 points, meaning that they only solved the easiest problems. Grades between 8 and 10 points are the least common ones, only 14 students achieved a good grade. Even though the problems covered only the content discussed at course and seminars, the higher grades were not predominant.

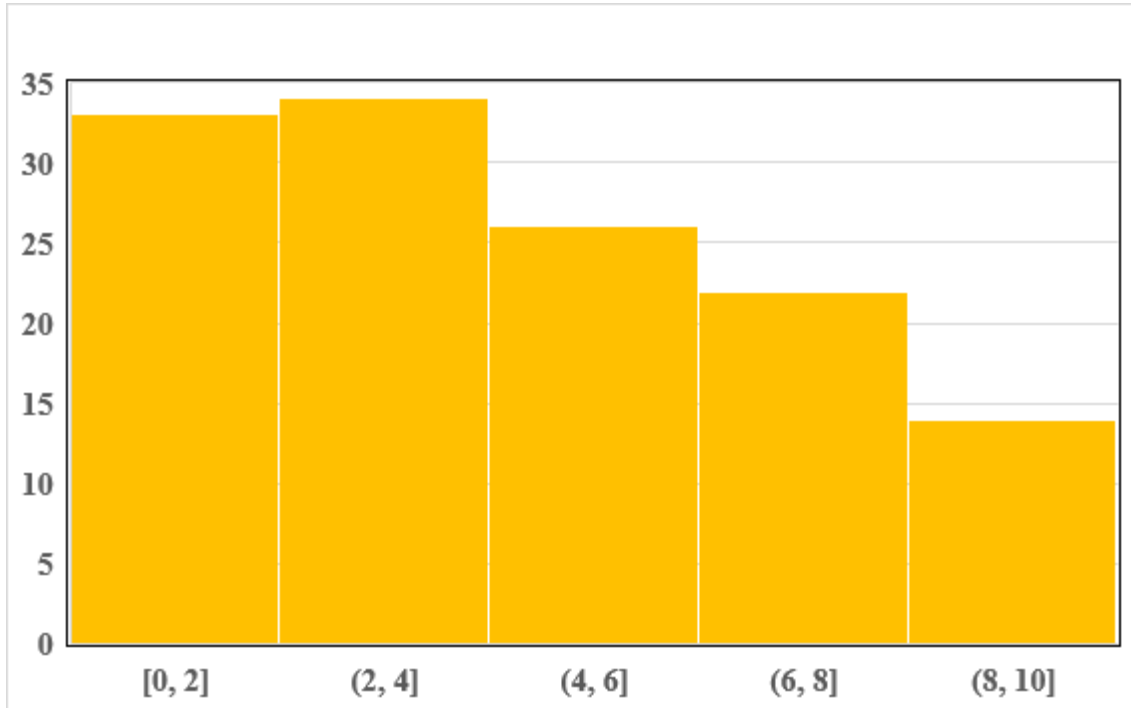


Figure 1. Histogram of final grades

Source: created by author based on collected data

Regarding the problem number 6, which was fixed, 36.5% of the students solved it, while 39.5% of students solved the random problem, number 5 (Figure 2). Considering these results, it may be mentioned, as a first thought, that there is no fraud. However, there are two important things that should be highlighted. First, the proportions are approximately equal, and it also contains results of those students who may did the fixed problem good and the random problem wrong or vice versa. Second, as mentioned before, the fixed problem was more difficult than the random problem. Thus, there are students who, irrespective of academic integrity, may have only done the problems that were closer to what they had prepared for the exam.

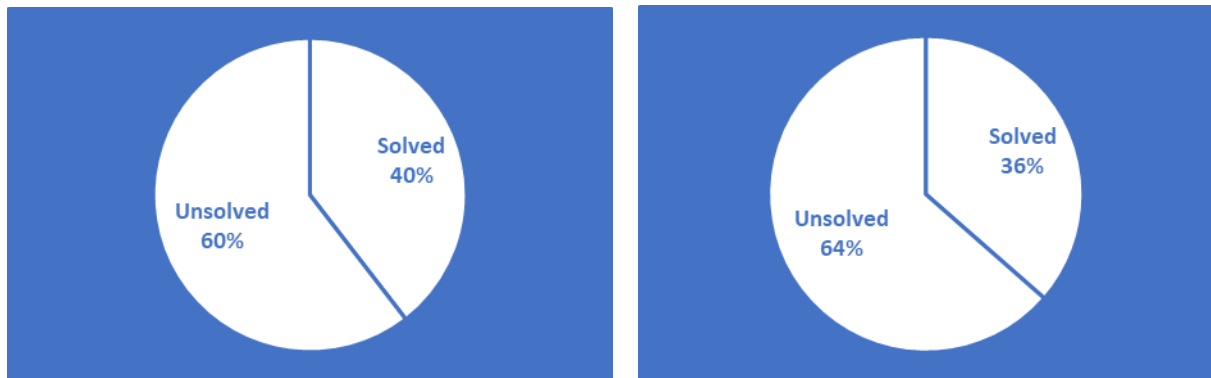


Figure 2. Random and fixed problem – students' proportions

Source: created by author based on collected data

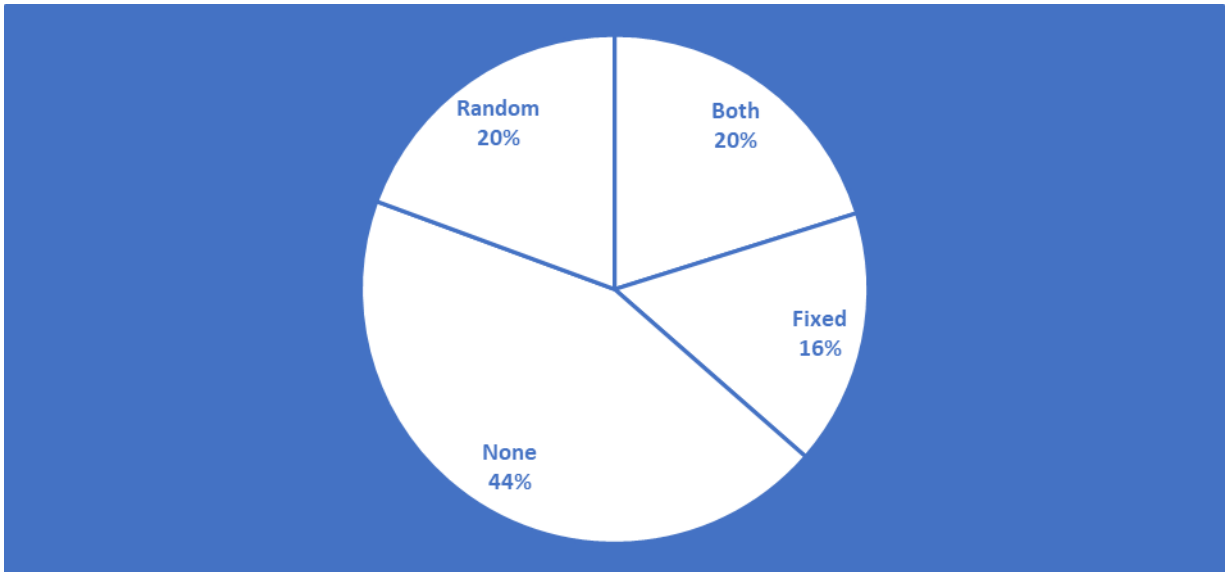


Figure 3. Students' proportions

Source: created by author based on collected data

Figure no. 3 represents a brief presentation of results for all students: well prepared students – those who solved both problems, poorly prepared students – those who did not solve any of the problems, honest students – those who solved good the random problem and wrong the fixed problem, suspect students - those who only solved the fixed problem. Regarding these two interest problems, 20% of the students were able to resolve both problems. However, 16% of students were able to resolve only the fixed problem without knowing the answer for the random problem. This means that 16% of them may be considered cheaters. Resolving a difficult problem that was identical and not being able to solve an easier problem with one unique value raise a question of integrity. Thus, 21 students are suspected of a cheating behavior.

In order to estimate if there is a significant difference between cheating students' grades and the rest of the students' grades, a t-test was performed (table 2). The first sample includes 108 students (those who did both problems, none of them or only the random problem) and the second sample includes 21 students (those who only did the fixed problem). Considering a t critical of 1.67, the calculated statistic t is located in the critical region. Thus, null hypothesis is rejected, and alternative hypothesis is accepted. Based on this result, it can be concluded that the grade obtained by those who only did the fixed problem in the online exam is statistically different from the grade obtained by the other students. It can also be seen that those who “cheated” got a mean grade 5.43 and the others, 4.48. In other words, a cheating behavior led to an additional point in the final grade. Regarding this study-case, even if the exam was created in a specific manner to prevent as much as possible the fraud, an identical problem for all the students favors a cheating behavior more than a problem with random variables.

Table 2. Statistical analysis

	Variable 1	Variable 2
Mean	4.481481481	5.428571429
Variance	8.812737972	2.157142857
Observations	108	21
Hypothesized Mean Difference		0
df		58

	Variable 1	Variable 2
t Stat		-2.205994322
P(T<=t) one-tail		0.015679848
t Critical one-tail		1.671552762
P(T<=t) two-tail		0.031359696
t Critical two-tail		2.001717484

Source: author's calculations of data

In the light of these results, online exams may represent a way that favors the appearance of a cheating behavior since the solution may be transmitted among students. A problem with unique values may reduce the temptation even more if the problems are limited on time.

5. Conclusions

In this study, the addressed question was if an online exam favors a cheating behavior if the questions are identical. Data collected from a statistic course taught to business students was used to create a more representative image of academic integrity in an online exam. The problems were created to prevent the fraud as much as possible, but also to compare results from an identical problem and a unique one for each student. The expectation was to find a significant difference between grades for cheating students and honest students. Using a t-test to compare the means of the two samples, it was concluded that the difference is statistically significant. Thus, those students who only did the fixed problem, even if it was more difficult than the random problem, showed a lack of integrity and obtained one more point in the grade than those who showed academic integrity. The potential for a cheating behavior in online exams has been already discussed in the past, but the current situation requires more attention to the evaluation aspect in online courses. Due to COVID-19 pandemic, courses have been and still are taught online, more than in the past, and students are always evaluated using online platforms. Moreover, most of professors tend to use identical problems and questions due to the lack of technological skills, technological resources, or lack of time for exam preparation. As seen in this study case, identical problems tend to stimulate academic dishonesty.

This study has, also, limitations that should be discussed. First, data is limited to these students and to the format of the exam. Future research may look at students of the same course, but from different faculties. Also, a future study may consider the students' progress during the course weeks and intermediate exam if there is one.

This subject may be of interest for students, teachers, academic world, and researchers since online courses and evaluation will have an important impact on future generations and on their diplomas. Obtaining grades that do not reflect the real knowledge of students, well prepared students may feel demotivated, and the less-prepared students may believe they are better than they really are. Moreover, the value of the diploma in the work field and academic world will decrease. Keeping these in mind, a clear image of online evaluation is indispensable in these moments.

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THE ROLE OF GREEN CERTIFICATES IN BUILDING A SUSTAINABLE ENERGY FUTURE

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Abstract

The purpose of this paper is to harness green certificates that represent an additional gain gained by renewable energy producers and delivered to the grid to achieve a desirable outcome in the energy future. In this paper we start from the meaning of green certificates and we end up creating the analysis of the evolution of the green certificate market in Romania, but also seen from a European point of view. Descriptive analysis has been used to carry out this research in order to delineate a number of concepts, such as the importance, the role of green certificates trading and their evolution using the historical method. The historical method was used through the evolution of the number of green certificates traded and their price on the market. The main results are the slight increases in the annual mandatory green certificates purchase quota, which can demonstrate the profitability of a good trading of these certificates on the market, since the market demand for certificates is high, the number of trades increases thus determining the price due to the demand. The state provides green certificates to electricity producers, support schemes from which they can benefit and promote renewable energy on the Romanian market.

Keywords: green certificates, renewable sources, trading green certificate, green energy

Introduction

According to the legal definition, the green certificate is a document certifying the production of a quantity of electricity from renewable energy sources (LAW no. 220 of 27 October 2008 on the establishment of a system to promote the production of energy from renewable energy sources). In practice, green certificates are intangible assets granted by the state authorities to beneficiaries. The green certificate is one of the means of supporting and promoting the production of electricity from the following renewable energy sources: hydropower used in power plants with an installed capacity of up to 10 MW, wind power, solar power, geothermal energy, biomass, bioliquids, biogas, waste fermentation gas and sewage sludge fermentation gas.

This system, like any promotion system, is a tool, scheme or mechanism that promotes the use of renewable energy by reducing the cost of energy, by increasing the price at which it can be sold, by renewable energy obligations or the amount of renewable energy purchased. Thus, the Romanian state, through this system, not only provides evidence that electricity has been produced, but also offers these certificates the quality of marketable goods and a predefined value.

Romania entered the integration process when it became a member of the European Union on 1 January 2007. This process involves the gradual achievement of quality standards in all areas of economic and social life, as defined by EU legislation. In the energy sector, the objectives are very bold. At the same time, they are a necessity, the aim being to reduce Europe's dependence on energy resources from outside its borders.

The aim of these schemes is to gradually enable the development of new production technologies using renewable energy sources without public support. There are various market-based instruments used by EU Member State governments to support renewable energy power generation, and some countries have implemented a number of financial support schemes for heating and cooling as well. As a member of the EU, Romania has committed itself in its accession treaty to a series of targets for the share of green energy in

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electricity consumption by the end of 2020, and is therefore debating how the support scheme that promotes the use of renewable energy by reducing the costs of this energy adopted by Romania from all the models made available by the European Union.

The green certificates market is a separate market from the electricity market and operates on the basis of competitive mechanisms, respectively in terms of supply and demand for green certificates. The trading of green certificates takes place on the market of bilateral contracts and / or on the centralized market of green certificates in the period 2015-2017, and in the period 2017-2020 the trading takes place on the centralized anonymous spot market and the anonymous centralized market of green certificates between energy producers renewable energy and suppliers to final consumers of electricity.

1. Review of scientific literature

On renewable energy sources in Europe, a common framework is aspired. Tradable green certificates are a cost-effective market-based means to stimulate electricity production from such sources. As tradable green certificates are the most widespread support scheme in Europe, together with feed-in tariffs, there is a chance that a common European framework could be based on them. (Verhaegen, Meeus, and Belmans, 2009) The authors, Li, Wang, state that, green certificate is the green attribute of renewable energy generation. They first analyze the context and key points of green certificate policy. They also study the implementation status and existing problems of green certificate transaction. The result of the assessment shows the volume of green certificate trading in the business area. (Li, Wang, Ye, Wang, and Hao, 2019)

Regarding the evolution of the support scheme for the quota obligation system of green certificates negotiable in Romania, the authors, Atănăsoae and Pentiu, analyze the profitability of the support scheme due to the reduction of the number of green certificates and the trading price of certified green certificates. The cost-benefit analysis takes place by comparing three situations: the situation at the beginning of the support scheme and the maximum selling price of green certificates; the situation at the beginning of the support scheme and the minimum selling price of green certificates; and the current situation after reducing the number of green certificates and the minimum selling price. (Atănăsoae and Pentiu, 2017) An analysis of the evolution of the support scheme for the promotion of renewable energy sources in Romania was performed by some authors who found that it can be composed as follows: mandatory annual quotas for the acquisition of the green certificate and those realized; the price of green certificates; the evolution of the installed capacity of renewable energy resources and implicitly of investments in renewable energy sources; the structure of the installed capacity in renewable energy resources and the contribution of renewable energy sources to the production of electricity in Romania. Investments in renewable sources are much higher than in fossil fuel technologies (Atănăsoae, Pentiu, Bobric and Hopulele, 2016).

Given the purpose of green certificates, it is said that it should introduce more renewable electricity into the energy market at the expense of traditional energy. And it states that a key feature of the scheme is that energy producers based on new renewable energy sources receive certificates from the authorities, commensurate with their production, so that green certificates can help reduce traditional energy production. (Raluca Sava, 2017) To investigate the impact of renewable energy schemes and tradable green certificates on competition in the wholesale electricity market, the authors propose a joint equilibrium model that considers the oligopolistic tradable green certificate market based on oligopolistic competition equilibrium theory. These strategic behaviors will increase the electricity market price and have negative effects on market efficiency (An, Zhao, 2015).

According to author Jianqing's findings, suggestions are proposed, expected to help the domestic smart health care industry practice green marketing and lead the public focus on environmental protection. The domestic government positively advises and encourages enterprises to become green enterprises.(Jianqing, 2021) One option to combat anthropogenic climate change is to increase the share of renewable electricity supply. The present authors defined and discussed a spot market for time-specific tradable renewable energy certificates. Implementation of this market promises a more credible supply of renewable energy, along with a mechanism that rewards flexibility in renewable generation and storage, as well as tangible investment signals.(Will, Jochem, & Fichtner, 2017)

On an optimal strategy for green energy trading there are three important pillars: resident users (RUs), service providers (SPs) and the network. Resident users make decisions about the amount of green energy generated for self-use and trading. Service providers collect green energy from user residents and sell it on the market and receive subsidies from the network. In addition, an optimal network subsidy policy, optimal pricing strategies for service providers, and an optimal user utilization strategy are also provided at each stage. Both analytical and simulation results show that optimal decisions, such as the amount of green energy generated by resident users and the grid subsidy, are all decreasing functions of their average cost.(Wu, Zhuang, 2021)

Liberalization of markets under regulatory control requires new tools for environmental policy-making, as subsidies and regulatory intervention are not in line with liberalized transnational markets. The introduction of tradable green certificates has been delayed mainly due to the uncertainties involved for renewable energy suppliers. Several studies have been undertaken using comparative statistical economic analyzes and partial equilibrium models. A set of trading strategies is examined for participants under different marked models, these trading strategies being deduced from laboratory experiments. (Vogstad, Kristensen and Wolfgang, 2003) The authors Verhaegen, Meeus and Belmans clearly illustrate that a single European support scheme for renewable energy, however desirable, is still far in the future.

2. Research methodology

Descriptive analysis was used to carry out the research in order to define a series of concepts, such as the meaning, importance, role of green certificates trading and their evolution through the historical method. The historical method was used through the evolution of the number of green certificates traded and their price on the market. The limitations of the research are mainly associated with the application of the methodology from an economic point of view and the availability of the data used. In this respect, information was collected from scientific articles, books, and data was collected from reports from power plants in operation, from companies that have invested in renewable energy, such as ANRE and OPCOM. The analysis was carried out at the level of Romania but also at the general level of the European Union area for the period 2015-2020, in order to highlight the role of green certificates traded on the market in order to obtain energy from renewable sources that can contribute to the development of the European energy sector in a safe, competitive and competitive way.

3. Results and discussion

3.1.Scope and approach of green certificates

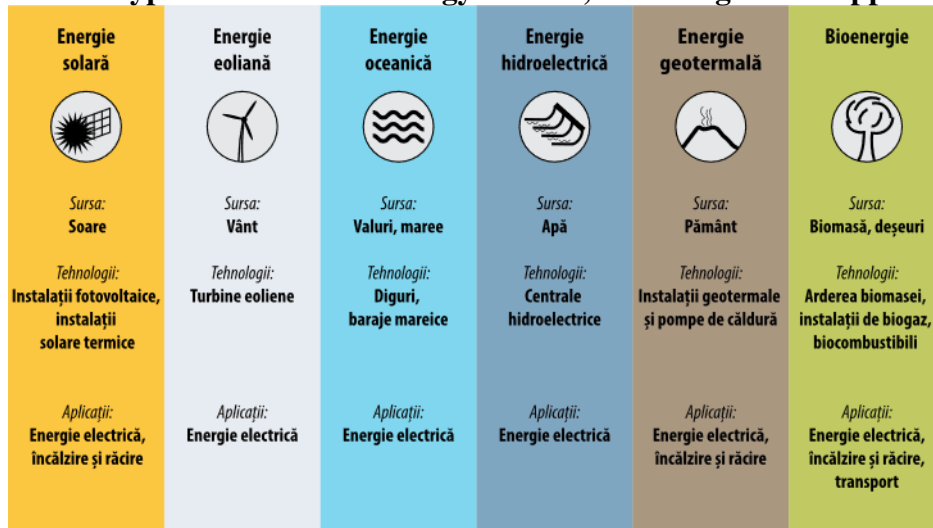
A green certificate is a marketable asset that proves that the electricity was generated from a renewable energy source.

Across Europe, renewable energy is now a mainstream technology. In recent years, clean power plants have increased in number and capacity, leading to record levels of production.

Romania was among the first candidate countries to the European Union to transpose the provisions of Directive 2001/77/EC into its own legislation. In order to encourage the production of electricity from renewable energy sources in Romania, by HG no.1892/2004, with subsequent amendments, the system for the promotion of electricity production from renewable energy sources was established. The system for the promotion of electricity production from renewable energy sources adopted is that of compulsory quotas combined with the green certificates trading system. The transposition of Directive 2009/28/EC into national legislation was done through the adoption of Law No 220/2008 for the establishment of the system for the promotion of energy production from renewable sources, which aimed to make the system of promotion through green certificates more attractive for investors by introducing new facilities, including the granting of a greater number of green certificates, differentiated according to the type of renewable energy production technology.

Renewable energy is produced from non-fossil renewable sources that, when considered on a human time scale, are naturally replenished. Renewable energy sources include solar and wind energy, ocean energy and hydropower, geothermal energy and bioenergy. The main types of renewable energy are shown in Figure 3.1.

Figure 3.1. Types of renewable energy sources, technologies and applications



Source: European Court of Auditors

Electricity suppliers are obliged to purchase annually a number of green certificates equivalent to the product of the amount of the mandatory green certificate purchase quota set for that year and the amount of electricity supplied annually to final consumers.

The annual mandatory green certificate purchase quota set by ANRE is the number of green certificates that an electricity supplier is obliged to purchase for each MWh of electricity that is sold to consumers. For the period 2015-2020, the annual mandatory quotas for electricity produced from renewable energy sources benefiting from the green certificate promotion scheme are as follows:

Table 3.1. Mandatory quotas

Year	2015	2016	2017	2018	2019	2020
Quota	16%	17%	18%	19%	19,5%	20%

Source: Own processing ANRE (<https://www.anre.ro/ro/energie-electrica/legislatie/surse-regenerabile/legislatie-ue-esre>)

The supplier that does not reach the mandatory annual quota is obliged to pay the equivalent value of unacquired green certificates in the amount of 110 euros for each certificate, calculated in lei at the average exchange rate set by the BNR for December of the previous year.

According to the data in the table for the period 2015-2020, there has been a slight increase in the mandatory annual quota for the purchase of green certificates, which may demonstrate the profitability of a good negotiation of these certificates on the market.

3.2 Evolution of the green certificates market in Romania

Currently, there are a number of operational support schemes in the EU that have focused on electricity from renewable sources, one of which is the mandatory quota and green certificate system that is adopted in Romania. The mandatory quota system is a mechanism to promote the production of electricity from renewable energy sources through the purchase by suppliers of mandatory quotas of electricity produced from these sources for sale to consumers. The purchase price is set on a competitive basis. This system of mandatory quotas and green certificates is also used in countries such as the UK, Sweden, Belgium, Italy and Poland.

The number of green certificates that electricity suppliers/producers are obliged to purchase annually for every 1 MWh of electricity sold to final consumers is determined as the product of the value of the mandatory annual green certificate purchase quota set for that year and the amount of electricity invoiced annually to final consumers by each electricity supplier/producer with a green certificate purchase obligation. In the event of non-purchase of green certificates, the electricity suppliers/producers with the obligation to purchase green certificates shall be subject to penalties.

Registered participants in the Green Certificates Marketplace (GCM) are : The Centralised Green Certificates Market (GCMP) and the Green Certificates Bilateral Contract Market (GCBCM).

The following values were recorded on the Centralised Green Allowance Market during 2015-2017:

Table 3.2. Values recorded on the green certificates market during the period 2015-2017

Period	Number of CVs traded GCMP in the year	Weighted average price (lei/certificate)	Value (lei)
2015	36.618	130,95	4.795.268
2016	8.468	132,25	1.119.899
2017	15.600	132,54	2.067.636

Source: OPCOM

The following values were recorded on the Green Certificates Bilateral Contracts Market during 2015 - 31.08.2017:

Table 3.3. Values recorded on the Green Certificates Market during 2015-2017

Period	Number of CVs traded GCBCM in the year	Weighted average price (lei/certificate)	Value (lei)
2015	10.070.686	131,04	1.319.707.797
2016	7.019.976	132,30	928.748.531
2017	1.448.061	132,41	192.012.101

Source: OPCOM

As of 01.09.2017 the registered participants of the Green Certificates Market (GCM) are : Centralised Anonymous Spot Green Certificates Market (CASGCM) and Centralised Anonymous Forward Green Certificates Market (CAFGCM). On the Centralised Anonymous Spot Green Certificates Market, the following values were recorded during 2017- 2020:

Tabelul 3.4. Values recorded on the Green Certificates Market during 2017-2020

Period	Number of CVs traded CASGCM in the year	Weighted average price (lei/certificate)	Value (lei)
2017	523.785	132,03	69.155.072
2018	2.599.148	134,31	349.071.035
2019	4.562.134	136,82	624.158.783
2020	6.578.991	139,51	917.827.798

Source: OPCOM

Pe Piața Centralizată Anonimă la Termen de Certificate Verzi s-au înregistrat următoarele valori pe parcursul anilor 2017 - 2020:

Tabelul 3.5. Values recorded on the Green Certificates Market during 2017-2020

Period	Number of CVs traded CAFGCM in the year	Weighted average price (lei/certificate)	Value (lei)
2017	35.202	132,03	4.647.702
2018	214.522	134,31	28.810.755
2019	903.668	136,82	123.633.440
2020	259.701	139,51	36.230.601

Source: OPCOM

In Romania, the green certificate market during 2015-2020 has grown due to the increasing number of consumers, thus obliging suppliers to purchase and trade a large number of green certificates. In terms of the number of green certificates traded we can say that it varies from year to year, the highest number being recorded in 2015 on the bilateral contract market of 10.070.686 green certificates and the lowest being 8,468 green certificates traded on the centralized green certificate market. At the price level we can say that there are slight but significant increases for suppliers and also for consumers, so in relation to the higher number of green certificate transactions and the total value is higher and reverse.

The price of green certificates depends on the market shortage. The price is higher when the green certificate system is driven by strict government policy targets. This is one of the reasons why green certificate markets have lost popularity in recent years and only a few European countries still rely on this mechanism, including Belgium, Sweden, Norway and Poland.

3.3. Green certificates market developments in Europe

Romania has technological potential and an adequate geographical location for the use of renewable energy for electricity production, but this high potential is not fully realized, referring to the EU environment, energy, strategies and legislation on renewable energy.

In June 2016, the European Parliament adopted a resolution referring to the Progress Report on Renewable Energy, which outlined a better climate and energy package for 2030, reaching an EU target of 30% for the share of renewable energy sources in total consumption.

From a European perspective, there are still areas with high potential for renewable energy sources and untapped in Romania. The gap can be closed after 2030, when renewable energy technologies are expected to become competitive without support schemes.

In technology-based schemes, payment may be higher or lower, either to stimulate specific technologies or to support new capacity more than existing capacity. At the same time, suppliers must ensure that a certain percentage of their supply is covered by green certificates otherwise they pay penalties.

An example of such a mechanism is in Poland, where the green certificate scheme was introduced in 2005 and supported in particular the increase of wind capacity to around 6 GW by the end of 2019. Suppliers are required to obtain and submit green energy certificates in on a regular basis.

Another example is Italy, where the scheme was introduced earlier in 2002, but was replaced by other schemes in 2016. The same thing happened with the schemes in the UK and Romania. In the EU so far, only Sweden (with Norway), Poland and Belgium have a fully functional compliance mechanism for green electricity.

The Netherlands is an example of supply and demand dynamics. It has a high demand, much of which is for internally generated (wind) energy. Consumers, both households and businesses, are keen to pay a premium for locally produced green electricity.

3.4 Accounting and tax treatment of green certificates

Those that produce electricity from renewable energy sources receive a number of green certificates for each unit of electricity delivered to the grid. The electricity market operator is OPCOM. The monthly recording of the right to receive green certificates is accounted for via the accounts for subsidies, 445 and operating subsidy income based on turnover, 7411. (ORDER No. 1802 / 29 December)

The green certificate entitlement is valued according to the number of green certificates to be received and the trading price at the date of establishment of this entitlement offered by the electricity market operator. The price of green certificates varies within a range of values, so that the minimum price is imposed to protect producers and the maximum price to protect consumers.

When the green certificates are received, their value is reflected in account 507 "Green certificates received". Those green certificates received will be valued at the trading price on the date of receipt. If there is a difference in the value of the green certificates recorded in the allowance account between the value established at the time of the decision to receive certificates and their value at the date of receipt, determined on the basis of the trading price at the date of receipt, this is a financial income and is recorded via account 768 or a financial expense and is recorded via account 668. (ORDER No 1802 / 29 December 2014)

At the end of each financial year, the green certificates that have been booked to account 507 will be valued at the trading price published by the electricity market operator for the last transaction, with the resulting differences reflected in the result for the period, with reflection in account 768 or 668. At the time of the sale of the green certificates the resulting gain will be recognised as short-term investment using account 7642, respectively short-term investment loss recorded through account 6642 resulting from their sale. Electricity suppliers and generators are obliged by law to purchase a number of green certificates each year and record the value of these certificates in account 652 "Environmental protection expenses". If the green certificates are purchased before the legal deadlines, the value of the green certificates is recorded as an advance expenditure via account 471, and the expenditure is recorded in account 652 when the legal deadlines are met. Green certificates which are cancelled because they have not been used within the period of validity shall be recorded as financial expenses of the period via account 668.

When the value of green certificates is delayed, the entry is made via account 266 and the revenue recorded in advance in account 472. At the end of the financial year, any loss in value relating to green certificates is recognised as deferred income. The income which is

taxable for the purposes of calculating corporation tax is that recorded in accounts 7411 and 768, while the income recorded in account 7863 'Financial income from adjustments for impairment of financial fixed assets' is not taxable for the purposes of calculating corporation tax. When calculating corporation tax we have deductible expenses which are recorded in accounts 668 and 6642, while non-deductible expenses are recorded in expense account 6863.

The reverse charge procedure applies only to the transfer of green certificates between taxable persons registered for TVA purposes under Article 153 of the Tax Code, but this rule does not apply in the case where energy suppliers who are obliged to purchase certificates and who have to recover the cost of these certificates from final energy consumers are taxable persons registered for TVA purposes.

Conclusions

The state provides renewable electricity producers with green certificates free of charge. These producers must demonstrate the production of a quantity of electricity from renewable sources and thus receive the appropriate amount of green certificates. The seemingly closed and difficult-to-access green certificate system can and will work optimally if state authorities treat electricity suppliers and producers professionally and with the utmost seriousness. Green certificates are purchased on a voluntary basis to obtain green electricity. For businesses, this has commercial benefits as it improves their reputation and gives them a competitive advantage in a society where awareness and the importance of environmental impact is growing.

The support scheme encourages beneficiaries to become more competitive as they have to sell their electricity on the market and the same goes for the green certificates. Beneficiaries must therefore set up their bidding strategies in two separate markets in order to generate revenue. This will increase competition in the electricity market and have a positive impact on customers. Moreover, the measure rewards production and therefore provides an incentive for generators to increase their production efficiency.

The promotion of renewable energy on the Romanian market required legislative and financial support. After analyzing the options for promoting electricity from renewable energy sources, it was decided to create a system of green certificates and mandatory quotas. The system of mandatory quotas combined with the trading of green certificates is compatible with competitive market principles and promotes the use of renewable energy sources. As a result of the implementation of the support scheme through green certificates and annual mandatory quotas.

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MEASURING SUSTAINABLE ECONOMIC GROWTH

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Abstract

Within the context in which worldwide concerns are oriented towards the rational and efficient usage of natural resources, on the decrease of the impact produced by industrialization and technological upgrading over the environment and the increase of living standards, it can be said that the concept of sustainable development has become an ever-present objective within political strategies as well as within international organizations- a thing which can be seen via their adopted strategies. For the 2030 Agenda, sustainable development encourages the delimitation of the economic growth from the negative impact it has over the environment and society at large. Eurostat monitors the implementation objectives of such a sustainable development at European Union Member States' level, of which, a specific interest is awarded to the attention given to the proposed sustainable economic growth and the set of indicators which can better illustrate the registered progress. Reinvigorating economic growth and ensuring its resilience and sustainability are key as the world emerges from the Covid-19 pandemic. The paper questions the relevance of the main indicator used in measuring sustainable economic growth and reviews alternative ways of measuring. The study concluded the necessity to adapt such measurement indicators to national conditions and to the priorities encountered by each economy, founding the premises for the development of new appropriate indicators to measure progress.

Keywords: sustainable economic growth, alternative indicators, policymaking, Gross Domestic Product, Beyond GDP.

1. Introduction

The global economy faces multiple challenges, such as globalization, digitalisation, environmental degradation, population aging, poverty eradication, which has led in recent years to rethinking development strategies and adopting reforms to ensure sustainable development for future generations. The current pandemic context is putting even more pressure on governments to find viable solutions that provide welfare and effectively counteract the shocks caused by crises.

Achieving sustainable growth is a major goal for all governments in the world, but its monitoring is based on inconsistent policies. Following the financial crisis of 2008, efforts at EU level have been geared towards sustainable economic growth, with one of the effects being to reduce the long-term disparities between Member States in terms of GDP per capita.

This paper focuses on sustainable economic growth and the aspects generated by its measurement. The paper begins with the presentation of sustainable economic growth in the context of the 2030 Agenda for Sustainable Development, then addresses problematic issues related to measurement, which come from the limitations of GDP as a measure of sustainable economic well-being. The last part addresses alternative indicators used to measure sustainable economic growth and which have gained popularity due to the calculation methodology and the availability of data, followed by the conclusions resulting from the documentation.

2. Sustainable economic growth under the 2030 Agenda

The main challenge in achieving sustainable economic growth is to find solutions that balance the desire of the environmental society with the economic burden of industry. According to Porter and colleagues (1995), the notion of an inevitable struggle between ecology and economics stems from a static vision of environmental regulation, in which technology, products, processes and customer needs are fixed, but the new paradigm of international competitiveness is a dynamic one, based on innovation. Supporting its claims is based on the argument that properly designed environmental standards can trigger innovations

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that can partially or more than fully offset the costs of complying with them, by improving the productivity with which resources are used and increasing competitiveness.

Sustainable economic growth refers as a concept to that growth or development that reduces the impact of economic activity on the environment. The sustainability of economic growth can be achieved by ensuring the sustainability of production and consumption, increasing efficiency in the use of material resources, revitalizing high value-added manufacturing industries and relative balance with the services sector, which has experienced rapid development in recent decades.

The 2030 Agenda is citizen-oriented and aims to improve people's quality of life, with the basic principle being "no one will be left behind" (United Nations, 2015). The 2030 Agenda for Sustainable Development includes 17 sustainable development goals and 169 targets and was adopted in 2015 by heads of state and government at a special UN summit, as a result of a lengthy international review process, to find solutions to eradicate poverty and achieve sustainable development.

Sustainable development delimits economic growth from the negative impact on the environment, discouraging irresponsible economic growth. The 2030 Agenda focuses on three pillars - economic, social and environmental, defined in the well-known Brundtland Report (1987).

The eighth goal of sustainable development "Decent Work and Growth" in the 2030 Agenda for Sustainable Development has the direct attribute to "promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" (United Nations, 2015).

The European Commission developed in 2017 a set of benchmarks to monitor the SDGs in the 2030 Agenda, which are annually reviewable, to be in line with issued and changing policies and to increase the statistical quality of the set of indicators.

It is noted that, in various reports and communications of European and international organizations, the paradigm of sustainable economic growth is most often related to SDG 8 and GDP measurement. There are complex linkages between the goal of sustainable growth and the other SDGs, so that the strict delimitation of sustainable growth from the other SDGs is not feasible. There are connections and interconnections of different intensity between the SDGs, the SDGs being indivisible and integrated according to the 2030 Agenda.

From the set of EU SDGs, 67 indicators out of a total of 102 global indicators are aligned with the UN list, noting that UN indicators are selected for global reporting and are not always relevant to the EU. (EC, 2021)

The set of indicators that illustrates the progress made towards achieving the goal of sustainable growth comprises six main indicators (Table no. 1). It is observed that there are interferences between indicators of other objectives associated with economic growth, namely SDG 1, SDG 5, SDG 12.

Table no. 1 Indicators measuring SDG 8, EU
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Code	Multipurpose indicators	Indicator name	Frequency of data collection
8_10	-	Real GDP per capita	Every year
8_11	-	Investment share of GDP	Every year
8_20	SDG 10	Young people neither in employment nor in education and training	Every year
8_30	-	Employment rate	Every year
8_40	-	Long-term unemployment rate	Every year
8_60	SDG 3	People killed in accidents at work	Every year

Multipurpose indicators: Supplementary indicators of other goals which complement the monitoring of this goal			
01_41		In work at-risk-of-poverty rate	Every year
05_40		Inactive population due to caring responsibilities	Every year
12_20		Resource productivity and domestic material consumption (DMC)	Every year

Source: CE, EU SDG Indicator set 2021, Result of the review in preparation of the 2021 edition of the EU SDG monitoring report, 2021

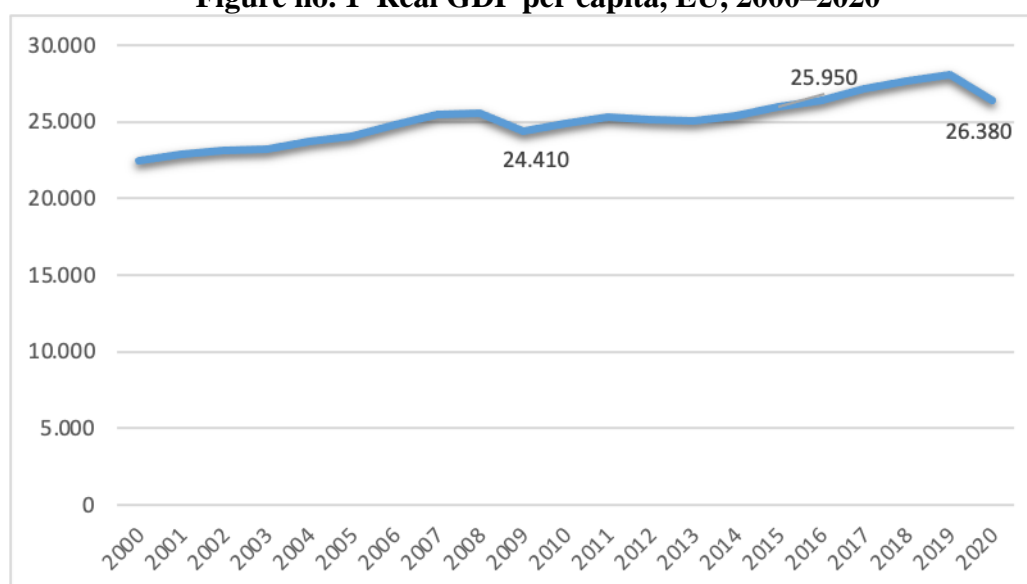
The European Union monitors and analyzes in SDG 8 trends in the areas of sustainable growth, employment and decent work. Despite the COVID 19 pandemic, which has curbed positive growth trends, the EU is reporting some progress on sustainable economic growth over the last few years, the overall employment situation and working conditions (EC, 2021).

The target set to support per capita economic growth in line with national, global (UN, EU) circumstances is at least 7% GDP growth per year in the least developed countries. It follows that there is no indication of the pace of growth that developed countries should aim for, as some forms of GDP growth may adversely affect the quality of the environment, health and social relations and could further exacerbate inequalities (Coscieme L and al, 2020).

Real GDP per capita in the EU grew strongly and continuously by 2.0% per year, on average, between 2014 and 2019, with both private consumption and investment being the key drivers of economic expansion. The economy has been hit by the global COVID-19 pandemic, which led to a 6.2% contraction in real GDP in 2020 compared to 2019. This was the sharpest decline observed since at least the mid-1990s, surpassing the record previous decrease of 4.6% in 2009, following the financial crisis from 2007 to 2008 (EU monitoring report, 2021, p.183).

Following the 2020 recession, real GDP per capita in the EU was EUR 26,380, which was 9.0% higher than in 2005 and just above 2015 (EUR 25,950) (Figure no. 1).

Figure no. 1 Real GDP per capita, EU, 2000–2020



Compound annual growth rate (CAGR): 0.6% per year in the period 2005–2020; 0.2% per year in the period 2015–2020

Source: Eurostat data; author's processing

3. Challenges and limitations in measuring sustainable growth

The effort to achieve a sustainable and competitive economy, by streamlining the allocation and consumption of resources and social inclusion, must be supported by the existence of an adequate system of indicators to measure this process. Indicators are needed to measure progress towards achieving sustainability goals. The issue of identifying appropriate indicators to monitor sustainable economic growth has been addressed by researchers and practitioners in many studies, which have highlighted the limitations of GDP.

Economic growth can be defined as "a measure of the positive change in GDP in an economy" (Howitt, 2008). GDP growth is the main economic dimension, while greenhouse gas emissions and renewable energy consumption are the size of the environment, and corruption is the social dimension of sustainable development.

The OECD defines GDP as "an aggregate measure of production equal to the sum of the gross values added of all resident and institutional units engaged in production and services (plus any taxes, and minus any subsidies, on products not included in the value of their outputs)" (OECD Glossary).

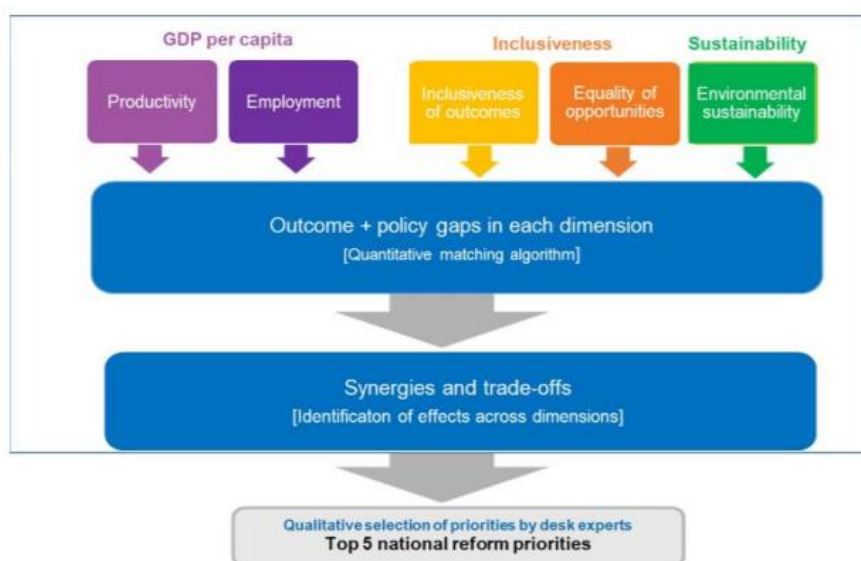
GDP is the best known and most widely used indicator of economic activity, but the characteristics of contemporary society changed from the historical ones, when Kuznets developed the modern concept of GDP for the US Congress report in 1934 (Kuznets, 1934), becoming after the conference Bretton Woods since 1944 the main instrument for measuring a country's economy. By dividing the GDP by the size of the population, GDP per capita is obtained, an indicator that reflects the average standard of living of a person in a country.

Given the long period of applicability and the wide availability of statistical data, GDP has become a reliable tool for comparing economic performance both over time and between countries or regions. The quarterly publication of data has given this indicator an additional advantage, becoming a useful tool in developing short-term economic policies.

In an OECD report (2021), the Going for Growth framework is based on breaking down GDP growth into labor productivity and labor utilisation, in order to provide a deeper understanding of the performance of the economy. One of the OECD recommendations is to revitalize productivity growth for long-term income growth.

Pursuing quality growth, the OECD identifies in the Going for Growth Report (2019) 5 priority national reforms to raise long-term living standards that combine quantitative analysis and specific expertise to identify each country's priority needs (Figure 2).

Figure no. 2 Top 5 national reform priorities



Source: OECD, "Economic Policy Reforms 2019: Going for growth"

Each individual economy needs to identify its reform priorities on the basis of a mixed approach that combines qualitative assessment with quantitative assessment. The OECD draws attention to the importance of a detailed examination of scoreboard with indicators that include, for each of the growth dimensions (growth, inclusion and environmental sustainability), the best available outcome and matching policy indicators in pairs based on economic evidence monitoring (OECD, 2021).

The path of sustainable economic growth is one that is dynamically efficient and does not decrease over time (Stavins and al., 2002), and GDP, although not an indicator to measure economic and social well-being, remains the most widely used indicator of monitoring sustainable economic growth.

Robert F. Kennedy once said that a country's gross domestic product measures "everything except that which makes life worthwhile" (Constanza, 2014).

The issue of the relevance of the GDP indicator is part of the topics of debate both in academia and at the political level. Although commonly used as an indicator of well-being, GDP reflects output expressed in monetary terms as a measure of economic performance. The lack of capacity of this indicator to capture the multidimensional nature of sustainable economic growth is obvious, as it does not take into account the environmental and social costs of increasing production, does not reflect social and territorial inequalities and may mask certain economic problems, such as of the COVID-19 pandemic.

Some authors have addressed the conditions under which long-term economic growth can be sustainable, assessing the costs and benefits of growth. For example, Islam et al. (2004) analyzed the interactions between key economic, environmental and social elements, and the empirical results indicated that long-term economic growth is unsustainable, with its costs outweighing the benefits of environmental damage. The model proposed by them aims at an optimal growth, in conditions of reducing pollution.

In attempts to destabilize GDP, indicators for measuring economic progress have been divided into three groups: the first group adjusts economic measures to reflect social and environmental factors, the second group targets subjective welfare measures extracted from surveys, and the third includes weighted composite indicators of well-being, including housing, life expectancy, leisure and democratic commitment (Constanza, 2014).

4. Alternative indicators in measuring sustainable economic growth

The important role of statistical indicators is known, which make it possible to design and evaluate policies that promote the progress of society and influence the functioning of economies.

Stiglitz and co-workers emphasize this idea very well in "What we measure affects what we do", the risk of an erroneous measurement can be translated into distorted decisions (Stiglitz Report 2009, p.7). Thus, the choices between protecting the environment and promoting GDP can be false choices, once environmental degradation is properly included in measuring economic performance.

Assessing the well-being of citizens through indicators that take into account social aspects, such as health, education, is increasingly used to complement economic measures. In this regard, international efforts intensified in 2007, together with the "Beyond GDP" conference, organized in collaboration with the Club of Rome, the OECD and the World Wide Fund for Nature (WWF).

Beyond-GDP indicators, which aim to supplement or replace GDP, are of growing interest at national and international level. The European Parliament supports the inadequacy of GDP and promotes the use of alternative indicators in policies, which can improve monitoring and guide policies towards sustainable economic, social and environmental goals.

A Beyond GDP set with a limited number of indicators is perceived as a compromise between the need for a small number of indicators and their statistical robustness, influenced by the difficulty of aggregating multiple dimensions into a single indicator (Chancel and al., 2014).

For example, the set of sustainable development indicators is not perceived as an easy-to-understand indicator Beyond GDP, has little coverage in political debates and in the media, and is not concretely mobilized to assess public policies.

National and regional authorities, international organizations, NGOs, statistical institutes, etc. they have developed a variety of alternative indicators to GDP. They can be divided according to the calculation methodology, taking the form of a single indicator (such as the GINI coefficient, which measures income inequality); a scoreboard - a set of indicators (such as Sustainable Development Indicators); or a composite indicator that comprises several sub-indicators aggregated to a single value (for example, the Human Development Index, which comprises three dimensions - health, education and income) (Widuto 2016).

Regarding the relationship of alternative indices to GDP, they can be seen as replacing, adjusting or supplementing GDP. Indices that replace GDP usually include an income component, those that supplement GDP use dimensions other than income, while those that adjust GDP add and subtract other factors. Examples of "adjustment" indicators include the Genuine Progress Indicator (GPI), Adjusted Net Savings (ANS) and the Sustainable Economic Welfare Index (ISEW). (Widuto 2016)

Economic theory suggests that an appropriate indicator of sustainable economic development requires a focus on the components of national wealth, thus providing a strong argument for including the measure of "genuine savings" (GS) in any economic component of a set of sustainability indicators (Mcgrath, 2020).

The World Bank has operationalized economic theory to provide regularly updated GS estimates for most countries, called Adjusted Net Savings (ANS) (World Bank, 2018).

Another well-known indicator is the Human Development Index (HDI), a composite indicator that takes into account other important elements for human development, beyond economic growth and income (Alkire, 2002). The United Nations Development Program has published HDI annually since 1990, which encompasses information on three dimensions: material living standards, life expectancy, and educational attainment.

Among potential candidates, HDI is considered by far the most prominent indicator of well-being, which assesses not only income capacity but also education and health opportunities. Its popularity lies in the simplicity of construction and its large geographical coverage, which allows comparisons between several countries in terms of welfare over a long period of time (Decanq, 2021).

In 2011 the OECD proposed the Better Life Index (BLI). The OECD selected 11 dimensions of life, which encompass material living conditions (housing, income, and jobs) and quality of life (community, education, environment, governance, health, life satisfaction, safety, and work-life balance) (OECD , 2011).

BLI is insensitive to the way multidimensional well-being is distributed within countries, due to the fact that it is based only on aggregate indicators at the country level (Decanq, 2015).

Another alternative indicator often used is the Genuine Progress Indicator (GPI). While GDP is a measure of current output, GPI is designed to measure the economic well-being generated by economic activity, being a version of the Sustainable Economic Welfare Index (ISEW) first proposed in 1989 (Daly and Cobb, 1989, Kubiszewski, 2013).

Academic practice also offers numerous proposals for complex indicators to replace GDP, as well as empirical studies that may be the subject of further documentation.

5. Conclusions

The use of new indicators requires a consensus on their choice, as well as harmonized methodologies and improved statistical practice at regional and global level. It is noted that the various sets of indicators used at regional or individual level do not replace GDP as an indicator for measuring economic performance, but most often complement it by highlighting the social and environmental dimensions. The indicators that stand out most often are HDI and BLI. Data availability and reliability are crucial, the existence of time series allowing the comparability of results over time. Spatial considerations are important when applying new indicators, in order to avoid facing the same problems as GDP, in particular the concealment of inequalities, the distribution of wealth between different population groups and the disposable income of households living in a region.

Although some countries have adopted Beyond GDP indicators at the political level, there is a slow evolution in terms of their notoriety and applicability in policy-making at the national level. According to the OECD (2019), only a few nations have integrated indicators that measure welfare into public policies (France, Italy : Lois Sas and Budget Reform Law – New Zealand: first “well-being budget” in 2019 – Scotland, Slovenia, Slovakia: Performance framework, national development plan – United Kingdom: range of instruments for public officials).

GDP remains the main tool used in the evaluation of public policies as opposed to the sets of complementary or substitute indicators that have not been mobilized in this way and benefit from poor media coverage. Moreover, the variety of these sets of indicators and different calculation methodologies will not ensure a uniform practice and comparability of results over time.

Obviously, much remains to be done to identify that indicator or set of indicators that will ensure an adequate assessment of sustainable economic growth, in the context where current monitoring of sustainable development is inconsistent. The new set of indicators must be adapted to the national conditions and priorities of each economy, while taking into account key elements of sustainable economic growth that are opposable to each economy. The prerequisites for creating a single comprehensive response to the assessment of sustainable economic growth, including social and environmental costs, are currently low and require accelerating and unifying efforts in the same direction at governmental, regional and global levels.

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ANALYZING THE RESILIENCE OF THE CENTRAL AND EASTERN EUROPEAN STOCK MARKETS DURING THE COVID-19 PANDEMIC

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Abstract

In the recent period there has been much speculation regarding the adaptation of the economy to the COVID-19 pandemic, and to the fact that markets are gradually becoming resilient to news about the pandemic. This theory may be applicable for the North American and Western European markets, but when it comes to more volatile and less liquid markets like the ones analyzed in this article, Romania, Poland and Bulgaria, the effects can be divergent. Our proposal is a method for assessing the influence of the COVID-19 pandemic on the stock markets of the Central and Eastern European countries. For each of the country taken into consideration, the main stock exchange index has been selected, BET, WIG20, SOFIX, and the influence of the daily COVID-19 registered cases has been examined. The sampled period is situated between the 3rd of September and the 29th of October of the current year, 2021. The volatility fluctuations, correlation and the impact of the chosen markets have been investigated through statistical and econometric methods, using panel data for Vector Error Correction model.

Keywords: COVID-19, resilience, regional development, Vector Error Correction, panel data

JEL Classification: C1, G1

Introduction

One of the most important questions in finance has always been quantifying the impact of unpredictable factors on the returns registered by the stock exchange market. For most researchers an important factor is the news, because most news stories have been shown to have an impact on the stock exchange market due to the way investors react. Favorable news generate interest in the market and lead to the increase in the price of shares and unfavorable news lead investors to sell their stock, leading to a decrease in overall shares prices.

From the beginning of 2020 the world has been confronting with the COVID-19 pandemic, this is not an unique case in history, but it represents a genuine opportunity to analyze and compare the level of resilience of different regions. Starting from this mindset, we decided to approach the Central and Eastern European region, in order to understand if the pandemic has brought about changes in the way the stock markets respond to shocks caused by the influence of news regarding the pandemic. In the model used we decided that the data registered in the last period is the most significant, due to the possibility that the stock markets developed a resistance to the stress factors due to their prolonged presence (more than a year). A reason for choosing Romania, Bulgaria and Poland was the fact that the response to the pandemic was similar in all three countries regarding the way the financial markets and they represent countries that have been recently integrated in the European Union. It is well known that the news of the pandemic we are going through affected the regional development, which generated fluctuations on stock exchange markets due to the existing interconnections between the economies.

Even if we are unable to approximate the long-term impact of the COVID-19 pandemic, we are aware of the fact that it has influenced the returns registered by the major indices of the stock exchange markets in the world. Besides, the pandemic situation has had a significant effect on the emerging countries which seem to be unable to become resilient to news regarding the new registered daily cases although it has been almost two years since the coronavirus outbreak has started.

Taking into account the regional situation regarding the evolution of the pandemic, we believe that the stock markets should develop resilience towards news related to COVID-19

cases. Hence, the present article aims to investigate the relation between the registered daily cases and the stock market returns for the mentioned countries between 3rd of September 2021 and the 29th of October 2021.

Literature review

In order to understand the purpose of this research paper, it is essential to highlight the following bibliographical references that were useful in developing the methodology of this article. One of the most important is the paper written by Jonathan Batten (2011) that accentuates the idea that the emerging economies have been resilient to the consequences of a global crisis. Turalay Kenç (2016) also analyzed financial crisis and the way of transmission external shocks. Nidal (2004) showed that during economic periods of crisis or events, the volatility of the stock exchange markets increases dramatically, generating changes in other markets, thus causing financial instability.

The methodology used by the author Elie I. Bouri (2014) is different from ours, although stock markets from less developed countries are being examined in terms of volatility. ARCH, GARCH and multivariate models are estimated. Both Elie I. Bouri (2014) and Hechem Ajmi (2021) tested vector autoregression.

An article similar to the present one was written by Turalay Kenç (2016). Financial markets were also investigated and the way of transmission external shocks were taken into consideration.

Essers (2013) took into account the global financial crisis triggered by the fall of Lehman Brothers in 2008. The paper contains both data before the year of the crisis and the year after its occurrence, so so the sample used is significantly larger than ours. Phakawa Jeasakul (2014) considered the asian market and Sercan Demiralay (2017) discussed the correlations through time between markets.

The present research is closely related to studies on COVID-19 pandemic, including the paper of (Ngwakwe, 2020). Also, authors like Prorokowski (2012), Wasim Ahmad (2014), Sercan Demiralay (2017) examined stock exchange markets by taking into account varying methods and data samples.

The Vector Error Correction model that we implemented is based on the Vector Autoregressive model methodology developed by Sims (1980). Even though, at first, the approach was deemed complicated, in the following years it caught on, being one of the most used methods in economical analysis. The error correction factors were added by several influential papers such as Engle (1987) which added a new level of prediction correction and impulse response analysis to the VAR's capabilities.

Methodology, data analysis and results

The objective of this research is achieved due to the steps taken and detailed in this section.

Yahoo Finance, European Central Bank and Wikipedia were the sources of information considered to be the most relevant for this paper.

In order to accomplish the purpose of the paper, three stock market indices were needed, one for our country, BET, one for Bulgaria, SOFIX, and one for Poland, WIG20.

The collected data were transformed to daily returns with the following formula:

$$D_{R_i} = 100 \times \ln \left(\frac{P_{i_t}}{P_{i_{t-1}}} \right) \quad (1)$$

where: D_{R_i} represents the daily returns of "i" stock market index; \ln represents natural logarithm; P_{i_t} represents the closing price of "i" stock market index at time "t"; $P_{i_{t-1}}$ represents the closing price of "i" stock market index at time "t - 1".

In modelling financial data, it is particularly important to know the behavior and distribution of the used data series. Therefore, Table 1 captures the descriptive statistics of the returns registered by the BET, WIG20 and SOFIX indices.

Tabel 1 Descriptive statistics

	<i>BET</i>	<i>WIG20</i>	<i>SOFIX</i>
Currency	RON	PLN	BGN
No. obs.	41	41	41
Average	0.0007	0.0001	0.0007
Minimum	-0.0150	-0.0263	-0.0148
Maximum	0.0111	0.0243	0.0107
Standard deviation	0.0051	0.0098	0.0057
Skewness	-0.5362	0.3175	-0.4961
Kurtosis	0.9843	0.9166	0.3535

Source: The result of own processing of the authors in EViews 12-Student Version

The results observed in the first table are obtained from the returns calculated for each index that was collected in its national currency. The reason behind such a choice is that we were not interested in the exchange rate fluctuations, but only in analyzing those three sets of data from our research in terms of the share price.

Skewness is negative for BET and SOFIX and this indicates that the yield distribution is negatively asymmetric, with an elongated curve to the left. The recording of a negative value of the asymmetry coefficient is a common feature of returns, indicating a negative correlation between changes in the stock market and those in volatility. The WIG20 is showing a positive asymmetry to the right.

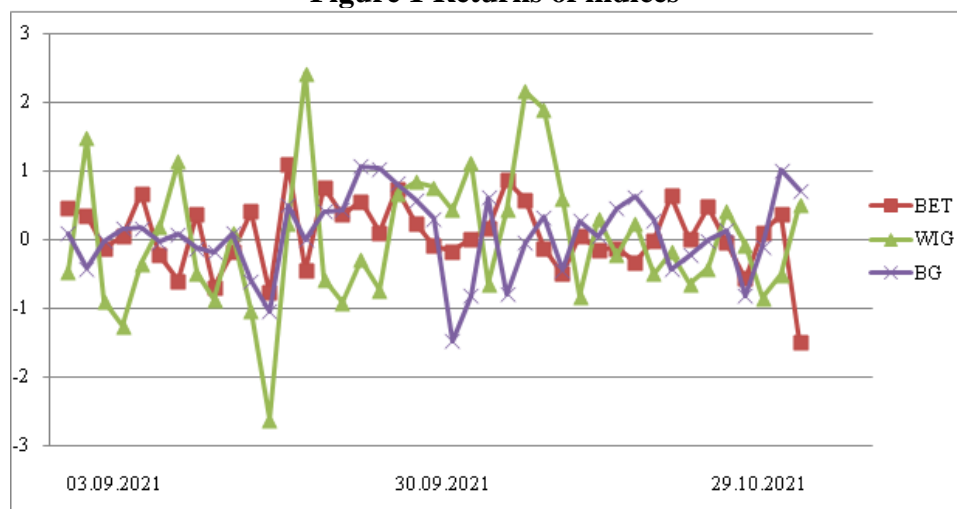
The kurtosis of analyzed series shows positive values not far from the value of the normal distribution whose kurtosis is 3, as follows: 0.99, 0.92, 0.35. The values point out the idea that the distributions of all indices are platykurtic.

Standard deviations are close for the BET and SOFIX indices, but this doesn't mean that the WIG20 index far exceeds them. In other words, we could say that the Polish index is the most volatile from the ones in the sampled data.

In Figure 1 we provide a graphical evidence of the returns for the same time sample.

It is obvious that the extreme values are recorded for returns of WIG20 index. Since we have decided to use data only from the beginning of September, the first month of the autumn, for the panel data sample, we considered that is important to analyze the trends for each country. We consider that the increasing number of cases influences the stock exchange markets and implicitly the volatility registered by it.

We used the data obtained by applying the formula specified before for the daily returns in order to obtain Figure 1.

Figure 1 Returns of indices

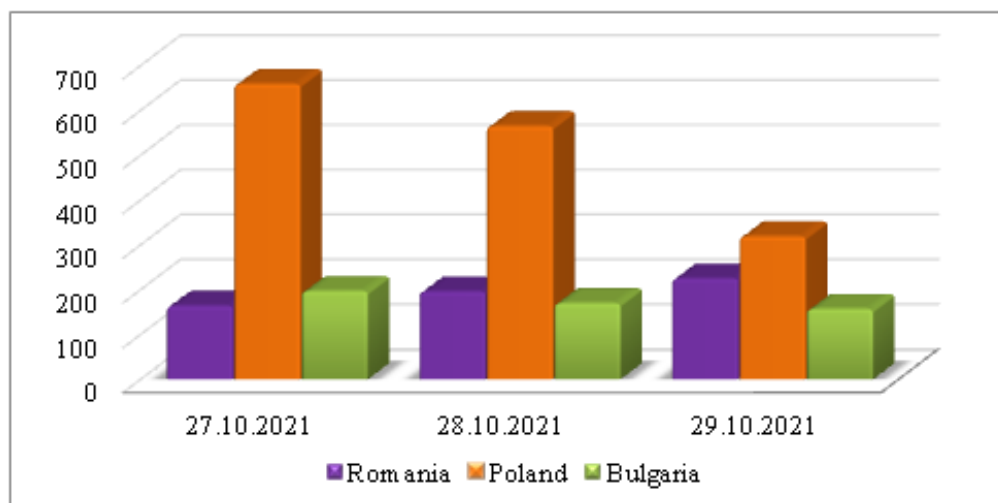
Source: The result of own processing of the authors in Excel

In the figure below we provide a picture of the daily registered number of new cases of COVID-19 between 1st of June and 29th of October 2021 for all the countries analyzed. From what we can observe, it has been an exponential increase at the end of summer, and respectively at the beginning of autumn emphasizing the idea that the virus was more contagious then.

It is important to mention that, for Figure 2, we used the platform Refinitiv Eikon for extracting the number of cumulative cases of COVID-19 registered for every country in the sample: Romania, Poland and Bulgaria.

Our selection has undergone adjustments because the sample data that we collected counted all the existing cases up to a certain point and we were interested in finding and examining the number of new cases that appeared from one day to another.

Figure 2 Covid-19 cases

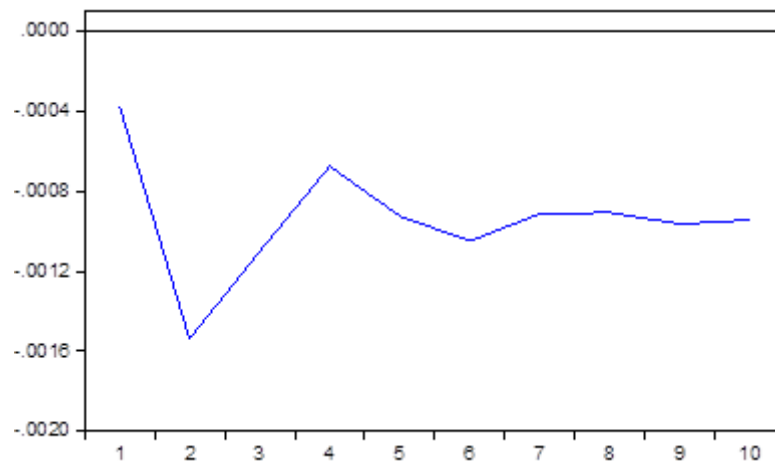


Source: The result of own processing of the authors in Excel

We decided to use the data to construct a Vector Error Correction Model (VEC) in order to analyze the impulse response function of the stock exchange index price when a shock happens in the data series of the daily COVID-19 cases. The influence was taken into account with two lags. Due to the fact that news circulates fast in the market, but most of the trading decision took a while to process. Also we took into account the low liquidity of the Central and Eastern European stock exchange markets selected, especially Romania and Bulgaria. We considered that even if the selling signal will be given in the moment the news regarding the new cases it would take a while to materialize into a price decrease.

After analyzing all the mentioned factors we decided that the effect of the daily case increase is seen in a more accurate way after two days from the announcement made by the public health officials. According to this, we constructed a model that takes into account the panel date from all of the three countries for the stock exchange in relation to the daily cases registered in each one. The time interval selected is between 3rd of September of 2021 and 29th of October 2021. We chose this interval due to the idea that by now, with the markets being over exposed to the stimuli that is represented by the news of the COVID-19 cases, some resilience to them has been built. In Figure 3 we can see the impulse response function generated by the VEC model.

Figure 3 Impulse response function



Source: The result of own processing of the authors in EViews 8

In Figure 3, we can see the way that news about COVID-19 pandemic influences the response of the index on average for all three countries, the effect is clearly one of decrease in the price of the index, taking into account that these indices are composed of the most important shares traded in the respective markets, we can state that the effect is one of decrease for the first two periods. The model with which we generated the results in the impulse response function is presented in the Appendix.

The results are interesting from our point of view because they prove that even though the pandemic and its effects have been felt in the economy for more than a year, the analyzed countries have not developed resilience to the impact generated by news stories even though the COVID-19 cases have been registered since the beginning of 2020.

Conclusions

In recent years the evolution of the stock exchanges in Central and Eastern Europe has been of great interest to economic researchers, both living in the area and in other countries. With the evolution of the pandemic being still considered by the medical scientific community to be uncertain, the present paper set out to analyze the connection between the main indices of three countries in the area and the daily COVID-19 cases registered.

The influence on volatility of the COVID-19 pandemic, is from what we have seen, significant. The largest volatility of the stock market index was registered by the Polish index WIG20 and we can state that this could have resulted from the political crisis in Poland that happened throughout the 2nd half of 2020 and that continued in 2021. The returns for the analyzed period were left skewed for Bulgaria and Romania, indicating a market in which the index had a less than good performance, in both cases is difficult to state that there is a clear correlation between COVID-19 and the performance of the index, due to concurring political events such as the political crisis in Romania that happened in the last part of the analyzed time period, although it is to be said that most of the stock market returns analyzed by the economic literature are left skewed.

In order to be able to evaluate the influence of the daily COVID-19 cases on the index we implemented a VEC model, with which we can state that the daily cases influence the index with two lags, meaning that the cases registered today will influence the value of the stock market index registered in the day after tomorrow.

We conclude that even though the COVID-19 pandemic has been manifesting since the beginning of 2020, its effects are still influencing the evolution of the stock markets in the Central and Eastern European region in the present.

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Appendix

Vector Error Correction Estimates

Date: 11/13/21 Time: 10:42

Sample (adjusted): 9/10/2021 10/29/2021

Included observations: 108 after adjustments

Standard errors in () & t-statistics in []

Cointegrating Eq:	CointEq1	
CAZURI(-3)	1.000000	
INDICE(-1)	-4.203899 (13.5601) [-0.31002]	
C	-0.217352	
Error Correction:	D(CAZURI(-2))	D(INDICE)
CointEq1	-1.594076 (0.21402) [-7.44820]	-0.002164 (0.00171) [-1.26734]
D(CAZURI(-3))	0.341711 (0.16158) [2.11483]	0.000850 (0.00129) [0.65925]
D(CAZURI(-4))	0.079701 (0.10322) [0.77213]	0.000304 (0.00082) [0.36914]
D(INDICE(-1))	-3.196043 (11.5448) [-0.27684]	-0.424346 (0.09210) [-4.60726]
D(INDICE(-2))	-9.680313 (11.5628) [-0.83719]	-0.450381 (0.09225) [-4.88231]
C	0.039919 (0.09650) [0.41367]	2.55E-05 (0.00077) [0.03306]
R-squared	0.605521	0.268697
Adj. R-squared	0.586184	0.232849

Sum sq. resids	102.4508	0.006521
S.E. equation	1.002208	0.007996
F-statistic	31.31378	7.495421
Log likelihood	-150.3970	371.3588
Akaike AIC	2.896240	-6.765904
Schwarz SC	3.045247	-6.616897
Mean dependent	0.035170	-6.99E-05
S.D. dependent	1.557951	0.009129
<hr/>		
Determinant resid covariance (dof adj.)		6.41E-05
Determinant resid covariance		5.71E-05
Log likelihood		221.0827
Akaike information criterion		-3.834865
Schwarz criterion		-3.487181
<hr/>		

SUSTAINABLE DEVELOPMENT - A GLOBAL PROJECT IN THE ECONOMY OF THE XXI CENTURY

Alina, Voiculescu¹

Abstract:

The concept of sustainable development is multidimensional and it's all about meeting current needs without compromising the ability of future generations to satisfy their own needs.

Therefore, education for sustainable development cannot be limited to a strictly ecological analysis. It represents a complex concept, bringing together interconnected aspects of the environment as well as social and economic issues. Access to quality education is essential for the proper functioning of a sustainable society. At the level of educational institutions implementing basic notions regarding sustainability is required, because sustainable development is a new paradigm about the functioning of society, and its benefits must be accessible to all, especially young generations who must learn that the environment, economy and technologies can be compatible with humans. In this context, sustainable development can be considered a global project.

Keywords: globalization, sustainability, sustainable development, sustainable development goals

JEL Classification: F63, F64, I25

1. Introduction

The current economic evolution is inconceivable without the implementation of the global partnership for sustainable development. We live in a globalized world, so we cannot ignore what is happening outside political borders. All the efforts at different levels have in common the change of the direction of development in a positive direction. Global problems require global solutions, this approach also requires collaboration and international funding to achieve the goals of the 2030 Agenda. The transformation process requires access to innovative science and technology, capacity building in line with the principles of subsidiarity, change of trade and economy in one direction . more sustainable and the development of a coherent version of the sustainable development policy.

That is why the states of the world must take important steps to educate the younger generations in the spirit of sustainable and future-oriented development.

2. The need for education for sustainable development

2030 Agenda, a UN document, adopted in 2015, provides clear and quantifiable objectives, a set of 17 Sustainable Development Goals (SDGs) and a 15-year action plan. Promoting inclusive sustainability must underpin all the development strategies of the world's states. And for that, the access put on educating the young generations to think globally, in order to realize that the benefits of sustainable development must be accessible to all, it is the starting point in this endeavor.

In the 21st century, amid growing global population, multiplying and diversifying the needs of this dynamic population, young people need to be aware that sustainable behavior will allow them, in the long run, to have much greater access to the necessary resources.

In 2020, for the first time since the adoption of the 17 Sustainable Development Goals (SDGs), the world lost ground to the Covid-19 pandemic, creating not only a global health emergency but also a development crisis. durable. To restore progress in the SDGs, developing countries need quality education, universal health coverage, clean energy and industry, sustainable agriculture and land use, sustainable urban infrastructure and universal access to digital technologies, the Sustainable Development Report shows. 2021 (SDSN, 2021).

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Ensuring quality education and promoting lifelong learning opportunities for all is the fourth SDG in the 2030 Agenda.

Access to education is essential for the functioning of any sustainable economy. Education should be treated as a lifelong process, regardless of age. Sustainable development means, in essence, ensuring good conditions on this planet for future generations. Therefore, from the perspective of the 2030 Agenda, education is a fundamental theme (DDD, 2018). Reducing illiteracy and early school leaving are priorities for countries around the world, regardless of their levels of development.

According to the United Nations Development Program (UNDP), enormous progress has been made in recent years. The number of children without access to education has dropped by almost half internationally. There has also been an increase in literacy rates and girls' access to school. All these are remarkable successes.

Achieving inclusive and quality education for all reaffirms the belief that education is one of the strongest targets for implementing sustainable development. This objective aims to provide equal access to lifelong learning, to eliminate gender disparities and to lead to a higher quality education.

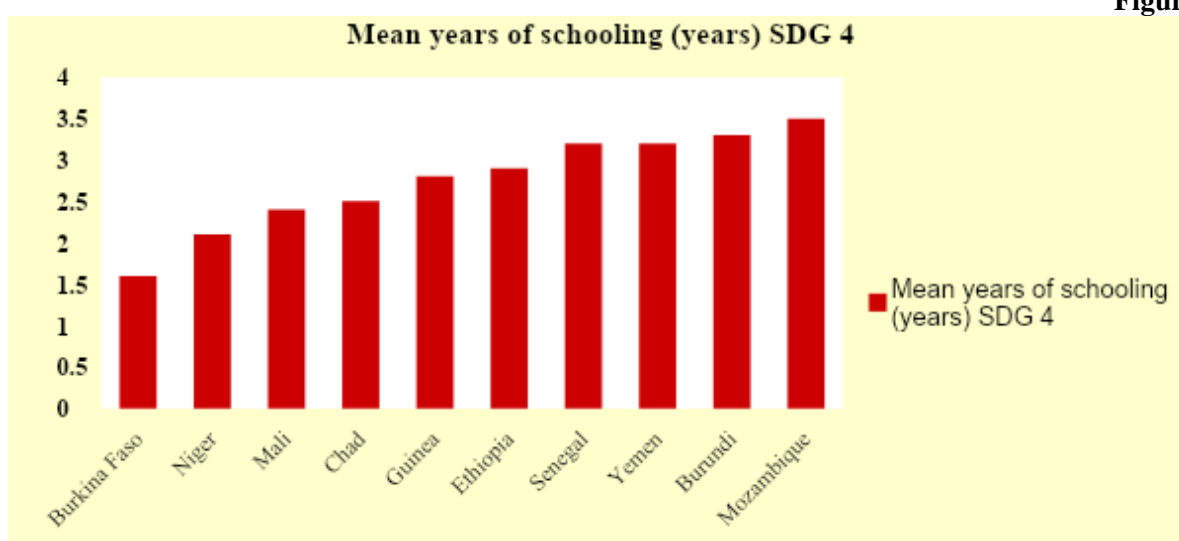
In the analysis of the concept of sustainable development we start from man and his needs and due to this desideratum the concept of sustainable human development is also used.

The international analysis uses the human development index (HDI), which consists of three indicators: longevity, knowledge and control of resources for a decent life. For longevity, the average life expectancy is calculated, for knowledge, the schooling figure is calculated, and for the control of resources, GNP / inhabitant is taken into account. According to the United Nations Development Program (UNDP, 2020), The 2020 Human Development Report (HDR), while Covid-19 has absorbed the world's attention, pre-existing crises continue.

The problems on our planet reflect the tension facing many countries in the world, especially developing ones. Social mobility has decreased, social instability is increasing, and access to education is an extremely real problem for the poorest states of mankind.

Quality education is essential for the proper functioning of a sustainable society. How will some states be able to take steps in this direction, given that the average years of schooling among their populations are less than 5 (see Figure 1)?

Figure 1



Source: Realised by the author based on data from UNDP - The 2020 Human Development Report, available at <http://hdr.undp.org/en/content/latest-human-development-index-ranking> [Accessed 24 November 2021]

Countries in this category not only have problems with population literacy, but are also among the most disadvantaged in terms of resources. The rates of economic growth are among the lowest. Labor productivity is very low due to rudimentary means of labor, manual labor and unprepared labor. The cultivated area represents only a small part of the arable territory. There is no internal market capable of stimulating economic life. The closed, subsistence economy predominates in most cases. And then, it is obvious that at the level of these countries the implementation of the concept of sustainable development is an extremely difficult goal to achieve.

Table 1 Human Development Index in countries with low schooling (in years)

Rank (HDI)	Country	HDI (value) 2019
182	Burkina Faso	0.452
189	Niger	0.394
184	Mali	0.434
187	Chad	0.398
178	Guinea	0.477
173	Ethiopia	0.485
168	Senegal	0.512
179	Yemen	0.47
185	Burundi	0.433
181	Mozambique	0.456

Source: Realised by the author based on data from UNDP - The 2020 Human Development Report, available at <http://hdr.undp.org/en/content/latest-human-development-index-ranking> [Accessed 24 November 2021]

According to Table 1, the mentioned countries not only have an extremely small number of years of schooling, but also from the point of view of the Human Development Index, they are in the leading positions at international level. The best positioned countries in terms of HDI are European countries, namely Norway (1st place), Ireland (2nd place), Switzerland (3rd place).

It is clear that for these countries sustainability is an extremely easy goal to achieve. At the same time, we are talking about states where access to education is high, and the average period of schooling exceeds 12 years.

Education is the key to achieving other Sustainable Development Goals (SDGs).

Early learning of the concept of sustainable development, the younger generations will understand that meeting unlimited needs, amid the growing population of the globe, will allow them in the long run to have much greater access to the necessary resources, namely by:

- conservation of natural resources;
- much more rational use of economic goods, including new century technologies;
- transforming society in a direction that will ensure a dignified and prosperous life;
- the use of quality healthcare services for the proper functioning of a sustainable society;
- achieving gender equality as a priority indicator for a sustainable society;
- education is a fundamental area for the future of the generations that coexist and succeed each other;
- permanent adaptation to changes in the globalized labor market, with an emphasis on innovation, robotics and digitalization, etc.

Education is a process that prepares young generations for the challenges of the future, encouraging meritocracy, innovation, critical thinking, conduct and curiosity.

3. Conclusions

Education contributes to reducing inequalities and achieving gender equality. Sustainability education must become a clear, concise goal of all countries of the world so that the legacy left to future generations gives them equal opportunities for evolution and development.

States must allocate funds for a viable education, to reduce illiteracy, to provide equal opportunities for all, regardless of the geographical area in which they were born, their social class, gender, family income and culture. Only through an education aimed at sustainability will humanity's chances for a future-oriented global economy be able to increase.

Developing countries, with their huge demographic potential, if they entered a process of modern economic construction would be the most important reserve for the long-term expansion of the world economy.

Sustainable development is a global project. We live in a globalized world, and all efforts at different levels have in common the change of direction in a positive direction.

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SECTION III EUROPEAN LAW AND PUBLIC POLICIES

REFLECTION ON THE PRINCIPLE OF TAX NEUTRALITY IN THE MATTER OF VAT IN THE JURISDICTION OF THE COURT OF JUSTICE OF THE EUROPEAN UNION (CJEU)

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Abstract

In this article, the author analyzes the principle of VAT neutrality as reflected in the rulings of the Court of Justice of the European Union or in the Opinion of the Advocate General, which presupposes the existence of a general consumption tax on goods and services, directly proportional to the price regardless of the number of transactions that take place in the production and distribution process before the tax collection stage. The study aims at an exposition of the most current normative provisions and jurisprudential solutions meant to give efficiency to the principle of fiscal neutrality within the European Union, ensuring the collection of VAT in a uniform and non-discriminatory way in all Member States, being the only turnover tax allowed by law. European Union. The principle of fiscal neutrality has a double meaning in the matter of value added tax. Thus, in addition to the fact that that principle constitutes, first, an expression of the general principle of equal treatment, second, the principle of fiscal neutrality implies the right of the taxable person to benefit from the full exemption from value added tax on goods and services which acquired them for the exercise of its taxable activities.

Keywords: *fiscal neutrality, value added tax, abuse of rights, proportionality, transactions, jurisprudence.*

1. Introductory considerations. In the field of value added tax, the judgments of the Court of Justice of the European Union or the Opinion of the Advocate General refer to a number of fundamental principles of European Union (EU) law (the principle of subsidiarity, the principle of loyalty and the principle of non-discrimination on grounds of nationality).), as well as at a set of general principles, often applied in the field of VAT (principle of equivalence and effectiveness, principle of legitimate expectations, principle of prohibition of abuse of rights, principle of fiscal neutrality)^[1]. Value added tax was first introduced in its infancy in France in 1954. Subsequently, starting in 1967, EEC member countries^[2] gradually replaced their own consumption taxes with VAT and began to draw a common system of this fee for transactions between them. In Romania, VAT came to replace another existing indirect tax - "tax on the movement of goods", with the transition to a market economy, VAT being established by Ordinance no. 3/1992^[3], approved by Law no. 130 of 19 December 1992^[4].

The principle of the common system of value added tax presupposes the existence of a general consumption tax applied to goods and services, directly proportional to their price, regardless of the number of transactions that take place in the production and distribution process before the tax collection stage. For each transaction, value added tax, calculated on the basis of the price of goods and services according to the applicable tax rate, will be due after deduction of the amount of value added tax incurred directly through the various components reflected in the cost of goods or services^[5].

Value added is the difference between the value of a good, obtained from its sale, and the value of all goods and services that have been purchased and used to make that good. At the macroeconomic level, the value added of all economic agents is the gross domestic product^[6]. Value added tax is defined as that indirect tax that is applied at each stage of the economic circuit (manufacturing and distribution cycle) of a finished product, on the value added achieved (obtained) at each stage by all those who contribute to the production and selling that product until it reaches the final consumer. Legally, according to art. 265 of Law no. 227/2015 on the Fiscal Code^[7], the value added tax is defined as "an indirect tax due to the state budget".

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The mechanism under which taxation operates and is enforced in this case is, in principle, as follows: throughout the manufacturing and distribution process, each economic operator pays value-added tax to its suppliers (together with the price it pays for the raw materials, materials, energy, etc. with which it is supplied for the purpose of producing goods), then collects VAT (from the buyer of his goods, who pays the tax together with the price), deducts the entire VAT related to the materials supplied and the services provided to him, and the balance is paid to the state budget. The amount representing VAT added to the selling price is shown in the accounts separately, at each stage of the economic circuit, except for the sale to the final consumer^[8].

Thus, art. 401 of Directive 2006/112 / EC of 28 November 2006 on the common system of value added tax (hereinafter referred to as the VAT Directive), which entered into force on 1 January 2007, states that: „*Community law, this Directive shall not prevent any Member State from withholding or introducing taxes on insurance contracts, gambling and sports betting taxes, excise duties, stamp duties or, more generally, any taxes, duties or charges may be characterized as turnover taxes, provided that the collection of such taxes, duties and taxes does not give rise, in trade between Member States, to certain formalities relating to the crossing of frontiers*”.

Recent studies at EU level show that value added tax represents 60% of a company's total contributions, given the relative independence of this tax from the company's profit and from social contributions or labor taxation. It is precisely because of these aspects that it has been recognized that VAT is a useful tool for increasing the general level of collection of taxes and duties in state budgets, but also a way to reduce the rates of direct taxes and excise duties^[9]. It is estimated that VAT is able to increase budget revenues in a neutral and transparent way.

2. Fiscal neutrality in the field of value added tax. Neutrality is, in fact, one of the principles that contributes to ensuring the collection of the amount due "by right" to state budgets. In relation to VAT, according to the OECD guidelines^[10], neutrality must be applied in practice as follows: the burden of value added tax itself should not fall on taxable enterprises; companies in similar situations, which carry out similar transactions, should be subject to similar levels of taxation; VAT rules must not influence economic / business decisions; With regard to the level of taxation, foreign enterprises should not be disadvantaged or advantaged in comparison with domestic affairs as regards the tax due or paid.

The rulings of the European Court of Justice or the Opinion of the Advocate General refer to the concept of fiscal neutrality of a tax that has several values ^[11], but the most important is the prohibition of discrimination in the tax environment, materialized in the elimination of unjustified tax burdens. and disproportionate or inappropriate compliance costs for businesses. According to the provisions of art. 1, art. 167, art. 168 and art. 169 of the VAT Directive, the neutrality of value added tax is expressed by „... *the implementation and protection of those legal solutions which ensure that a taxpayer must be able to recover the income tax resulting from his taxable activities. Any implications of the concept of fiscal neutrality, which are beneficial for taxpayers, are treated in the doctrine of Community law as a fundamental right of the taxpayer and not as a privilege of the taxpayer*”.

In *Commission v. Italy*^[12], the Court referred to the principle of fiscal neutrality in arguing that Italian legislation allowing double taxation was contrary to the Sixth Directive. The taxation of a supply of services in a Member State, after VAT has been levied in the State of the service provider, gives rise to double taxation contrary to the principle of fiscal neutrality inherent in the common system of value added tax^[13]. The Court referred to the principle of fiscal neutrality and in the context of equal treatment of taxable goods, as follows from the judgment in *Commission v. France*^[14] showing that the introduction and maintenance of reduced VAT rates, below the standard threshold provided by art. 12 (3) (a) of

the Sixth Directive is permitted only in so far as it complies with the principle of fiscal neutrality inherent in the common system of value added tax, which prohibits the different treatment of similar goods in competition with VAT. with each other^[15].

On another occasion^[16], the Court also emphasized the need to ensure the equality of economic operators as the principle of fiscal neutrality prohibits, *inter alia*, economic operators carrying out the same activities from being treated differently from the point of view of VAT. It follows that the principle would have been ignored if the possibility of benefiting from the exemption provided by art. 13A (1) (c) for the provision of medical services would depend on the legal form of the taxable person carrying out that activity. In the same vein, the Court's judgment in the *Card Protection Plan* case^[17] can be taken into account, dealing with the tax-neutral treatment of legal and unlawful acts, as the Sixth Directive is based on the principle of fiscal neutrality. VAT, prohibits, except in certain cases, that lawful transactions and illicit transactions be treated differently.

The Luxembourg judges also applied the principle of fiscal neutrality in a case in which the issue of VAT mentioned in error was put on an invoice, pointing out that the Sixth Directive does not contain an express provision for the situation in which VAT is mentioned. by mistake in an invoice, without being due^[18]. Consequently, as long as this gap has not been filled by Community law, it is up to the Member States to provide a solution in this regard. The Court pointed out that, in order to ensure VAT neutrality, Member States have a duty to regulate in the domestic legal system the possibility of correcting any amount mentioned in error if the issuer proves that he acted in good faith. However, if the issuer of the invoice has eliminated the risk of any loss of public revenue, VAT which has been invoiced in error may be adjusted without such adjustment being conditional on the issuer of the invoice in question acting in good faith. Under the common system of VAT, Member States are required to ensure compliance with the obligations incumbent on taxable persons and to enjoy a margin of discretion in that regard, in particular as regards the use of the means at their disposal.

3. Materialization of the principle of tax neutrality - the right to deduct VAT. In the national legislation, the deductibility of value added tax is regulated exclusively by Title VII, Chapter X of the Fiscal Code (art. 297-306). Three conditions, expressly mentioned, must be met by the person wishing to exercise this right. These conditions refer to the quality of taxable person, to the use of goods or services for the purpose of economic activities and to the invoice issued in accordance with the legal provisions. As such, the right to deduct is the right recognized by law to taxable persons paying VAT, recipients of supplies of goods and services, of a refund of the tax related to those transactions^[19].

According to doctrinal opinions^[20], VAT "works in the same way as a transitional account" - a kind of payment. In other words, the taxable person not only buys the goods and services but also buys a claim on the budget, which diminishes his future tax debt. According to settled case-law, the right to deduct is a fundamental principle of the common system of VAT which, in principle, cannot be limited and which is immediately applicable to all taxes on upstream transactions^[21].

As regards the substantive conditions necessary for the birth of the right to deduct, in order to be entitled to that right, on the one hand, the person concerned must be a taxable person and, on the other hand, as the goods and services relied on to justify that right to be used downstream by the taxable person for the purposes of his taxable transactions and that, upstream, those goods are delivered or those services are provided by another taxable person.

In order to deduct the value added tax, with regard to the formal conditions, it is necessary for the persons concerned to prove, according to the legal provisions, that they have this right^[22]. As such, the taxable person will prove the right to deduct the invoice tax. The invoice is the most valuable record that must indicate the VAT paid, so that buyers have the opportunity to claim the VAT credit already paid by previous sellers. At the same time, this

facilitates the calculation of the tax and provides a "helping hand" in tax inspections. The relevant Community legislation implies that value added tax can be deducted immediately, which means that it can be deducted from the moment it is collected on an invoice. On the other hand, the tax can be deducted globally, which means that all tax collected by suppliers / providers can be deducted to the extent that the goods and services are used for the purpose of a taxable / taxable transaction.

Even if things seem quite clear, the mechanism for deducting value added tax has given rise to an extremely large number of problems. The Court of Justice of the European Union has largely addressed the issues raised by the following questions:

a). *In Case C-624/11 Stroy Trans*^[23], Stroy Trans, a company engaged in the transport of goods and mechanized services by road, registered for VAT purposes in Bulgaria, deducted VAT on invoices for the purchase of diesel fuel issued by Hadzhi. and Dieseltras. The tax inspections to which the companies were subject considered that the documents submitted did not make it possible to establish the "traceability" of the fuel and that, as far as the invoices in question were concerned, no effective delivery was made, so that the conditions for deduction of VAT upstream. Therefore, Stroy Trans was denied the right to deduct the VAT in question. Subsequent litigation gave rise to several questions to the CJEU, which held that the VAT mentioned on a person's invoice was due to it regardless of the actual existence of a taxable transaction and that the principles of fiscal neutrality, proportionality and legitimate expectations must be interpreted as meaning that they do not preclude the recipient of an invoice from being denied the right to deduct value added tax upstream because of the lack of an effective taxable transaction. However, the European Court notes that the assessment of the tax authorities and national courts must be made in relation to objective factors and without requiring the recipient of the invoice to carry out checks which are not incumbent on him. he knew or should have known that the operation was involved in value added fraud.

b). *In Case C-277/14 PPUH*^[24], PPUH Stehcamp made several purchases of diesel in 2004, which it used in its economic activity. The invoices for those fuel purchases were issued by the diesel supplier, and PPUH Stehcamp deducted the VAT paid on those fuel purchases. Subsequently, following an inspection, the local tax authorities did not recognize his right to deduct that VAT on the ground that the invoices relating to those fuel purchases had been issued by a non-existent operator. In the ensuing dispute, the Polish Supreme Administrative Court, seised of the appeal, asked the Court to rule on whether the provisions of the European directives preclude a national regulation prohibiting the taxable person from deducting the tax, since the invoice was issued by a non-taxable operator. the real supplier of the goods and it is not possible to establish the identity of the real supplier and oblige him to pay the tax? The Court has in fact ruled that the tax authorities cannot refuse the right to deduct on the ground that the issuer of the invoice no longer has an individual entrepreneur authorization and that, consequently, he no longer has the right to use his tax registration number then when this invoice contains all the information provided. Therefore, that consignee 'enjoys the right to deduct even if the supplier of the goods is a taxable person who is not registered for VAT purposes when the invoices relating to the goods delivered contain the information necessary to identify the person who issued those invoices and the nature of those goods^[25].

c). *In Case C-664/16 LHV*^[26], the Court ruled that the fundamental principle of VAT neutrality requires that the deduction of input VAT be granted if the substantive conditions are met, even if certain formal conditions have been omitted by taxable persons. Consequently, the tax authorities cannot refuse the right to deduct VAT on the sole ground that an invoice does not satisfy the conditions laid down in Article 266 (6) and (7) of the VAT Directive if it has all the information necessary to verify compliance with the substantive conditions relating to to this right. However, it is for the taxable person requesting the VAT deduction to prove that he satisfies the conditions laid down for the benefit of that right. Thus,

the taxable person has the obligation to present objective evidence, in the sense that goods and services were actually provided upstream by taxable persons, for the purpose of their own transactions subject to VAT and for which they actually paid that tax. This evidence may include, inter alia, documents in the possession of suppliers or suppliers from whom the taxable person has purchased goods or services for which he has paid VAT. An estimate based on an expert opinion ordered by a national court may possibly supplement that evidence or strengthen its credibility, but it cannot replace it.

The CJEU also stated that "Council Directive 2006/122 / EC of 28 November 2006 on the common system of value added tax, and in particular Article 167, Article 168, Article 178 (a) and Article 179 thereof, and the principles of value added tax neutrality and proportionality must be interpreted as meaning that, in circumstances such as those at issue in the main proceedings, a taxable person who is unable to provide proof of the amount of VAT he has paid upstream by presenting invoices or any other document may not benefit from a right to deduct VAT solely on the basis of an estimate resulting from an expert opinion ordered by a national court '.

d). *In Case C-81/17 Zabrus Siret*^[27], this reference for a preliminary ruling concerns the interpretation of the provisions of the VAT Directive and the principles of fiscal neutrality, effectiveness and proportionality. This request was made in a dispute regarding the taxpayer Zabrus Siret SRL which was verified on the VAT line for the period between May 1, 2014 and November 30, 2014, verification completed by drawing up a report on January 26, 2015. Refusal to refund VAT for the amounts of RON 39,637 and RON 26,627 was justified by the tax authorities on the grounds that the amounts claimed relate to operations carried out in a tax period prior to the verification period, which has already been the subject of a previous tax inspection on VAT, completed at January 26, 2015. The tax authorities have indicated that, compared to the applicable national regulations, the principle of uniqueness of the tax inspection precludes the reimbursement of these amounts requested by Zabrus, because regarding the period already verified no irregularity was found regarding VAT contributions and control had not issued any provision of measures to be complied with by Zabrus.

The referring court considers that Zabrus cannot rely on the case-law of the Court on tax neutrality, since it was not opposed to the refusal of the right to deduct VAT on the ground of failure to fulfill a formal requirement of the right to deduct, but on the basis of the principle of the uniqueness of the tax inspection, which results from the principle of legal certainty, the latter being recognized and protected by European Union law and the case law of the Court. By its questions, the national court has asked the CJEU to determine whether Articles 167, 168, 179, 180 and 182 of the VAT Directive, as well as the principles of effectiveness, tax neutrality and proportionality, must be interpreted as precluding national rules such as in the main proceedings, which, by way of derogation from the limitation period of five years provided for by national law for the correction of VAT returns, prevents, in circumstances such as those in the main proceedings, a taxable person from making such a correction in order to exercise its right of deduction for the simple reason that this correction concerns a period which has already been the subject of a tax inspection.

In its reply, the CJEU considered that Articles 167, 168, 179, 180 and 182 of the VAT Directive, as well as the principles of effectiveness, fiscal neutrality and proportionality, must be interpreted as precluding national legislation such as that at issue in the main proceedings. derogation from the five-year limitation period provided for by national law for the correction of VAT returns, prevents, in circumstances such as those in the main proceedings, a taxable person from making such a correction in order to exercise his right to deduct, for the simple reason that this correction concerns a period which has already been the subject of a tax inspection^[28].

4. The right of the bona fide taxpayer to benefit from the exercise of the right to deduct VAT, regardless of the behavior of other taxpayers involved in the VAT mechanism and the right of the State to refuse the VAT deduction in cases of fraudulent use of the Common European VAT system. In such cases, it is claimed that the commercial operations registered by the company with an adequate fiscal behavior are fictitious operations and the damage caused to the state budget consists in the VAT related to these operations which was unjustifiably deducted. From a tax perspective, such a situation has been described as an "abusive practice" because the taxpayer commits an abuse directed even against the mechanism that regulates the tax regime of the T.V.A., more precisely the tax mechanism that justifies the right to deduct the T.V.A. for the goods supplied.

The definition of "abusive practice" has been very well established in the practice of the Court of Justice of the European Union in Case C-255/2 Halifax plc, Leeds Permanent Development Services Ltd, County Wide Property Investments Ltd v Commissioners of Customs & Excise, case in which the Court notes: "*The Sixth Directive must be interpreted as prohibiting any right of a taxable person to deduct VAT paid upstream if the transactions from which that right derives constitute an abusive practice. In order to be in the presence of an abusive practice it is necessary, first, that the transactions in question, regardless of the formal application of the conditions laid down in the relevant provisions of the Sixth Directive or of the national law transposing it, have the effect of obtaining a tax advantage which would be contrary to the purpose of those provisions. secondly, it must also be the result of a number of objective factors that the essential purpose of these transactions is obtaining a tax advantage. Where there is an abusive practice, the transactions involved must be redefined so as to restore the relevant facts in the absence of transactions which constitute an abusive practice*" [29].

We are in the presence of a situation that demands the conciliation of two fundamental rights: the right of the bona fide taxpayer to benefit from the exercise of the right to deduct VAT, regardless of the behavior of other taxpayers involved in the VAT mechanism and the right of the State to refuse VAT deduction. fraudulent use of the common European VAT system. The conciliation of the two fundamental rights was achieved by imposing with necessity the analysis of the "good faith" of the taxpayer, more precisely the determination of whether this taxpayer was involved in that commercial circuit following the fraud of the mechanisms of VAT deduction. with direct intent.

The need for an objective analysis of the taxpayer's "good faith" was ruled by the CJEU judgment of 13 February 2014 in *Case C-18/13 Maks Pen EOOD*^[30], received by the Court on 14 January 2013 from the Administrativen sad Sofia-grad from Bulgaria, a case in which the Court was invested with five questions for a preliminary ruling^[31]. Relevant in the analysis made here are only the first and third questions. By its first and third questions, the Court was asked whether the relevant rules of Directive 2006/112 / EC preclude the granting of the right to deduct VAT to a taxpayer in possession of compliant invoices if the supplier who appears on those invoices does not have facilities, such as staff or fixed assets with which to provide those services, has not recorded in its accounts the costs related to the services provided, as well as the situation in which the documents certifying the quality of the supplier's representatives who signed a service contract of services, respectively the delivery-receipt report for the provision of the service, were found to be false.

With regard to these questions, the Court referred to its recent *case-law in Bonik, Case C-285/11*. The Court's analysis began by stating that the granting of the right to deduct is a fundamental principle of the European VAT system, which, in principle, cannot be limited. However, the Court has expressly stated that it supports the fight against tax evasion, an objective which is also set by the Directive, which is why the right to deduct can be refused in the exceptional situation where it is proved beyond a reasonable doubt that, objectively, , the

person claiming the right to deduct knew or should have known that he was participating in a specific fraudulent mechanism.

In its ruling in the *Maks Pen EOOD* case, the Court of Justice of the European Union has made the clearest possible line between granting the right to deduct VAT and refusing to recognize the right to deduct VAT as a result of an abusive practice. It is noteworthy that in the interpretation of the C.J.U.E. the expression „*knew or should have known*” is used and, perhaps for this reason, we would be tempted to believe that we may be in a situation where the commission of the crime of tax evasion can be retained and when participating in a commercial circuit in which participates and a company with inappropriate tax behavior is also carried out with indirect intent. In *Case C-255/2 Halifax plc, Leeds Permanent Development Services Ltd, County Wide Property Investments Ltd v Commissioners of Customs & Excise*, C.J.U.E. it expressly states that „*it must also result from a number of objective factors that the essential purpose of these transactions is to obtain a tax advantage*”^[32].

5. Conclusions

In this paper we tried to expose the principle of neutrality of value added tax, starting from general issues and customizing, through the application made by the Court of Justice of the European Union. As indicated above, the most important value of the principle of neutrality is the prohibition of discrimination in the tax environment, materialized in the elimination of unjustified tax burdens and disproportionate or inadequate compliance costs for businesses.

Value added tax is considered the most important indirect tax. Its main features, including at the level of the European Union, have also been highlighted in the case law of the Court of Justice of the European Union, as follows: the tax has a scope of general applicability (applies to all commercial transactions), having as object goods or services; the tax is proportional to the price charged by the taxable person in exchange for the goods delivered or services provided; the tax is levied at every stage of the production and distribution process, including at the retail stage, regardless of the number of transactions that have taken place previously; the amounts paid in the previous economic stages are deducted from the tax due by the taxable person, with the result that VAT is applied, at a given stage, only to the value added at that stage and that, finally, the tax is fully borne by the final consumer. turnover tax permitted by European law.

In its case law on VAT, the CJEU has established the following principles:

- the common system of VAT guarantees perfect neutrality as regards the fiscal burden corresponding to all economic activities, regardless of their purpose or results, provided that the said activities are, in principle, themselves subject to VAT (Decision of 3 July 2019, *The Chancellor, Masters and Scholars of the University of Cambridge*, C 316/18);

- the benefit of the right to deduct may not be refused to a taxable person unless it is established, in the light of objective factors, that the taxable person to whom the goods were supplied or the services provided as a basis for justifying the deduction is , knew or should have known that, by purchasing these goods or services, it participates in an operation involved in a VAT fraud committed by the supplier or another operator who intervened upstream or downstream in the supply chain. or these benefits (Judgment of 16 October 2019, *Glencore Agriculture Hungary*, C 189/18);

- it is for the competent national tax authorities to establish, in the light of objective factors and without requiring taxpayers to verify that it is not their responsibility, that they knew or should have known that the transaction relied on to justify the right to deduct was involved in a VAT fraud ul. The competent national tax administration may not, in general, require the taxpayer, on the one hand, to verify whether the issuer of the invoice for the goods and services in respect of which the right is claimed had the goods in question and was able to deliver them. on the declaration and payment of VAT in order to ensure that there are no

irregularities or fraud at the level of upstream operators or, on the other hand, to have documents in this regard (Judgment of 22 October 2015, *case of PPUH Stehcomp, C 277/14*);

- since the presentation of additional documents is not provided for in Article 178 (a) of the VAT Directive and may disproportionately affect the exercise of the right to deduct, and therefore the principle of neutrality, the competent national tax administration cannot generally request such presentation.

The CJEU has therefore concluded that the principles governing the application by Member States of the common system of VAT, in particular those of fiscal neutrality and legal certainty, must be interpreted as precluding the taxable person from being denied the right to deduct tax. VAT if it is not able to provide, in addition to the invoice, other elements to prove the reality of the economic operations performed. Moreover, the CJEU has established that these principles apply even when we are in the presence of simple unsubstantiated suspicions of the national tax administration regarding the effective conduct of the economic operations that formed the basis for issuing a tax invoice.

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^[7] Published in the Official Gazette of Romania, Part I, no. 688 of September 10, 2015, in force since January 1, 2016.

^[8] Value added tax is passed on from one stage of the distribution process to another to reach the final consumer. The latter consumer bears VAT as an integral part of the selling price of the product, service or work performed. As such, in essence, VAT is a tax that affects consumption, being borne by the one who purchases and uses for himself the good or service in the price of which the tax is also incorporated. For details see: C.F. Costas, op. cit., pp. 287.

^[9] For example, the introduction of VAT in Singapore in 1994 allowed for a major reduction in direct taxes - at that time the most important source of revenue for the state budget. For details see: M. Enache, *Bugetele statelor Uniunii Europene*, Ed. Universul Juridic, București, 2016; I.M. Costea, *Fiscalitate europeană. Note de curs*, Ed. Hamangiu, București, 2016.

^[10] OCDE, Committee on Fiscal Affairs, Working Party No9 on Consumption Tax, *OECD International VAT/GST Guidelines. Guidelines on Neutrality*, OADR, 28 June 2011.

^[11] For example, legal neutrality, competition neutrality, economic neutrality, external neutrality. For details see: D.D. Șaguna, D.I. Radu, *Drept fiscal. Fiscalitate. Obligații fiscale. Declarații fiscale*, ed. a 5-a, Ed. C.H. Beck, București, 2020.

^[12] European Court of Justice, Case C-45/95 Case C-45/95 [1997] ECR I-3605.

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^[14] European Court of Justice, Case C-384/01 [2003] ECR I-4395.

^[15] For a similar conclusion, see also the European Court of Justice, Judgment of 3 May 2001, Case C-481/98, *Commission v. France*, published in Collection 2001, p. I-3369, para. 21-22.

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^[17] European Court of Justice, Case C-349/96 [1999] ECR I-973.

^[18] European Court of Justice, Case C-155/01 *Cookies World* [2003] ECR I-8785. The taxation of a supply of services in a Member State, after VAT has been levied in the State of the service provider, gives rise to double taxation contrary to the principle of fiscal neutrality. For details see: A. Duca, E. Duca, *Evitarea dublei impuneri*, Ed. Universul Juridic, București, 2015, p. 45 și urm.; N. Măndoiu, *Multinaționale, rambursarea TVA și abuzul de drept. Tranzacții artificiale și Doctrine ale reglementărilor economice*, Ed. Confisc, București, 2016.

^[19] C.F. Costăș, *op. cit.*, p. 366; *Directivile europene privind TVA și normele de aplicare. Regulamentul 282/2011*, Ed. Confisc, București, 2019.

^[20] N. Măndoiu, *op. cit.*, p. 89; B. Terra, J.Kajus, *A Guide to the European VAT Directiv – Introduction to European VAT 2015*; Florin Cornel Dumiter, *Evitarea dublei impuneri internationale a profiturilor intreprinderilor*, Ed. Universul Juridic, București, 2020.

^[21] In this regard, Case 277/14, PPUH Stehcomp.

^[22] I.N. Văduva, *Justificarea deducerii TVA și a diminuării bazei impozabile la impozitul pe profit*, în RFF nr. 10/2007, p. 3-5.

^[23] CJEU Decision in Case 642/11 *Stroy Trans*.

^[24] CJEU Decision in Case C-277/14 PPUH.

^[25] Regarding the practice of the Romanian tax authorities, this has been and continues to be, contrary to this solution pronounced by the CJEU, that of making viable companies liable for the inappropriate tax behavior of its trading partners.

^[26] Decision of the CJEU in Case C-664/16 *L.H.V.*

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^[28] For more details, see Decision no. 27/2016 of the High Court of Cassation and Justice - the panel for resolving legal issues, published in the Official Gazette of Romania, Part I, no. 949 of November 24, 2016.

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^[31] General repertoire of CJEU case law 2014, available on EUR-Lex.

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CONSIDERATIONS REGARDING THE MINIMUM WAGE IN THE EUROPEAN UNION

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Abstract

The crucial role of the minimum wage becomes evident during times of economic recession, such as the one currently being determined by the COVID-19 pandemic, which has increased the risk of poverty and social exclusion. In the EU, 109 million people are being exposed to these risks.

The creation of an European standard for fair salaries is essential for all workers of the EU. Thus, since 2020, the Commission has been preparing a legal instrument to ensure an adequate minimum wage, while promoting the effective involvement of social partners and the role of collective agreements.

This article seeks to analyse the current situation of the minimum wage in the EU-27, based on the information published by the competent authorities and the steps that have been taken for the establishment of a legal framework ensuring a fair minimum wage for all workers in the European Union.

Keywords: *minimum wages, fair minimum wages, European Union, labour relations*

JEL Classification: *K31, J31, J108*

1.1. The minimum salary in the current context of the EU-27

The data published by Eurostat (2020) in 2018 indicates that, within the EU, approximately 109 million people were exposed to the risk of poverty or social exclusion, representing 21,7% of the total population of the Union, and one out of every five European workers had precarious employment.

In 2018, 23% of minimum wage earners in the EU reported difficulties or great difficulties in making ends meet, compared to 11.5% among the rest of the employees. A total of 16% of minimum wage earners lived in materially deprived households, compared to 6% among the rest of the employees.

The COVID-19 pandemic and the related public health measures aggravated the problem, having an uneven impact on different sectors, economic activities, occupations and, thus, on different groups of workers. This period had especially negative effects on the industries with a higher percentage of low-wage workers, such as tourism, commerce, service, and agriculture, underlining the importance of the minimum wage during periods of economic recession, as they represent a key element for equitable working conditions and for the prosperity of the social market economy.

In this context, it becomes imperative that salaries, especially the minimum wage, are set at an adequate level, allowing the workers to fulfill their own and their families' needs. The best method of promoting fair wages in the EU is collective consolidated bargaining.

At the moment, in 21 out of the 27 Member States, there is a minimum wage established at national level; each State has chosen its own rules for determining it. The other six, *i.e.* Austria, Denmark, Italy, Cyprus, Finland and Sweden, have not introduced a statutory minimum wage: in their case, this is settled through collective agreements for specific sectors.

The data presented by the European Commission indicates that, in the EU, the ratio of workers earning minimum wage varies from under 5% (for example, in Malta, Belgium, and the Czech Republic) up to approximately 25% (in Romania), women making up 60% of their total.

For the year 2020, the situation regarding the euro value of the minimum wages was almost unchanged. Concerning the purchasing power of the minimum wage in the same year (Eurostat 2020), a reduction of the differences between the States can be observed, as a result of the differences in their prices. The highest value is held by Luxembourg, at 1643, and the

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lowest by Latvia, at 547. The situation is almost identical for the purchasing power parity of the net wage, with the extreme values of 1464 in Luxembourg and 449 in Latvia. (Table 1)

Table 1 - The minimum salary in the EU (2020)

State	Minimum wage (in euro)	State	Gross minimum wage expressed in purchasing power parity	State	Net minimum wage expressed in purchasing power parity
LU	2142	LU	1634	LU	1464
IE	1707	DE	1484	FR	1370
NL	1680	NL	1443	BE	1327
BE	1627	BE	1417	NL	1278
DE	1584	FR	1349	IE	1201
FR	1539	IE	1277	DE	1074
ES	1108	ES	1147	ES	1063
SI	941	SI	1068	SI	832
MT	777	PL	1008	MT	789
EL	758	MT	890	PT	750
PT	741	EL	876	PL	736
LT	607	LT	873	EL	736
EE	584	RO	856	EE	651
PL	583	PT	843	CZ	641
SK	580	HR	769	LT	630
HR	546	CZ	762	SK	625
CZ	546	HU	758	HR	615
RO	461	SK	715	RO	525
HU	452	EE	686	HU	504
LV	430	BG	590	BG	458
BG	312	LV	547	LV	449

Source: Eurostat

According to the data presented by Eurostat (2021) on the 1st of January 2021, after a year of the COVID-19 pandemic, the minimum monthly wages had significant differences between the Member States. The lowest value was registered in Bulgaria, at 332 euro, and the highest, of 2.202 euro, in Luxembourg.

The reports (Eurofound, 2021a) group EU states with a statutory minimum wage in three categories.

The first category encompasses ten Member States from the east of Europe, where the minimum monthly wage is under 700 euro: Bulgaria (332 euro), Hungary (442 euro), Romania (458 euro), Latvia (500 euro), Croatia (563 euro), Czech Republic (579 euro), Estonia (584 euro), Poland (614 euro), Slovakia (623 euro) and Lithuania (642 euro).

The second category is comprised of the EU countries where the minimum monthly wage varies between 700 and approximately 1.100 euro: Greece (758 euro), Portugal (776 euro), Malta (785 euro), Slovenia (1.024 euro) and Spain (1.108 euro).

The States with minimum monthly wages of over 1.500 euro per month make up the third category: France (1.555), Germany (1.614), Belgium (1.626), the Netherlands (1.685), Ireland (1.724) and Luxembourg (2.202).

In the majority of the Member States, minimum wages were increased in January 2021, but the increase was moderate, due to the uncertainty generated by the pandemic, amounting to an average of 3%. Latvia registered the highest increase, of 16.3%, while Hungary experienced a decrease of 4%. An increase in the number of workers receiving minimum wages was also observed, as well as a rise in the percentage of women earning it.

During the analysed timeframe, the states where minimum wage is regulated through collective agreements also experienced modifications in the ten lowest-paying sectors. In these states, the wage increase was also moderate. In some sectors, no salary rise occurred, partly due to the impossibility of carrying out collective bargaining while adhering to the

sanitary regulations imposed during the pandemic. According to data (Eurofund 2021), table 2 showcasts the situation in these States.

Table 2. Change in monthly minimum wages in collective agreements (%), between 1 January 2020 and 1 January 2021, for selected low-paid jobs (national currencies)

	Austria	Denmark	Finland	Italy	Sweden
Domestic cleaners	4.2	2.2	2.0	1.5	0.0
Cleaners and helpers in offices, hotels and other establishments	1.7	2.2	2.0	0.0	1.7
Shop sales assistants	1.5	2.0	2.0	0.0	3.2
Waiters and bartenders	0,0	1,6	0,0	1,3	2,8
Cooks	0,0	0,7	0.0	1,3	2,8
Home-based personal care workers	4.8	1.1	1.3	1.4	2.8
Childcare workers	4.8	1.1	1.5	0,0	2,3
Agricultural, forestry and fishery labourers, standard employment	8.2	1.9	1.7	0.0	No data
Agricultural, forestry and fishery labourers, seasonal employment	6.3	2.1	4.0	0.0	No data
Couriers, newspaper or parcel deliverers	6.3	2.1	4.0	0.0	No data

Source: *Network of Eurofound Correspondents, based on national official sources, in Eurofound 2021*

1.2. The fair minimum wage

In November 2017, in Göteborg, the European Parliament, the Council and the European Commission proclaimed the European Pillar of Social Rights, based on 20 principles meant to help fulfil the promise of prosperity, progress and convergence of Europe.

Principle 6 of this pillar, “Salaries”, has as its objective the establishment, at an EU level, of an adequate minimum wage, one that can ensure a decent standard of living to the workers and their families, regardless of their area of labour, in accordance with the socio-economic conditions existent at the national level. Moreover, it reiterates the idea that the establishment must be transparent, foreseeable, in conformity with national practice, and respectful to the autonomy of the social partners. Afterwards, the EU Strategic Agenda for 2019-2024, convened in the European Council in June 2019, aimed at putting in practice principle 6 at both EU and national levels.

The fair minimum wage represents an essential component of the EU’s model of social market economy, as the intersection of the Member States in this area contributes to the reduction of their disparities and to the realisation of common Union prosperity.

The EU-27 adopting adequate minimum wages generates advantages not only for the workers, in particular the disadvantaged ones, who have a higher probability of receiving the minimum wage, but also for the enterprises that exist in the Union.

In order to achieve this objective, in October 2020, the Proposal for a Directive of the European Parliament and of the Council on adequate minimum wages in the European Union was elaborated. At an EU level, between 20 and 25 million workers will benefit directly from

this Directive. According to the impact assessment accompanying the Proposal, this policy package would have a significant social impact by reducing poverty and inequality, stimulating the workforce. (European Commission, 2020)

The Proposal does not establish a minimum wage that must be applicable in all Member States, but a series of criteria that are necessary for establishing it in each country respectively. This respects the principles of proportionality and subsidiarity, instituting minimum standards that ensure that the interference of European institutions remains at the lowest level that is necessary for attaining the expected objectives. If a Member State has already instituted more favourable provisions than the ones presented in the Proposal, they will not need to change their system for establishing the minimum wage.

According to article 3 of the Directive, the term “minimum wage” represents the minimum remuneration that employers must pay their employees for their work during a period of time, calculated based on time or output.

Minimum wages are considered adequate if they are equitable compared to the other salaries in the State and if they can ensure a decent standard of living. They can be established using the indicators usually utilized at the international level, such as 60% of the gross median salary and 50% of the gross average salary in the State at hand, in order to ensure correlation between the minimum wage and the other salaries.

As far as the access of workers to the protection of the minimum wage is concerned, the Proposal does not include new rules compared to the current situation: Member States may institute this salary either through collective agreements or through a statutory provision, where the latter exists.

Regarding the domains of application, the Directive specifies that its provisions shall apply to the EU workers that have an employment contract or an employment relationship defined by the legislation, collective agreements or the practices of the Member States, while taking into account the case law of the Court of Justice of the European Union. In *Lawrie-Blum*, the Court defined the worker as “a person [performing] services of some economic value for and under the direction of another person, in return for which he receives remuneration”, while also clarifying that “the sphere in which they are provided and the nature of the legal relationship [...] are immaterial”.

Article 4 of the Proposal institutes rules that aim to extend the coverage of collective bargaining. Article 3(3) defines this process as “all negotiations which take place between an employer, a group of employers or one or more employers’ organisations, on the one hand, and one or more workers’ organisations, on the other, for determining working conditions and terms of employment; and/or regulating relations between employers or their organisations and a worker organisation or worker organisations”. In this case, the Member States are obliged by the Directive to adopt measures that promote the capacity of social partners to partake in collective bargaining aimed at establishment of wages and that encourage conducting constructive, significant and informed negotiations regarding salaries. Additionally, the Member States where the collective bargaining coverage does not reach a minimum of 70% of the workers are solicited to provide a framework for collective bargaining and elaborate an action plan to promote it.

Chapter II applies to the Member States with statutory minimum wages. These will be obliged to create and utilise a set of criteria that they must abide by when establishing the minimum wage, so that its level ensures a decent standard of living and thus contributes to social cohesion and to the realisation of an upward convergence. These criteria must include elements such as the level, distribution and growth of gross wages, the labour productivity developments, and the purchasing power of the statutory minimum wage, taking into consideration the cost of living and the contribution of taxes and social benefits.

If the Member States reasonably and legitimately establish different levels of the minimum wage for specific categories of workers, they are obliged, through consultations with the social partners, to limit the use of variations of the statutory minimum wage, as well as their applicability in time and extent. Article 6 also includes a protection of statutory minimum wages against unjustified or disproportionate deductions. Supplementary measures include the obligations on Member States to adopt the necessary measures to ensure periodic and timely actualization of statutory minimum wages, in order to maintain their adequacy, and to set up consultative bodies to advise the competent authorities on issues related to these salaries.

In this context, it must be mentioned that the Proposal attributes an important role to consultations with social partners in all steps of the process towards establishing the minimum wage, in order to ensure that this process is sufficiently informed and inclusive. Therefore, social partners must partake in the institution and actualization of statutory minimum wages, *i.a.* through participation in consultative bodies, in the creation of the needed criteria, in determining the variations and deductions covered by Article 6, in data collection, and in carrying out studies related to this field.

To ensure that all actors respect the provisions and collective agreements regarding the institution of a minimum wage and to enhance the access of workers to the protection offered by it, the Proposal obliges the Member States adopt a series of measures. These include strengthening proportionate and non-discriminatory controls and field inspections conducted by labour inspectorates or bodies responsible with the application of the minimum wage, developing guidance for law enforcement authorities, ensuring access of the public to information regarding statutory minimum wage, guaranteeing access of workers to efficient and impartial dispute resolution and to their right of redress, including adequate compensation, and to efficient protection against all forms of prejudice, should they choose to exercise their right of defence.

1.3. Conclusions

Combatting workers' poverty represents a complex issue at the EU level, which plays a crucial role in a multitude of factors, such as the fiscal framework, education, social benefits, and employment policies.

The suggestion that European citizens should be protected through a minimum wage that allows them and their family to enjoy a decent standard of living fits perfectly with the EU's objectives for sustainable development. In this context, the Proposal for the adoption of a Directive on adequate minimum wages in the European Union is a necessary step, one that perfectly aligns with the guidelines of the Union. A new element brought about by the Proposal is the view that minimum wages are a fundamental right and an underlying condition for a social, equitable and sustainable market economy.

Although the Proposal does not aim to set a common level of the minimum wage across all Member States, nor does it seek to modify the existent mechanisms of establishing this wage, it represents a necessary and useful undertaking in the current context. Adopting the Directive will lead to the creation of a foundation that is able of facilitating an upward convergence of the minimum wage within the Member States, in order to fight workers' poverty.

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THE ROLE OF LEASING IN THE SUSTAINABLE DEVELOPMENT OF ROMANIAN AGRICULTURE

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Abstract

The paper aims to express the role of leasing in the sustainability and persistence of Romanian agriculture, by understanding leasing as a secure and efficient way of financing. Leasing is currently a business model that contributes to sustainable and persistent development by recirculating products and ensuring economic performance. Leasing is a step forward for companies wishing to purchase equipment but they do not have the necessary sources of financing. In particular, the study highlights the many benefits of leasing to companies that use this method of financing, showing that the adoption of this method is more "green". The state encourages the use of this method because it leads, on one hand, to the increase of economic performances in the form of financial-accounting indicators, but also, to the growth of the national economy. Particular attention is paid to the analysis of leasing in agriculture in Russia, the Republic of Moldova and Romania. Data on the production obtained both in Romania and in the Republic of Moldova, data on the cultivated area in Romania and data on the evolution of agricultural equipment in Russia were used and analyzed. The data obtained from the analysis in Romania led to the implementation of the SME Leasing program of equipment and machinery. The SME Leasing program of equipment and machinery has many advantages for those who want to obtain equipment through it. This program is mainly addressed to economic agents in the agricultural sector, because they use their equipment excessively, due to lack of funding and investment.

Keywords: *Leasing, agriculture, sustainable development, persistent development*

Introduction

Leasing has existed since ancient times due to the need to rent land, agricultural tools and slave labor. Forms similar to leasing have been noted since antiquity in Egypt, Mesopotamia and Phoenicia. These forms were aimed at renting agricultural tools, but also land. The contracting parties were the wealthy class and the farmers. The rental of agricultural tools for farmers was recorded on clay tablets that were discovered in the Middle East and that have existed since the third century BC. The emergence of leasing as a notion and form of financing dates back to the '50s, but its economic base was formed in the period preceding the Second World War. The first leasing company in the USA was registered in 1855, under the name "The Birmingham Wagon Company" and in 1877, the Bell Telephone Company in the USA offered users the possibility to use telephones from their own production for a cost of use, without to request payment of the value of these phones. This type of contract was called a lease.

Leasing is the method of financing that is achieved by transferring by the owner (lessor, capitalist, financier) the right of use over a good, to another party called user (lessee, beneficiary) at his request and who, at the end of the leasing period, may choose, whether or not, to buy the property or extend the lease.

Agriculture is part of the Romanian tradition and has been one of the most important pillars of the Romanian economy, contributing to the formation of the Gross Domestic Product, being the sector with the most dynamic development in Romania, in recent years. The areas of agriculture bring different contributions to the Romanian economy, depending on the areas of the country. It is an industry in the countries of the European Union, due to the fact that it has been supported to achieve performance and stability. The predominant landforms are the plains and the arable land is the safest way to cultivate. Romania has so far, about 15 million hectares of agricultural land, distributed as follows:

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- 9.3 million hectares of arable land;
- 0.6 million hectares of vineyards and orchards;
- 4.8 million hectares of meadows.

The main process that led to the development of Romanian agriculture was the decollectivization, reorganization and privatization of state-owned enterprises and since then agriculture has focused on private development. The land is fertile due to domestic fertilizer production of chemical plants and irrigation plays a key role in increasing agricultural production.

Sustainable development is expressed through all forms and methods of social and economic development that ensure the balance between the economic, social and ecological aspects and of course, natural capital. The best-known definition of sustainable development is that provided by the United Nations World Environment and Development Commission in its report "Our Common Future" and which reads: "Sustainable development is development that seeks to meet the needs of the present, without compromising future generations, to meet their own needs".

Sustainability is the acquisition of an activity to be carried out without depleting the available natural resources and without destroying the environment so that future generations can meet their various needs. In other words, sustainability refers to the fact that we must protect the nature around us from destruction and damage that will also affect us.

The paper aims to discuss the link that agriculture has and how to finance leasing, to ensure a sustainable and persistent development of agriculture in Romania. In this paper, leasing was analyzed as a way of financing and data on agriculture and leasing in Romania, but also in other countries were compared.

The study was limited due to the lack of information and their centralization, making it impossible to analyze the two branches of the study. The information found on the Internet, provided by the Ministry of Agriculture and Rural Development, was not enough to perform the desired analysis.

Review of the specialized literature

The work of professors Bolea and Cosma, entitled *Leasing as a modern form of business financing* (2015) presents the fundamentals of the leasing concept, by highlighting the elements of leasing, its types and how leasing helps to develop the global market. This paper first addresses the evolution of leasing over time, and then the importance of leasing in financing the activity of companies, as well as increasing the value of leasing services worldwide.

Professor Kovalenko's *The History of Leasing* (2018) presents the history of leasing since antiquity, the legal regulations adopted by some countries in the world on leasing, which focused on Russia and makes a brief presentation of aircraft leasing in Russia. As transport is still an important topic today, Russia has given special importance to air transport, in order to maximize the market for air transport and air operations, by increasing flight safety.

Professors Ionașcu in the work *Business Models for Circular Economy and Sustainable Development: the Case of Lease Transactions* (2018), highlight leasing as a business that brings numerous contributions to the sustainable development of the economy. Among the numerous benefits that leasing has in Romanian companies, is the increase of their performances, firstly in the form of financial-accounting indicators and secondly in terms of investors. The first part of this article presents information about the circular economy and the characteristics of leasing in this type of economy and in the second part are presented the results reached by the two professors after conducting the study on various companies in Romania listed at scholarship.

Collins and Junghans showed how companies adopt and implement sustainable facility management and green leases in the strategic approach to sustainability. These two elements are analyzed together because they have many benefits for the society in which they are implemented. These teachers emphasize that a key component is the interaction between the core business processes and the adoption of a sustainable approach.

According to Kiritsa, Romanov and Kushnaryona, the agricultural machinery market has declined significantly in Russia. As an effective support in this issue was leasing because it is one of the most efficient methods of purchasing or renting agricultural equipment for small and medium enterprises.

Gerasimova (2018) elaborates a paper that focuses on leasing. Acespa says that leasing is seen as an effective means of supporting business and is a powerful tool for sustainable development, as well as a way to earn income from loans and renew the capital of the companies that use it. It also highlights the relationships between external and internal economic factors, between financial and operational forms of leasing, between the value of leasing institutions and their contribution to the revival of the economy.

In the paper *The Leasing System in Agriculture*, Dospitescu highlights the difficult access that the farmer has to the financial resources offered by the capital markets. Difficult access has led to the emergence of peculiarities in the financing of production, processing and marketing and in consumer activities, with leasing offering farmers an alternative way of financing the equipment needed in agricultural activities.

Popa presents in his paper *Problems and ways of financial assistance of small and medium enterprises in the agricultural sector* the fact that agriculture is a basic branch of the economy of the Republic of Moldova and their sources of financing and adoption are easy to access. This fact has led to an increase in the number of economic agents with activities in agriculture, in the Republic of Moldova.

Research methodology

In order to understand the need for financing in the agricultural field, this study was carried out to help potential users in making a decision on how to finance through leasing. Progress in agriculture depends directly on the degree and quality of the development of agricultural equipment and facilities that ensure the mechanization of both the main and ancillary operations of agriculture.

The study is based on data on production obtained, cultivated area and the evolution of the number of agricultural equipment, the data being provided by the official websites of the Government of Romania, the Republic of Moldova and Russia. The two countries analyzed for comparison were chosen according to area, population, agricultural potential and especially economic development. The multitude of information that helped to create this article was gathered from the specialized articles found through the Google Academic search engine. The purpose of this article is to describe leasing as a way of financing, in order to purchase equipment and facilities necessary for the sustainable development of Romanian agriculture.

In the first stage of the study, leasing was analyzed as a way of financing in agriculture, where the bases of the leasing concept were laid and where the main advantages it has in agriculture were highlighted. In the second stage was analyzed the leasing and agriculture in the Krasnoyarsk region of Russia which materialized by analyzing the data provided by the official website of the Russian Government, was analyzed leasing and agriculture in the Republic of Moldova by analyzing the production obtained in 2015 -2019. Also at this stage was analyzed the Romanian agriculture from 2015-2019, respectively the cultivated area and the production obtained which led to the implementation by the Government of the SME Leasing program of equipment and machinery to support farmers to

increase the degree they has agriculture in the Romanian economy. In the third stage, the Government's SME Leasing program of equipment and machinery was discussed and in the last stage, the "green" leasing was discussed because it is the one that comes in support of all farmers but also of humanity.

Results and Discussions

The scientific paper focuses on the analysis and evaluation of the relationship between leasing and agriculture, highlighting the main types of leasing used in agriculture, the main advantages that leasing brings to farmers.

➤ Financing through Leasing

Leasing satisfies the need for funds for investments in an effective short time of economic agents. This is a financial instrument that is much easier for businesses to access than bank loans, which has the advantage of being much more flexible. Most companies choose to finance their investments through leases because of this significant advantage.

The main types of leasing used mainly in agriculture are the following:

- Financial leasing: is the operation that makes the transfer, for the most part, of all the advantages and risks related to the property right over a good. It conveys all the benefits and risks related to the property right to the user who at the end of the lease remains with the property;
- Operational leasing: it is the operation of consecutive rental of a good and approves the use of a good but does not transfer its ownership. This type of contract can be terminated at any time, the user only has to return the good;
- Internal leasing: when the parties are from the same country;
- External leasing: when the parties are from two different countries.

Leasing in agriculture has a great advantage because leasing rates can be set seasonally with payment at or after harvest, respectively at the end of August and November.

In the agricultural field, a positive influence on leasing financing is the high demand and supply of agricultural equipment and machinery, due to the high agricultural potential in all areas of the country. The legislative framework on agricultural insurance in Romania adopted Law no. 381/2002 on granting compensation in case of natural disasters in agriculture and Governmental Emergency Ordinance no. 157/2002 to supplement the Leasing Law no. 16/1994, as well as rural financing projects granted by The European Union. All this has begun to stimulate in the short and medium term the capitalization of the rural sector and the growing interest of banks and other financial institutions to engage in the provision of services to this sector.

Leasing in Romania has traditionally been used to acquire the right to use land for grazing or crop production and then farmers went to rent agricultural equipment. Leasing of agricultural equipment and machinery is used for renting and purchasing tractors and its aggregates, combines, irrigation systems, silos and many other agricultural equipment.

In Romania, an agricultural machine is used far above the European average and especially far above developed countries such as the Netherlands and Germany. Excessive use of agricultural machinery is mainly due to lack of funding and investment in agriculture.

Leasing in agriculture has many advantages, and among them are:

- Protection of equity - the user will use an asset for the purchase of which a large part of the liquidity should have been immobilized, keeping his free capital for other needs and can contract a bank loan in parallel;
- Deductibility of leasing payments (depreciation, interest, insurance, exchange rate differences, in the case of financial leasing, and in the case of operational leasing the entire leasing and insurance rate);

- The possibility of an exact calculation and planning based on constant leasing rates throughout the lease;
- The user benefits from free specialized consultancy regarding the choice of the good or aspects related to the leasing legislation, insurance services, as well as offering complete services regarding the translation of documents, RAR operations, customs entry / exit operations, registration, deregistration;
- The costs of insuring the good that is the object of a leasing contract are lower than in the case of a full payment, as a result of the existing collaboration protocols between the leasing and the insurance companies;
- Procedures for obtaining financing in a leasing system are often much simpler and more accessible to a much wider category of customers, than in the case of applying for a bank loan.

➤ **Agriculture and leasing in the Krasnoyarsk region of Russia**

In Russia, the concept of sustainability innovates several changes in all fields but especially in agriculture.

In the Krasnoyarsk region of Russia, agricultural machinery fluctuated in Table 1.

Table 1: Agricultural machinery from the Krasnoyarsk region

	2014	2015	2016	2017	2018
Tractors	6.809	6.517	5.938	5.599	5.269
Plows	1.583	1.469	1.347	1.289	1.265
Combine harvester	3.143	2.960	2.766	2.614	2.459
Fertilizer spreaders	260	258	265	237	231
TOTAL	11.795	11.204	10.316	9.739	9.224

Source: <http://gov.ru>

Due to the decrease in the number of agricultural machinery, the load of arable land on a single tractor is increasing, which leads to their accelerated depreciation. The existence of a small number of agricultural machinery hinders the development of agriculture with an impact on productivity. The availability of new agricultural equipment reduces additional production costs. The use of leasing in modern conditions allows to solve the problems of farmers regarding agricultural equipment as well as their maintenance and repairs.

In order to increase productivity in this region, agricultural holdings receive state support in the form of:

- cost compensations for the purchase of seeds registered in the state register;
- unrelated assistance;
- compensation of parts of the cost for investments.

The lease expands the access of agricultural producers to accelerated rates of material and technical renewal, accompanied by the equipment service. The supply of agricultural equipment through leasing has been noted as one of the most efficient ways to finance the agricultural sector, so the state has decided to provide many benefits to those who will use as a way of financing, leasing.

Leasing financing of agricultural equipment led in the first phase to the growth of the economy in that region of Russia, in the second phase to the increase of productivity in agriculture and in the third phase to the increase of the number of agricultural equipment in that area.

➤ **Agriculture and leasing in the Republic of Moldova**

Agriculture is an important sector of the economy of the Republic of Moldova and during the last 10 years there has been an increase in the number of economic agents with agricultural activity. The main financing modalities in the Republic of Moldova are represented by:

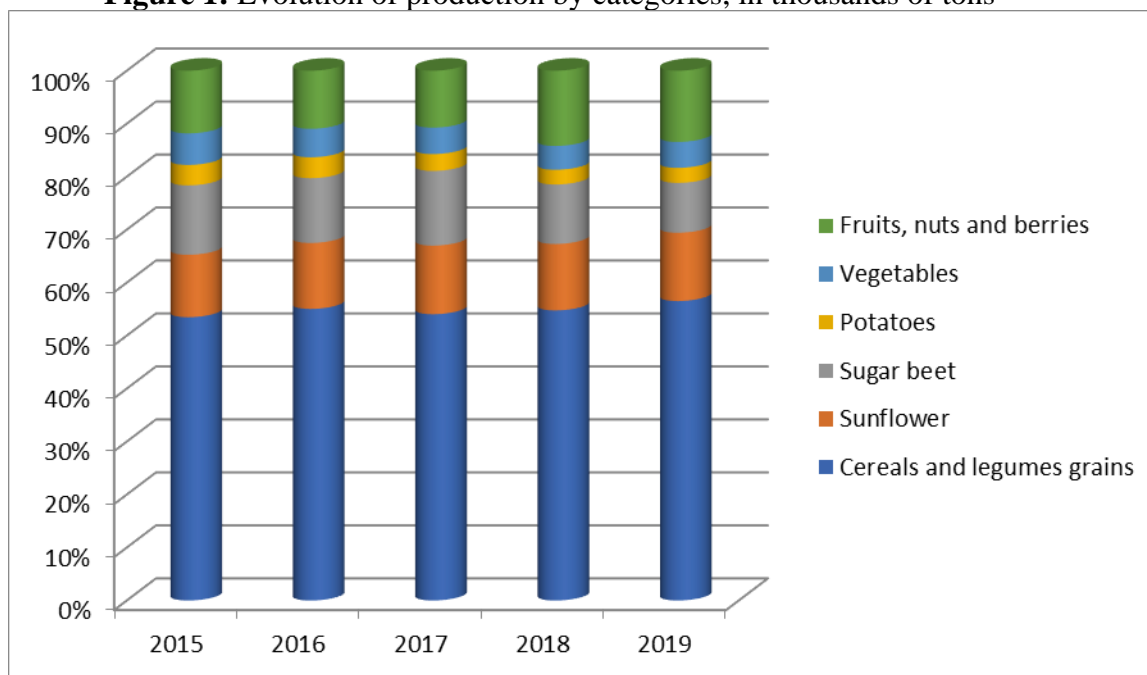
- Personal income represented by own sources, profit;
- Bank credits;
- Bonded loans;
- Leasing.

The state encourages the use of leasing as a way of financing in the Republic of Moldova because it grants a series of fiscal facilities, deducting depreciation expenses as well as interest expenses.

According to the National Development Strategy "Moldova 2020", the main priority of the Government is to maintain a decent living, to employ the existing workforce in all areas, but especially in agriculture and improving the quality of life in rural areas. A significant role in this case is to strengthen the economy in rural areas by developing, and as in rural areas, agriculture is a key pillar of development, the Government supports farmers in rural areas, by encouraging them to purchase agricultural equipment through through leasing.

Leasing has helped to develop the agricultural sector in the Republic of Moldova by increasing agricultural production and agricultural equipment. Therefore, Figure 1 shows the evolution of production recorded in the period 2010-2015.

Figure 1: Evolution of production by categories, in thousands of tons



Source: <https://statistica.gov.md>

Analyzing the structure of vegetable production in Figure 1, it can be seen that it oscillates over the analyzed period, this oscillation being the result of the uneven evolution of cereal and legume crops grains, fruits, vegetables, potatoes, sugar beet and sunflower. Raising awareness of these crops on climatic conditions urges farmers to purchase various agricultural equipment through leasing to increase the protection of these crops.

➤ **Analysis of agriculture in Romania during 2015-2019 and consequences**

Romania's agriculture in the analyzed period registered the values expressed in Table 2 which express the cultivated area and Table 3 which express the Production obtained.

Table 2: Area cultivated in thousands of hectares in Romania during 2015-2019

	2015	2016	2017	2018	2019
Grain cereals	5.319	5.487	5.192	5.257	5.431
Leguminous grains	45	59	119	133	119
Oily plants	1.518	1.630	1.766	1.815	1.877
Potatoes	189	182	167	169	170
Vegetables	240	228	225	226	224
TOTAL	7.311	7.586	7.469	7.600	7.821

Source: <https://insse.ro/cms/>

Table 2 indicates that the area cultivated on the territory of Romania registered numerous fluctuations during the years 2015-2019. The main vegetated categories cultivated in Romania are highlighted and analyzed in the table, having a significant share in agriculture. Cereals for grains and vegetables registered the largest cultivated area in 2016, legumes in 2018, oily plates in 2019 and potatoes in 2015, this being the most distant year under analysis.

Table 3: Total production in thousands of tons in Romania during 2015-2019

	2015	2016	2017	2018	2019
Grain cereals	19.040	21.765	27.139	31.553	29.504
Leguminous grains	76	99	302	191	244
Oily plants	2.987	3.597	4.986	5.154	4.682
Potatoes	2.779	2.690	3.117	3.023	2.715
Vegetables	3.640	3.358	3.638	3.797	3.496
TOTAL	27.552	32.509	39.182	43.718	40.641

Source: <https://insse.ro/cms/>

Table 3 shows the production obtained from the cultivation of the main plant categories. In 2019, lower values were registered compared to the previous year. Although the cultivated area in 2019 was the largest in the analyzed time interval, the production obtained was lower than the previous year when the cultivated area was 221 thousand hectares lower but the production was 3,077 thousand tons higher.

These low values obtained in 2019 led to the implementation of a government support program called SME Leasing of equipment and machinery. Through this program, the authorities aim to increase the cultivated areas, of the production and in particular of the increase of the financing of the type of financial leasing, succeeding through this the acquisition of equipment and machinery necessary for agriculture.

➤ **Government program SME Leasing equipment and machinery**

The SME Leasing program is a government program through which the Ministry of Public Finance aims to stimulate access to financial leasing financing in order to purchase new or second-hand assets for companies, especially those that need technology transfer in the processes of production especially in the agricultural sector. Guarantees will be granted by FNGCMM and will be guaranteed by the state, through the Ministry of Public Finance, in a maximum of 80% of the value of financing for the purchase of IT equipment and information technology and in a maximum of 60 % of the amount of financing for the purchase of technological machinery and equipment, vehicles for the transport of goods and persons used

for commercial purposes in a financial leasing operation. Small and medium-sized enterprises as well as affiliated enterprises are eligible for guarantees under the program.

The maximum value of the financing is 5,000,000.00 lei, the period and the way of reimbursing the financing is established by the financiers, according to their provisions. The maximum lease term is 6 years, with a warranty period of 3 to 12 months. A significant advantage of this government program is the advance that the user of the program can pay, which is between 0% and 20% of the value of the good.

➤ **Leasing in the sustainable and sustainable development of agriculture**

As sustainability and persistency are an extremely important issue for all countries, we are beginning to use in agriculture equipment that protects as much as possible the environment around us to keep it clean and prosperous for future generations. Leasing supports this desire and helps those interested in purchasing equipment that does not pollute and protect the environment to some extent.

With the move towards a "green" focus, infrastructure and technology have the impetus even the obligation to adapt to societal trends and leasing is not immune to this change. More and more companies are adopting and implementing sustainable management and green leasing contracts. Approaching sustainable management and leasing together is due to the qualities they fulfill together. "Green" leasing can be considered an approach that has a positive impact on people and technical systems.

The concept of sustainability innovates several changes of new business models such as changing the platform (from lead to platform), changing numbers (from physical to digital), changing services (from products to services), exponential change (from linear to exponential change), the change of stakeholders (from one shareholder to another) and these changes are adopted to improve the quality of life and sustainability of the planet. The product-service system is a business model that generates solutions to maximize sustainability and provides that product leasing and sales of remanufactured products must deliberate in the product design process. This model makes leasing an attractive choice for consumers through operational optimization.

Conclusions

Leasing is one of the most flexible forms of financing and is mainly used in financing the machinery and equipment of various companies, being a real help in support of companies that can not afford to purchase them through other methods. It has become increasingly attractive, especially for the fact that it deals with expensive products or complex equipment.

Modern economic thinking in terms of sustainability is absolutely necessary in order to obtain profitable financial results at the level of any enterprise. In the Romanian agricultural system, which is insufficiently developed but which has an extraordinary development capacity, it must have financing resources to be taken to the western level of the European Union.

Following the analysis of the three countries, I can say that Russia is the best ranked country in terms of agriculture and the one that pays the most attention to this sector. Romania and the Republic of Moldova also give interest to this sector, but due to the fact that they use agricultural equipment and machinery excessively, the production is not in line with expectations. In both countries, leasing financing is beginning to thrive due to the programs implemented by the governments of each country.

The results show that in Romania, the Government wants to support small and medium enterprises in various spheres of the economy, which can obtain a maximum financing of 5 million lei and the leasing period being 6 years. This program aims to increase the number of agricultural equipment but also agricultural productivity, because this sector is of particular importance in increasing Romania's Gross Domestic Product.

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TEST MEANS. AUTHENTIC REGISTRATION

Nicolae, Grădinaru¹

Abstract

The authentic document, according to art. 269 of the Code of Civil Procedure, is the document drawn up or, as the case may be, received and authenticated by a public authority, by the notary public or by another person invested by the state with public authority, in the established form and conditions. by law. The authenticity of the document refers to the establishment of the identity of the parties, the expression of their consent regarding the content, their signature and the date of the document.

Keywords: *authentic document, public authority, identity of the party, consent.*

JEL classification: K0 K1

By document is meant any statement about a fact or legal act, made by hand or by any other way of writing on paper, other material: glass, wood, metal, canvas, telex, fax, etc., or printing on electromagnetic tape, film , disc, etc.

According to art.265 of the Code of Civil Procedure, the document is any writing or other record that contains data about a legal act or fact, regardless of its material support or the manner of conservation and storage.

The document on computer support is admitted as evidence under the same conditions as the document on paper, if it meets the conditions provided by law.

Documents made in electronic form are subject to the provisions of the special law². The documents are preferred by the parties and have the advantage that they are easy to store, can be multiplied and easily administered.

The role of the signature

According to art.268 of the Code of Civil Procedure, the signature of a document makes full faith, until proven otherwise, about the existence of the consent of the party who signed it regarding its content. If the signature belongs to a civil servant, it confers authenticity on that document, in accordance with the law.

When the signature is electronic, it is valid only if it is reproduced under the conditions provided by law³.

The documents can be: preconstituted and unconstituted documents.

There are pre-constituted documents: authentic documents, documents under private signature, drafts, receipts, notes, invoices, etc., issued in order to serve as evidence in the future.

There are unconstituted documents: the registers of the merchants, the registers and the house papers, the mentions written by the creditor on the credit titles or on the receipts, the ordinary letters.

The authentic document, according to art. 269 of the Code of Civil Procedure, is the document drawn up or, as the case may be, received and authenticated by a public authority, by the notary public or by another person invested by the state with public authority, in the established form and conditions. by law. The authenticity of the document refers to the establishment of the identity of the parties, the expression of their consent regarding the content, their signature and the date of the document.

Any other document issued by a public authority and to which the law confers this character is also authentic.

Authentic documents are considered:

- authentic notarial deeds⁴;

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² Law no. 365/2002 on electronic commerce, republished in Official Gazette no. 959 / 29.11.2006.

³ Law no. 455/2001 regarding the electronic signature, published in the Official Gazette no. 429 / 31.07.2001.

⁴ Law no. 36/1995 of the notaries public and of the notarial activity, republished in the Official Gazette no. 479 / 01.08.2013.

- decisions of the courts¹;
- other authentic documents, provided by special laws (Law no. 119/1996 on civil status documents).

The authentic instrument takes effect from the moment the notary took the consent of the parties and they signed the document.

Proving power

The proving power of the authentic document derives from the fact that it was authenticated, or even drafted, by the notary public.

According to art.270 of the Code of Civil Procedure, the authentic document makes full proof, against any person, until its declaration as false, regarding the findings made personally by the person who authenticated the document, in accordance with the law.

The statements of the parties contained in the authentic document shall prove, until proven otherwise, both between the parties and against any other person.

These provisions on the statements of the parties are also applicable in the case of entries in the document which are directly related to the legal relationship of the parties, without being the main object of the act. The other entries shall constitute, between the parties, the beginning of written evidence.

The authentic instrument contains two categories of mentions:

Mentions referring to the personal findings of the notary, mentions that have full proving power and that can be challenged only through a specific procedure, called "denunciation of the document as false". This category of mentions includes: the signatures of the parties and the notary, the mentions regarding the presence of the parties and their identity, the date of drawing up the deed, the place of its conclusion, the declaration of the parties that those contained in the document express their will.

The statements containing the statements of the parties, statements that prove to the "contrary evidence". These mentions have the proving power of the deed under private signature.

The authentic document enjoys "a presumption of authenticity", the person contesting it having the task to prove the falsity of the document through the procedure of registration in false.

The authentic document is opposable erga omnes, ie it is opposable to all.

Reporting the document as false

According to art.304 of the Code of Civil Procedure, if at the latest after the submission of a document used in the process one of the parties declares that it is false by falsifying the writing or signature, it is obliged to show the reasons on which it is based.

If the party using the document is not present, the court will order the person to appear in person in order to become aware of the denunciation of the document as false, to submit the original and to give the necessary explanations.

The judge may order the presentation of the parties even before the first trial period, if the party declares, by reply, that his writing or signature is forged.

In duly justified cases, the parties may be represented by proxies.

Checking the status of the document reported as false

The judge will immediately ascertain, through the minutes, the material condition of the document denounced as false, if there are erasures, additions or corrections on it, then he will sign it, unchanged, and will entrust it to the registry, after being countersigned by the clerk. and parts.

If the parties do not want or cannot sign, all this will be mentioned in the minutes.

At the same time when the document was denounced as false or, if the party using the document is not present, at the next term, the judge asks the party who produced the document, if he agrees to use it.

⁴ Law no. 134/2010 Code of Civil Procedure, republished in the Official Gazette no. 247 / 10.04.2015. Art.434. The court decision has the probative force of an authentic document.

If the party who used the document is missing, refuses to answer or declares that the document is no longer used, it will be removed, in whole or in part, as the case may be.

If the party who denounced the document as false is missing, refuses to answer or withdraws his declaration of denunciation, the document will be considered recognized.

Suspension of the trial and notification of the prosecutor's office

If the party who presented the document insists on using it, although the denunciation as false has not been withdrawn, the court, if the author of the forgery or his accomplices is indicated, may suspend the trial, immediately forwarding the document denounced as false to the competent prosecutor's office. for the investigation of the forgery, together with the minutes that will be concluded for this purpose.

The investigation of the forgery by the civil court

If, according to the law, the criminal action cannot be initiated or cannot continue, the investigation of the forgery will be made by the civil court, by any means of proof.

Nullity and conversion of the authentic document

According to the provisions of art. 265 of the Code of Civil Procedure, the authentic document drawn up without observing the forms provided for its valid conclusion or by an incompatible, incompetent person or exceeding the competence is struck by absolute nullity, unless the law provides otherwise.

However, the respective document makes full proof as a document under private signature, if it is signed by the parties, and if it is not signed, it constitutes, among them, only the beginning of a written proof¹.

Convert the authentic document

If the document is not valid as an authentic document, the problem of its conversion arises.

If the solemn form was validated ad validitatem and the act is struck by absolute nullity if it did not comply with the form, so that the act can not be considered valid either as a private signature or as a beginning of written evidence.

If the solemn form was not required by law ad validitatem, and the authentic document is not authentic due to the incompetence or incapacity of the investigating agent, it is valid, if it was signed by the parties, as a document under private signature. If the document is not signed by the parties, it has the value of a beginning of written evidence that can be completed with the evidence with witnesses and presumptions.

In connection with the proving power of the authentic document, a clarification must be made in two respects:

When for the authentic act the law requires the “formal condition of authenticity” - ad validitatem -, the nullity of the authentic document necessarily attracts the nullity of the legal act itself - negotium -, which, thus, will no longer have any proving power.

When the authentic document was drawn up only to constitute “ad probationem” proof, the nullity of this authentic document does not attract the nullity of the legal act - negotium - ascertained by that document, it having the proving power of the document under private signature.

The advantages of authentic writing.

- proves it until the false registration test, practically until the finding of the forgery following the expertise.

¹ According to art.310 of the Code of Civil Procedure, any writing, even unsigned and undated, which comes from a person to whom that writing is opposed or from the one whose successor in rights is that person, is considered the beginning of written proof. the writing makes the alleged fact credible.

The document, even unsigned by the person to whom it opposes, constitutes the beginning of written proof, even if it was drawn up in front of a competent official attesting that the statements contained in the document are in accordance with those made by that person. The beginning of written evidence may be proved between the parties only if it is supplemented by other means of proof, including witness evidence or presumption.

- enjoys the presumption of validity, the one who uses it is exempt from any proof, the one who challenges it having the task of proving the contrary proof.

- the document authenticated by the notary public who ascertains a certain and liquid receivable has the force of executory title at the date of exigibility of the receivable (art. 67 of Law no. 36/1995). Thus, the authentic document can be enforced without the need to invest it with an enforceable formula¹.

A legal consequence of a special importance of the authentic document consists in the fact that, by investing it with the executory formula, it “becomes executory”, allowing the transition to the forced execution, without the need for the process.

Regarding the obligation to return, the loan agreement concluded in authentic form or by a document under private signature with a certain date constitutes an enforceable title, in accordance with the law, in case of termination by the death of the borrower or by the expiration of the term.

If a term for restitution has not been stipulated, the loan agreement constitutes an enforceable title only if the use for which the good was borrowed is not provided or the intended use has a permanent character (art. 2157 of the Civil Code).

Lease contracts concluded by document under private signature that have been registered with the tax authorities, as well as those concluded in authentic form constitute enforceable titles for the payment of rent at the terms and in the manner established in the contract or, in their absence, by law (art.1798 of the Civil Code).

The lease contract terminates by right upon expiration of the term agreed by the parties or, as the case may be, provided by law, without the need for prior notice.

Regarding the obligation to return the leased property, the contract concluded for a determined duration and established by an authentic document constitutes, in accordance with the law, an enforceable title at the expiration of the term.

These provisions apply accordingly to the contract concluded for a determined period by document under private signature and registered with the competent fiscal body (art. 1809 of the Civil Code).

Applications of the authentic document

According to art.99 of the new Civil Code, the proof of marital status is regulated, thus, marital status is proved by birth, marriage and death documents drawn up, according to the law, in the civil status registers, as well as by civil status certificates issued on the basis them.

The civil status documents are authentic documents and prove until the false registration, for what represents the personal findings of the civil status officer, and, until the contrary proof, for the other mentions.

The court decision given on the marital status of a person is opposable to any other person unless a new decision has established otherwise.

If by a court decision a certain marital status of a person has been established, and by a subsequent court decision an action is allowed challenging the marital status thus established, the first decision loses its effects on the date of finality of the second decisions.

The authentic will

The will is authentic if it was authenticated by a notary public or by another person invested with public authority by the state, according to the law.

On the occasion of authentication, the testator may be assisted by one or 2 witnesses (art. 1042 of the Civil Code).

Preparation of the authentic will

The testator dictates his dispositions in front of the notary, who takes care of writing the deed and then reads it to him or, as the case may be, gives it to him to read it, expressly

¹ M.Tăbărcă - Civil procedural law, Ed. Universul Juridic, Bucharest, 2013
Law no. 36/1995 on Notaries Public and Notarial Activity, republished in the Official Gazette no. 479 / 01.08.2013.

mentioning the fulfillment of these formalities. If the disposer has already drafted his last will and testament, the authentic will will be read to him by the notary.

After reading, the disposer must declare that the act expresses his last will.

The will is then signed by the testator, and the authentication conclusion by the notary (art. 1044 of the Civil Code).

Authentication in particular situations

In the case of those who, due to infirmity, illness or any other cause, cannot sign, the notary public, fulfilling the act, will mention this circumstance in the conclusion he draws up, the mention thus made taking the place of signature. The mention will be read to the testator by the notary, in the presence of 2 witnesses, this formality replacing the absence of the testator's signature.

The declaration of will of the deaf, dumb or deaf-mute, literate, will be given in writing before the notary public, by the registration by the party, before the signature, of the mention "I consent to this act, which I have read".

If the deaf, dumb or deaf-mute is, for any reason, unable to write, the declaration of intent will be taken by the interpreter.

In order to obtain the consent of a blind person, the notary public will ask if he heard correctly when the contents of the will were read to him, noting this in the conclusion of authentication (art. 1045 of the Civil Code).

Registration of the authentic will

In order to inform the persons who justify the existence of a legitimate interest, the notary who authenticates the will has the obligation to register it, immediately, in the National Notarial Register kept in electronic format, according to the law. Information about the existence of a will can only be given after the testator's death.

Designation of the guardian by the parent

The parent may designate, by unilateral act or by mandate contract, concluded in authentic form, or, as the case may be, by will, the person to be appointed guardian of his children (art. 114 of the Civil Code).

Designation of guardian

Any person who has full capacity to exercise may designate by unilateral act or mandate contract, concluded in authentic form, the person to be appointed guardian to take care of the person and his property in case he is placed under judicial interdiction (art.166 of the Civil Code).

Date of transmission of rights and obligations

In the case of reorganization of legal entities subject to registration, the transfer of rights and obligations is made both between the parties and to third parties, only by registering the operation and from its date.

With regard to other legal entities not subject to registration, the transfer of rights and obligations is made both between the parties and to third parties, only on the date of approval by the competent body of the inventory, balance sheet prepared for delivery-receipt, records and the distribution of all contracts in progress, as well as any other such acts provided by law.

In the case of real estate subject to transfer, the right of ownership and other real rights are acquired only by registration in the land register, based on the reorganization deed concluded in authentic form or, as the case may be, the administrative act ordering the reorganization, in both situations accompanied, if necessary, by the registration certificate of the newly established legal entity (art. 242 of the Civil Code).

Liquidation of the matrimonial regime

In case of termination or change, the matrimonial regime is liquidated according to the law, by good will or, in case of misunderstanding, by court. The final court decision or, as the

case may be, the document drawn up in authentic notarial form constitutes a liquidation act (art. 320 of the Civil Code).

Conclusion of the matrimonial agreement

Under the sanction of absolute nullity, the matrimonial agreement is concluded by a document authenticated by the notary public, with the consent of all parties, expressed personally or by an agent with an authentic, special power of attorney and having a predetermined content.

The matrimonial agreement concluded before the marriage takes effect only from the date of the conclusion of the marriage.

The agreement concluded during the marriage takes effect from the date provided by the parties or, failing that, from the date of its conclusion (art. 330 of the Civil Code).

Liquidation of the community regime

Upon termination of the community, it is liquidated by court decision or authentic notarial deed (art. 335 of the Civil Code).

Sharing during the community regime

During the community regime, the common goods can be divided, in whole or in part, by a deed concluded in authentic notarial form, in case of goodwill, or in court, in case of misunderstanding (art. 358 of the Civil Code).

Forms of recognition

Recognition can be made by declaration to the civil status service, by authentic document or by will.

If the recognition is made by an authentic document, a copy of it is sent ex officio to the competent civil status service, in order to make the corresponding mention in the civil status registers.

The recognition, even if it was made by will, is irrevocable (art. 416 of the Civil Code).

Registration of the property right in the land book

Whenever the acquisition of the property right, exclusively or in shares, is conditioned, according to the regulations in this section, by the registration in the land book, the registration is made under the agreement of the parties, concluded in authentic form, or, as the case may be, of the court decision (art. 589 of the Civil Code).

Minimum distance in construction

Any constructions, works or plantations can be done by the owner of the fund only with the observance of a minimum distance of 60 cm from the border line, unless otherwise provided by law or by urban planning regulations, so as not to infringe the rights the neighboring owner. Any derogation from the minimum distance can be made by agreement of the parties expressed in an authentic document (art. 612 of the Civil Code).

Conventions on the suspension of sharing

Agreements on the suspension of sharing may not be concluded for a period longer than 5 years. In the case of real estate, the agreements must be concluded in authentic form and subject to the publicity formalities provided by law (art. 672 of the Civil Code).

Legal effects of sharing

Each co-owner becomes the sole owner of the assets or, as the case may be, of the sums of money assigned to him only from the date established in the deed of division, but not earlier than the date of conclusion of the deed, in case of voluntary division, or, as the case may be, from the date of finality of the court decision.

In the case of real estate, the legal effects of the division occur only if the partition deed concluded in an authentic form or the final court decision, as the case may be, have been registered in the land book (art. 680 of the Civil Code).

Conditions for registration in the land book

The registration in the land book is made on the basis of the authentic notarial deed, of the final court decision, of the heir certificate or on the basis of another act issued by the administrative authorities, in cases where the law provides this (art. 888 of the Civil Code).

Authentic donation registration

The donation is concluded by an authentic document, under the sanction of absolute nullity.

Indirect donations, disguises and hand gifts are not subject to these provisions.

In order to inform the persons who justify the existence of a legitimate interest, the notary who authenticates a donation contract has the obligation to immediately register this contract in the national notarial register, kept in electronic format, according to the law. The provisions regarding the land book remain applicable (art. 1012 of the Civil Code).

Contents of the inventory

In cases where the administrator is obliged to draw up an inventory, it must include a complete enumeration of the entrusted goods or of the content of the patrimonial mass or of the patrimony subject to administration.

The inventory is drawn up either by an authentic document or by a document under private signature comprising the date and place of preparation and signed by the author and the beneficiary, and in the absence of the latter, by 2 witnesses. The findings regarding which the beneficiary did not object have full probative force towards the latter (art. 820 of the Civil Code).

Acquisition and extinguishment of real rights over real estate

Subject to contrary legal provisions, the real rights over the real estate included in the land book are acquired, both between the parties and against third parties, only by their registration in the land book, based on the act or fact that justified the registration.

The real rights will be lost or extinguished only by their deletion from the land book, with the consent of the holder, given by a notarial deed. This consent is not necessary if the right is extinguished by the fulfillment of the term indicated in the registration or by the death or, as the case may be, by the cessation of the legal existence of the holder, if he was a legal person.

If the right to be canceled is encumbered in favor of a third person, the cancellation will be made by keeping the right of this person, except for the specific cases provided by law.

The final court decision or, in the cases provided by law, the act of the administrative authority will replace the agreement of will or, as the case may be, the consent of the holder (art. 885 of the Civil Code).

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OBJECT AND TASK OF THE EVIDENCE IN THE CIVIL PROCESS

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Abstract

The object of the evidence is the element that must be proved by the one who claims a right. Consequently, the object of the evidence is the "legal acts and facts", from which result the correlative rights and obligations of the concrete legal relationship. For example, in order to be proven, the deposit contract must be concluded in writing (art. 2104 of the new Civil Code).

According to art. 249 of the Code of Civil Procedure, the one who makes a claim during the trial must prove it, except for the specific cases provided by law.

In turn, the "defendant" may challenge the plaintiff's claims by invoking exceptions, such as: the authority of res judicata, the expiry of the limitation period, the debt has been extinguished, the nullity of the act, etc.

Keywords: evidence, object of evidence, burden of proof, authentic, exceptions.

JEL classification: K0 K1

In judicial theory and practice, the term "evidence" has the following meanings:

- a. the action of presenting, before justice, the legal means by which the establishment of a certain legal fact is sought;
- b. the means of persuasion or proof by which the establishment or non-existence of a fact generating rights and obligations is sought (documents, confession, witness statements, presumptions, expertises);
- c. the result of the action of presenting, in court, the means of proof; In this sense, the expressions are used: "the test is done", "the test is complete", "the test is convincing", etc.

The legal regulations on evidence can be found in the Code of Civil Procedure.

The practical importance of evidence consists in the fact that it constitutes the legal instrument by which the person who claims to have a certain subjective right proves which are the facts that generate those rights.

It is true that the subjective right exists and can be realized without the use of evidence, if the correlative obligation is performed voluntarily. The need to resort to the administration of evidence occurs when the right of the holder is disregarded by someone.

Establishing the objective truth, using the legal means of proof, has a decisive role in drafting and pronouncing legal and sound decisions.

Evidence also plays an important role in preventing litigation, because knowing that the right holder has evidence of his right, the one who would like to challenge it is discouraged from starting the process².

The object of the evidence is the element that must be proved by the one who claims a right. Consequently, the object of the evidence is the "legal acts and facts", from which result the correlative rights and obligations of the concrete legal relationship. For example, in order to be proven, the deposit contract must be concluded in writing (art. 2104 of the new Civil Code).

Proof of a legal act or fact may be made by documents, witnesses, presumptions, confession of one of the parties, made on its own initiative or obtained at interrogation, by expertise, by material means of evidence, by on-site investigation or by any other means provided by law (art. 250 of the Code of Civil Procedure).

Legal facts, in principle, can be proved by any means of proof, unlike legal documents, which, as a rule, are proved by "preconstituted evidence" (documents). In the case of legal acts for which the law imposes the solemn form, their proof is made by presenting the document drawn up in authentic form.

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² Iosif Urs - Civil law. General Theory, Oscar Print Publishing House, Bucharest, 2000.

According to art.309 paragraph 2 of the Code of Civil Procedure, no legal act can be proved with witnesses, if the value of its object is higher than 250 lei. However, any legal act, regardless of its value, may be proved by witnesses, against a professional, if it was done by him in the exercise of his professional activity, unless the special law requires written evidence¹.

If the law requires the written form for the validity of a legal act, it cannot be proved with witnesses.

Cases when the proof is made with documents:

The document stating the conclusion of the contract may be under private or authentic signature, having the probative force provided by law (art. 1241 of the Civil Code).

The contract concluded in the absence of the form that, no doubt, the law requires for its valid conclusion is struck by absolute nullity.

If the parties have agreed that a contract be concluded in a certain form, which is not required by law, the contract is considered valid even if the form has not been complied with.

Unless otherwise provided by law, any modification of the contract is subject to the formal conditions required by law for its conclusion.

The donation is concluded by an authentic document, under the sanction of absolute nullity (art. 1011 of the Civil Code).

The movable goods that constitute the object of the donation must be listed and evaluated in a document, even under private signature, under the sanction of the absolute nullity of the donation.

The ordinary will can be holographic or authentic.

Under the sanction of absolute nullity, the holographic will must be written in its entirety, dated and signed by the testator's hand.

The will is authentic if it was authenticated by a notary public or by another person invested with public authority by the state, according to the law.

On authentication, the testator may be assisted by one or 2 witnesses.

The mortgage contract is concluded in authentic form by the notary public, under the sanction of absolute nullity (art. 2378 of the Civil Code).

Proof of the company contract

The company contract is proved only in writing (art. 1950 of the Civil Code).

Proof of the property right over the real estates registered in the land book

In the case of real estate registered in the land book, the proof of the property right is made with the land book extract (art. 565 of the Civil Code).

According to art.1244 of the Civil Code, the form required for registration in the land book, apart from other cases provided by law, must be concluded by authentic deed, under the sanction of absolute nullity, the conventions that relocate or constitute real rights to be registered in Land Registry.

Proof of the commission contract

The commission contract is concluded in written, authentic or privately signed form.

Unless otherwise provided by law, the written form is required only for proof of contract (art. 2044 of the Civil Code).

Proof of consignment contract

The consignment contract is concluded in writing. Unless otherwise provided by law, the written form is required only for proof of contract (art. 2055 of the Civil Code).

Proof of deposit agreement

In order to be proven, the deposit contract must be concluded in writing (art. 2104 of the Civil Code).

Form and proof of the insurance contract

¹ Law no. 134/2010 Code of Civil Procedure, republished in the Official Gazette no. 247 / 10.04.2015.

In order to be proved, the insurance contract must be concluded in writing¹. The contract cannot be proved with witnesses, even when there is a beginning of written evidence (art.2200 of the Civil Code).

Form and proof of maintenance contract

The maintenance contract is concluded in authentic form, under the sanction of absolute nullity (art. 2255 of the Civil Code).

Transaction form

In order to be proven, the transaction must be concluded in writing (art. 2272 of the Civil Code).

Contents of the inventory

In cases where the administrator is obliged to draw up an inventory, it must include a complete enumeration of the entrusted goods or of the content of the patrimonial mass or of the patrimony subject to administration.

The inventory is drawn up either by an authentic document or by a document under private signature comprising the date and place of preparation and signed by the author and the beneficiary, and in the absence of the latter, by 2 witnesses. The findings regarding which the beneficiary did not object have full probative force towards the latter (art. 820 of the new Civil Code).

Situations when the proof is made by any means of proof:

Proof of cause

The contract is valid even when the cause is not expressly provided.

The existence of a valid cause is presumed until proven otherwise (art. 1239 of the Civil Code).

Novation test

Novation is not presumed. The intention to novate must be unquestionable (art. 1610 of the Civil Code).

Concluding and breaking the engagement

Engagement is the mutual promise to end the marriage.

The conclusion of the engagement is not subject to any formality and can be proved by any means of proof (art. 266 of the Civil Code).

Breaking the engagement is not subject to any formality and can be proved by any means of proof.

Proof of marriage

The marriage is proved by the marriage certificate and by the marriage certificate issued on its basis.

However, in the situations provided by law, the marriage can be proved by any means of proof (art. 292 of the Civil Code).

Proof of spouses' property

The quality of the common good does not have to be proven.

Proof that a property is own can be made between spouses by any means of proof (art. 343 of the Civil Code).

State possession in accordance with the birth certificate

¹ According to art.271 of the Code of Civil Procedure, the beginning of a written proof is:

The authentic document drawn up without observing the forms provided for its valid conclusion or by an incompatible, incompetent person or with exceeding the competence is struck by absolute nullity, unless the law provides otherwise. However, the document makes full proof as a document under private signature, if it is signed by the parties, and if it is not signed, it constitutes, between them, only the beginning of a written proof.

Art.310 of the Code of Civil Procedure

Any writing, even unsigned and undated, that comes from a person to whom that writing is opposed or from the one whose successor in rights is that person, is considered a beginning of written proof, if the writing makes the claimed fact credible. The document, even unsigned by the person to whom it opposes, constitutes the beginning of written proof, even if it was drawn up in front of a competent official attesting that the statements contained in the document are in accordance with those made by that person.

The beginning of written evidence may be proved between the parties only if it is supplemented by other means of proof, including witness evidence or presumption.

No person may claim any affiliation with the mother other than that resulting from his birth certificate and state possession in accordance with it.

No one can dispute the parentage of the person who has a state possession in accordance with his birth certificate.

However, if it has been established by a court decision that a child replacement has taken place or that a woman other than the one who gave birth to her has been registered as the mother of a child, the true filiation may be proved by any means of proof. (art.411 of the Civil Code).

The parents' refusal to give their consent

Exceptionally, the guardianship court may override the refusal of the natural parents or, as the case may be, of the guardian to consent to the adoption, if it is proved, by any means of proof, that it is abusive and the court considers that the adoption is in the best interest of the child, taking into account his opinion, given in accordance with the law, with the express motivation of the decision in this regard (art. 467 of the Civil Code).

Proof of need

The state of need of the person entitled to maintenance, as well as the means of the one who owes maintenance can be proved by any means of proof (art. 528 of the Civil Code).

Proof of will

Any person claiming a right based on a will must prove its existence and content in one of the forms provided by law.

If the will has disappeared by chance or force majeure or by the deed of a third party, either after the testator's death or during his lifetime, but without the testator's disappearance, the validity and form of the will may be proved by any means of proof. (art. 1037 of the Civil Code)

Simulation test

Proof of the simulation may be provided by third parties or by creditors by any means of proof. The parties may also prove the simulation by any means of proof, when they claim that it is illegal (art. 1292 of the Civil Code).

Means of proof of payment

Unless otherwise provided by law, proof of payment is made by any means of proof (art. 1499 of the Civil Code).

Proof of required deposit

If the good was entrusted to a person under the constraint of an unforeseen event, which made it impossible to choose the person of the depositary and to draw up a document establishing the contract, the deposit is necessary.

If the good was entrusted to a person under the constraint of an unforeseen event, which made it impossible to choose the person of the depositary and to draw up a document establishing the contract, the deposit is necessary.

The necessary deposit can be proved by any means of proof, whatever its value (art.2124 of the Civil Code).

Form and proof of the insurance contract

In order to be proved, the insurance contract must be concluded in writing. The contract cannot be proved with witnesses, even when there is a beginning of written evidence. If the insurance documents have disappeared by force majeure or fortuitous event and there is no possibility of obtaining a duplicate, their existence and content can be proved by any means of proof (art. 200 of the Civil Code).

The following rules are taken into account when administering the sample:

The burden of proof

The first to make a proposal to the court is called a "plaintiff"; requesting a contested right, means that he has the burden of proof, according to the rule formulated since Roman law (onus probandi incumbent authors).

According to art. 249 of the Code of Civil Procedure, the one who makes a claim during the trial must prove it, except for the specific cases provided by law¹.

In turn, the "defendant" may challenge the plaintiff's claims by invoking exceptions, such as: the authority of res judicata, the expiry of the limitation period, the debt has been extinguished, the nullity of the act, etc².

In the same trial, the defendant may raise claims against the plaintiff through the so-called "counterclaim", in which case the burden of proof falls on him, becoming the plaintiff.

There are situations in which the defendant not making a counterclaim has the first burden of proof:

- in the case of relative legal presumptions, the beneficiary of the presumption must prove only the fact on which he bases his presumption and the other party must prove the contrary proof. As in the case of the division of the common property of the spouses, the plaintiff benefits from the presumption of community of property and must prove that the property was acquired during the marriage, with the defendant having to prove otherwise.

- in the case of the presumption of paternity enjoyed by the child conceived or born during the marriage, who has as father the mother's husband. The husband can bring an action for denial of paternity and prove that it was impossible to be the father of the child, the child only has to prove that he was conceived or born during the marriage, he being the beneficiary of the presumption of paternity.

During the trial, "the judge has a role in finding out the truth" in the sense that "the judge has a duty to persevere, by all legal means, to prevent any error in finding out the truth in question, based on the establishment of facts and the correct application of the law, for the purpose of pronouncing a sound and legal decision. To this end, with regard to the factual situation and the legal reasoning which the parties invoke, the judge is entitled to ask them to present explanations, orally or in writing, to put in their debate any factual or legal circumstances, even if they are not mentioned in the request or in the response, to order the administration of the evidence they consider necessary, as well as other measures provided by law, even if the parties oppose "(art. 22 (2) of the Code of Civil Procedure).

To be admitted, any test must meet the following conditions:

- not to be prohibited by law;
- to be plausible, ie to lead to the proof of possible and not impossible facts, not to contravene the laws of nature;
- to be useful, ie to contribute to finding out the truth;
- to be relevant, ie to be related to the object of the process;
- to be conclusive, ie able to contribute to the resolution of the process.

The Code of Civil Procedure (Law no. 134/2010) regulates the evidence in art. 249-382.

¹ For example, in labor disputes where the employer bears the burden of proof for the sanctions applied to the employee.

⁵ Law no. 134/2010 the new Code of Civil Procedure, republished in the Official Gazette no. 247 / 10.04.2015.

Art.430 Judged work authority.

The court decision that resolves, in whole or in part, the merits of the trial or decides on a procedural exception or on any other incident has, from the pronouncement, the authority of res judicata regarding the settled issue.

The res judicata authority shall consider the operative part, as well as the considerations on which it is based, including those in which a dispute has been resolved.

The court decision by which a provisional measure is taken has no authority to adjudicate on the merits.

When the decision is subject to appeal or recourse, the res judicata authority is provisional.

The judgment challenged with the appeal for annulment or review retains its res judicata until it is replaced by another judgment.

Art.431 The effects of the res judicata

No one may be sued twice in the same capacity, on the same basis and for the same purpose.

Either party may oppose the previous judgment in another dispute, if it is related to the settlement of the latter.

Art. 432 Exception of the res judicata authority

The exception of res judicata may be invoked by the court or by the parties in any state of the proceedings, even before the court of appeal. As a result of admitting the exception, a worse situation can be created for the party in its own appeal than the one from the contested decision.

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ASSESSMENTS ON THE RIGHTS OF JUVENILES IN DETENTION

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Abstract

The method of resorting to other penalties penalty instead of imprisonment represents an important one for reducing the criminal antecedents, as studies show that the minors detained are more likely to commit new offences. School and family are two important factors for juvenile integration into society..

Criminological research has shown that delinquency among minors must be prevented primarily through measures of protection, education and rehabilitation of juvenile offenders.

Keywords: juvenile, detention regime, international documents, convention.

JEL classification: K 38

International documents extensively regulate children's rights also in the case of committing an offense stipulated by the criminal law. The main international documents in this field are: the Convention on the Rights of the Child, the United Nations Standard Minimum Rules for the Administration of Juvenile Justice (Beijing Rules), the United Nations Rules for the Protection of Juveniles Deprived of their Liberty, the United Nations Guidelines for the Prevention of Juvenile Delinquency (Riyadh Guidelines).

I. *The Convention on the Rights of the Child* was adopted by the UN General Assembly on 20 November 1989² and entered into force on 2 September 1990.

This Convention stipulates rights such as: the right to life (article 6), child protection against all types of discrimination regardless of race, gender, language, religion (article 2), the right to express one's views freely (article 12); to seek and impart information and ideas of all kinds (article 13); the right to freedom of thought, of conscience and religion (article 14); the right to have access to any information source, to rest and to vacation (article 31), etc. These rights are protected both during times of peace and war.

The signatory countries in this Convention are obliged to harmonise their national legislation with its provisions.

There is special protection against deprivation of liberty done unlawfully or arbitrarily. Thus, article 37 letter b. of the Convention on the Rights of the Child states that: "no child shall be deprived of liberty unlawfully or arbitrarily. The arrest, detention or imprisonment of a child under the law shall only be a last resort measure and shall be as short as possible." Further on in the article, at letter c. and d., it is mentioned that treatment with respect of any child deprived of liberty according to his/her age is absolutely necessary. Children deprived of liberty shall be separated from adults unless it is considered preferable not to be separated; they have the right to keep in touch with their family through mail and visits, as well as the right of access to legal assistance. Article 37 letter a. also stipulates that the death penalty or life imprisonment does not apply to people aged under 18. In the same paragraph of the article it is also mentioned that the child shall be protected against torture, punishment or cruel, inhuman or degrading treatment.

A number of criminal procedural guarantees are stipulated in article 40 point 2 letter b: the child must be informed of the charges against him/her and be given legal assistance; he/she must benefit from the presumption of innocence; the case must be settled without delay; he/she shall not be compelled to confess his/her guilt; he/she must be given the right to appeal, the right of his/her views to be taken into account, etc. Particular importance is given to the child's right to be heard in any judicial or administrative procedure, a right which

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²Romania ratified this Convention by Law no. 18 of September 25, 1990, published in the Official Gazette no. 109, Part I, from 28 September 1990.

before the adoption of this Convention was inserted only in special laws, but not in a treaty.

Mainly speaking, the rights of the minors are considered as a whole. However, the novelty brought by the Convention on the Rights of the Child is that “it introduced in the international law new rights that had not existed before, such as the right of children to preserve their nationality, name and family relations, as well as the right of local children to maintain their own culture (article 8 and 30) (Brutaru, 2012).”.

II. *The United Nations Standard Minimum Rules for the Administration of Juvenile Justice (the Beijing Rules)* was approved by the UN General Assembly Resolution no. 40/33 of 29 November 1985 and adopted by the Seventh United Nations Congress on the Prevention of Crime and Treatment of Offenders.

The Beijing Rules are divided into six sub-sections: general principles; instruction and prosecution; trial and resolution of the causes; treatment in an open environment; treatment in institutions; research, planning, policy development and assessment.

The articles from the beginning, especially 1.1 and 1.3 focus on the need to ensure the welfare of the minor and the effective, human and equitable treatment of the person in conflict with the law.

Article 1.4 states that juvenile justice is an integral part of the national development process of each country and it contributes to the protection of young people. The rules in this set are expressed so as to take into account the existence of economic, social and cultural conditions of each Member State (article 1.5)

The minimum rules apply to juvenile offenders impartially, regardless of race, colour, gender, language, religion, political or other opinions, national or social origin, wealth, birth or other status (article 2.1). The terms of “minor” and “offense” are defined in article 2.2, at the end of it, by joining the two terms the meaning of “juvenile offender” is outlined. Thus:

- “the minor” is a child or a young person who may be responsible for an offense under a system of sanctions different from those applicable to an adult;

- “the offence” means any conduct that may be action or inaction and which is punished according to a legal system;

- “the juvenile offender” may be a child or a young person accused or found guilty of an offense.

The adoption of national laws is necessary to ensure a better applicability of this set of minimum rules (article 2.3).

The limit of criminal liability greatly differs depending on periods and cultures. In order to determine the age of criminal liability we take into account a child’s capacity of discernment and understanding in order to see if he/she can bear the moral and psychological consequences of the criminal liability, that is to say if he/she can be held responsible for an antisocial behaviour. When the age of criminal liability is set too low or there is no age limit, then the concept of criminal liability does not make much sense. There must be a relation between the notion of criminal liability and other social rights and responsibilities (for example the civil adulthood, the marital status, etc.).

The threshold of criminal liability should be set at a reasonably low limit and be applicable in all countries (article 4.1).

Article 5.1 aims at two important objectives of juvenile justice. The first objective is to ensure the welfare of the minor by making a sanctioning system appropriate for minors. The second objective considers “the principle of proportionality” of the punishment. It is necessary to take into account the seriousness of the offense and the personal circumstances, as well as the social situation, the family situation or other factors (for example, to take into account the offender’s effort to compensate the victim or his/her desire to return to a healthy and useful lifestyle).

Juvenile justice must be effective, reasonable and humane, as highlighted in article 6.1, 6.2 and 6.3. Responsibility and professionalism are some of the most important qualities in applying fair justice to juvenile offenders.

Fundamental procedural warranties to ensure a fair trial are set out in article 7.1: the presumption of innocence, the right to be informed about the charges brought, the right to remain silent, the right to defence, the right to the presence of a relative or guardian, the right to examine and confront witnesses and the right to trial in two levels of court. The presumption of innocence is emphasised, which is also included in article 11 of the Universal Declaration of Human Rights, as well as in paragraph 2 of article 14 of the International Covenant on Civil and Political Rights.

The minor's right to privacy must be respected at all stages of the trial, especially since young people are particularly sensitive when qualified as "delinquent" or "offender". This conclusion was reached based on criminological research. Young people must be protected against the harmful effects of the media; no information should be made public if it may lead to the identification of a juvenile offender, such as the name of the minor in preventive or final detention (article 8.1 and 8.2).

Article 10.3 stipulates matters related to the conduct of the police officers or other agents of coercive services in cases of juvenile delinquency. It is necessary to respect the legal status of the minor and to avoid causing damage, by this one can understand verbal aggression, physical violence, psychological violence etc. By this expression we must understand that the aim is to do justice and less harm to the minors.

Recourse to extrajudicial means can be taken at any time by the police, the prosecutors and other services responsible for delinquency problems (courts, tribunals, commissions or councils), without applying the formal criminal proceedings (article 11.2).

The custodian or parent must give his/her consent for sending the minor to community services, without this consent the decision is contrary to the Convention on the Rights of the Child. Juveniles should not be forced to give their consent, this being specifically underlined in article 11.3.

Article 11.4 recommends developing community programmes, especially those that provide temporary supervision and guidance for children not to come into conflict with the law or returning the goods and indemnities to victims. Recourse to extrajudicial means can also be justified in case worse offences were committed.

All those involved in the administration of juvenile justice must have good special training, especially the police, being the first body notified in performing juvenile justice. The police officers must act according to the situation, so as not to endanger the physical or mental integrity of the minor (article 12).

Preventive detention should be the last measure that could be taken on a short period of time. There must be the possibility that preventive detention be replaced by other measures, such as close supervision, assistance granted with utmost care or placement in a family, institution or educational home (article 13.1 and 13.2) .

Juveniles in preventive detention should receive all the rights and guarantees set out in the Standard Minimum Rules for the Treatment of Prisoners and the International Covenant on Civil and Political Rights (article 9 line b paragraph 2 and article 10 paragraph 3) (article 13.3).

The adult offenders' harmful influence should be removed so that juveniles shall be separated from adults. This is necessary because during preventive detention juveniles shall receive care, protection and full personal care, on social, educational, vocational, psychological, medical and physical level, taking into account their age, gender and personality (article 13.4 and 13.5).

The 6th Congress of the United Nations for crime prevention and treatment of offenders highlighted in the 4th Resolution regarding the Standard Minimum Rules for the Administration of Juvenile Justice that there is no need to resort to detention prior to trial and that juveniles should be separated from adult offenders taking into account the child's stage of development.

The right to be represented by a lawyer or of asking to be appointed a lawyer is required during the entire procedure. The parents or legal guardians may participate during the proceedings, but if their presence has a negative effect during the hearing, for example they have an attitude that frightens the minor, they may be excluded (Article 15.1 and 15.2).

Social inquiry reports aim at informing the competent authorities on issues such as the minor's antecedents, the conditions in which he/she lives, the school situation, the family situation, the circumstances in which the offense was committed, etc. The role of the social inquiry is to facilitate the trial. Article 16.1 recommends that the accomplishment of these reports be done by certain social services such as probation services officers (article 16.1).

For the juvenile offender the proceedings shall be conducted according to certain guidelines (article 17.1):

- to have proportionality between the court decision and the circumstances, the seriousness of the offense, the offender's circumstances and needs;
- restrictions on the personal liberty of the juvenile shall not be made until thorough examination of the case;
- in case there is no other alternative, imprisonment shall be imposed to the juvenile only if it is estimated that by the offense committed the minor caused damage to another person or he/she is a recidivist;
- the decisive criterion in the examination of the case shall be the welfare of the minor.

The purpose of the principles laid down in article 17.1 is to ensure the protection of the fundamental rights of young people and to define a procedure as close as possible to the universally accepted principles.

Article 17.2 completely prohibits the application of the juvenile death penalty. A similar statement is found in article 6, paragraph 5 of the International Covenant on Civil and Political Rights.

Corporal punishment is prohibited (article 17.3), an aspect also met in article 7 of the International Covenant on Civil and Political Rights, as well as in other international documents: the Declaration on the Protection of All Persons from Being Subjected to Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment and the Convention on the Rights of the Child.

The family is the most important element in the minor's development (article 18.2) or "the natural and fundamental element of the society" (article 10 paragraph 1 of the International Covenant on Economic, Social and Cultural Rights). The minor's separation from his/her parents is a serious measure and can be applied only in exceptional cases (for example maltreatment of the minor applied by his/her parents).

The admission of a juvenile in an institution shall be a measure of last resort, and its duration should be as short as possible (article 19.1). The 4th Resolution of the Sixth United Nations Congress states that no young offender shall be incarcerated in a penitentiary unless there is no other appropriate means.

The rapidity of the procedure is extremely important for the minor. A long time taken in the procedure is an obstacle for the minor in terms of intellectual and psychological aspects. The lack of celerity makes the transition from the deed to the procedure that led to his/her sanctioning more difficult to overcome (article 20.1).

The mode of execution of the court decision must be carefully supervised by the competent authority or body (article 23.1 and 23.2). Thus, in certain countries there has been appointed a judge specifically charged with the enforcement of the sentences.

The 9th Resolution of the 6th Congress of the United Nations directs the states to ensure equitable treatment for the juvenile offenders during the course of the court proceedings and to pay extra attention to the problems of these offenders. There is a special requirement to ensure fair treatment for female offenders in order to avoid any form of discrimination. This is included to some extent in the recommendation contained in the Declaration of Caracas, which explicitly required ensuring equal treatment in the administration of criminal justice, and in the Declaration on the Elimination of Discrimination against Women and the Convention on the Elimination of all Forms of Discrimination against Women (Zlătescu, 1998).

Article 26.1 and 26.2 underline the importance of treatment in an institution in the harmonious development of the minors. Medical and psychological care is extremely important for young drug addicts, violent and mentally ill people admitted in an institution.

The 4th Resolution of the 6th Congress of the United Nations recommends avoiding the negative influences of adult offenders and encourages the social reintegration of juveniles placed in institutions.

Article 30 draws attention to the review and development of programmes for juveniles and of planning juvenile justice in the context of global development. It is necessary to ensure community support for the successful implementation of the programmes adopted.

III. *The principles of the United Nations for preventing juvenile delinquency*, also known as the *Riyadh Principles or Guidelines* adopted by Resolution 45/112 of 14 December 1990 by the General Assembly of the United Nations.

The principles emphasise that the prevention of juvenile delinquency requires efforts from the whole society, which must ensure the harmonious development of teenagers. For the children to be reintegrated into society it is suggested to attract the family, the school and the community in this process.

The Riyadh Guidelines recommend the following:

- minors and young people should have an active role in partnership with the society and not be considered as objects of socialisation or control (paragraph 3);
- implementation of the principles will be done in accordance with the national systems, having as main objective the welfare of the young people (paragraph 4);
- the policies of progressive delinquency prevention and their study are necessary (paragraph 5).

For the measures to be effective it is recommended that they be implemented along with other fundamental documents in the field: the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Declaration on Children's Rights and the Child's Rights Convention and the United Nations Standard Minimum Rules on the Administration of Juvenile Justice (the Beijing Rules) (Part 2: Purpose of Principles).

The prevention policies should facilitate socialisation and integration of children and youth, especially with the help of the family, community, compatible groups, schools, voluntary organisations, training and employment system (paragraph 10).

The 4th part of these principles, called Socialisation processes, has a section entitled Family. Thus, the principles want to emphasise that the family is the nucleus of the society, "the basic unit responsible for the primary socialisation of children" (paragraph 12). The society must give priority to the needs and welfare of the family and its members. If there is not a stable family environment and the family did not fulfil its role and the society failed in

its mission to assist the parents in this conflict, there will be taken alternative placement measures including careful supervision and adoption (paragraph 14). The family performs the socialisation function, an aspect emphasised in this section.

Education and learning are key factors in preventing psychological failures, in emotionally supporting youth and their training.

Community services will be directed to advise young people and their families. The media should encourage the positive contribution of young people in society and to minimise the level of drugs, pornography or violence and to present violence and exploitation adversely (paragraph 41-43).

Legislation will be developed in preventing the victimisation, abuse, exploitation and use of children and youth in criminal activities (paragraph 53).

IV. The 8th Congress of the United Nations on the Prevention of Crime and Treatment of Offenders adopted the New Standards Minimum Rules for Non-custodial Measures, appointed on the recommendation of the Committee on Crime Prevention and Control, Tokyo Rules.

The Tokyo Rules were adopted by the United Nations General Assembly Resolution 45/110 within the 68th plenary session of 16 December 1990. The fundamental objectives of these rules are:

- encouraging the community to get involved more in the criminal justice process and in the treatment of offenders (rule 1.2);
- achieving a fair balance between the rights of the offender, the rights of the victims and the concerns of the society for the public safety and crime prevention (rule 1.4);
- development of non-custodial measures to rationalise criminal justice strategies taking into account the observance of human rights (rule 1.5);
- application of non-custodial measures shall be done in compliance with the offender's and his/her family's right to privacy (rule 3.10);
- provisional detention can only be a measure of last resort in criminal proceedings, taking into account the protection of society and of the victim (rule 6.1).

Conclusions:

The international documents presented in this study reflect best the juvenile offenders' rights internationally. Thus, the Convention on the Rights of the Child introduced new rights in the international legislation in this area; the Beijing Rules emphasise that juvenile justice is an integral part of the national development process of each country and contributes to the protection of young people; the Riyadh Guidelines emphasise that the prevention of juvenile delinquency requires efforts from the entire society; the Tokyo Rules reveal that the implementation of certain rules in this area is absolutely necessary in a modern and civilized society; the European Prison Rules provide the legal framework at EU level for juvenile offenders.

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THE MANAGEMENT OF A SHORT-STORY WRITER'S LITERARY CAREER

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Abstract

Modern universal literature is so vast that it can take more lifetimes to cover in-depth studies and research into the uniqueness of each of the leading figures in the field. Nevertheless, due to dedicated biographers and their work we can now look at the deeper (inter)connections between a writer's literary creations and their private or personal experiences, which in the end complete the whole picture and, which, put together, offer the satisfaction of looking at the solved puzzle and understanding each piece better as it becomes integrated into the final image. This article tries to approach this type of overview on the whole literary career of a very influential 20th century American writer: J. D. Salinger.

Keywords: *Biographers; literary creations; literary career; J. D. Salinger; influential writers.*

JEL Classification: *I21, I29.*

Introduction

Jerome David Salinger's life was far from a common one. Although he did not get along very well with his father, his relationship with his mother was very close and inspired some of his Glass stories. As a child, and later on, as a teenager, he was very independent. As an adult he did not change his habit of not sharing with the others his life or his work and that is why many critics refer to him in terms of a recluse. Despite the fact that some of the critics consider that his popularity is due more to the controversy created around his name than to his writing talent, he remains one of the most important and influential American writers of the twentieth century. When it comes to his personality, a strong one, he is known and remembered by his friends for his sardonic wit and humor, sometimes being even cynical and moody and often a bit of an outsider; but also for his sophisticated and nonconformist style, for his intelligence and nice physical appearance. A lot of his qualities can be found in his writings and his characters. J. D. Salinger is known and more appreciated as a short story writer than he is as a novelist.

Overview on Salinger's Literary Career

Salinger's first accepted and published story was **The Young Folks** (1940). The story, which has hardly enough plot to be discussed as a story, as the critics agree, might have been at the time a rejected chapter for **The Catcher in the Rye**. Its principal figure, William Jameson, Jr., is a preliminary sketch of Holden Caulfield. The hostess of an amazing teen-age party introduces Jameson. He has been admiring from a distance the vivacious blonde, Lucille Henderson, attended by three Rutgers students. Edna Phillips herself had been sitting in the corner for three hours hoping that somebody would catch her eye. Jameson, whose principal interest in life is biting his fingernails, wants to get a drink, but Edna has "amorous notions." He tries to escape by saying that he must go home to write a theme about Ruskin's **The Stones of Venice**, but Edna lures him into darkness, outdoors and tries to make him jealous by talking about a sophisticated Princeton student. But Jameson goes back into the house and then Edna ventures into a part of the house forbidden to the "young folks" in order to smoke some cigarettes. Then she returns to imply to the hostess that young Jameson had made some crude romantic advances toward her. Edna uses twice the word "grand," which Holden

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Caulfield especially despises, and also the smoking of cigarettes, the rival with bleached hair and the fabricating romantic adventures, all these are evidence that Edna is a “phony” and she is also a “thinly penciled” prototype of Sally Hayes in **The Catcher in the Rye**. On the contrary, Jameson’s innocent desire to admire happy young ladies from a distance but not to engage himself in anything is a sign of gallantry. It is a short piece, mostly in dialogue, but written with considerable care.

In **The Hang of It** (1941), the story is about a bungling young army recruit, a kind but exasperated sergeant, and it has an ingenious trick ending. The story’s narrator has a son in the army and he cannot do anything right. Thus the narrator is reminded of Bobby Pettit. Pettit - a bot he had known back in World War I - and who had been a bungler too, always saying “I’ll get the hang of it,” when Sergeant Grogan chastised him. At the end of the story the recruit turns out to have become the commander of the regiment in which the same exasperated (but enduring) sergeant is having trouble with the commander’s “butterfingered” son. This story was well timed, just before the war, and it also was Salinger’s first major magazine appearance and it marked the loss of his literary innocence.

The Heart of a Broken Story (1941) was indeed a “boy - meets - girl” story, because the world needed such stories; but in fact it really was a parody of the kind. Justin Horgenschlag, after theorizing about the difficulties that a shy young man would have when meeting a girl, sees a girl on a bus and falls in love with her. But the romance does not happen. Yet, in the end, the hero does meet a girl – Doris Hillman. What Salinger really meant at the end was to tell us that, despite what popular songs tell us, two dreams never do meet.

The Long Debut of Lois Taggett (1942) – is a tale about Miss Lois Taggett, at first an empty-headed and self-centered Manhattan society girl. Her psychotic husband, Bill, married her for her money, but then he fell in love with her. They finally got a divorce (he smashed a lit cigarette in her hand and crushed her foot with a golf club). Then, Lois entered into a loveless marriage with Carl Curfman, “a fat bore” with whom she had a baby, but it suffocated in its crib, while it was sleeping. After this event, Lois, inexplicably turned into the kind of girl people admire and like to do things for. Thus her “long debut” was over; she was no longer “grand” and “phony.”

Personal Notes of an Infantryman (1942) is about a father, an army volunteer, who gives up everything to save his wounded son. At the end, the army-recruiting officer who narrates the story proves to be the volunteer’s other son.

The Varioni Brothers (1943) is a parable on the evils of commercialism. Joe Varioni is one of those rare souls who can write either enormously successful lyrics for popular songs or fiction of supreme artistic value. His brother Sonny, on the other hand, is a songwriter who knows only the art of suiting the public taste. So, the “pure” novelist Joe squanders his talent writing lyrics for his brother Sonny’s tunes. The brothers make a fortune but at high cost to each of them: Joe is accidentally killed by a mobster, and Sonny, after a seventeen years’ disappearance, returns and spends the rest of his days trying to put together Joe’s masterpiece from the scraps of paper he had left behind. Sonny has discovered that he really hears “music” for the first time when he reads this book, although during his days of commercial success he had scoffed at Joe’s stories as ones in which nothing appeared. Salinger hoped that the movies might buy **The Varioni Brothers**, and so he was more concerned about the critical reaction to his work than he has admitted directly.

Last Day of the Last Furlough (1944) is one of the best of Salinger’s uncollected stories. It has a sentimental style, which may require repeated readings, but it is also a remarkable evocation of the disturbed feelings of an unsophisticated soldier during his last day at home before being shipped overseas, possibly to his death. Babe Gladwaller is the soldier in the story and he is also the first Salinger character to play the leading role in a series of related tales. Several times in the course of the tale, he makes it clear that he does not

expect to survive. When his father talks proudly about World War I, Gladwaller turns on him and protests that it is just this kind of pride that causes wars in the first place. Gladwaller believes in this war, but he also believes that if he gets out of it alive, he will have a moral duty to keep quiet about it. Children should be taught to laugh at wars. After his outburst, he feels embarrassed even though he means what he says. Later on in the story, he speaks out again, this time to himself. Gladwaller has an adorable young sister called Mattie, and when he is with her he is the happiest man on earth. The lyrical moments he enjoys with Mattie mean more to him than his books, his girlfriend, and even than himself. He is prepared to die for Mattie and for what he represents. But in case he does not “come back,” Gladwaller gives Mattie some advice. He says that she will grow up some day and she will be plunged into the phony adult world. What he wants to tell her is that she must always try to live up to the best in herself. Gladwaller also has a close friend, the twenty-nine-year-old Vincent Caulfield, whose wild kid brother, Holden, seems to have been killed. In civilian life, Vincent writes soap operas and has charmed Mattie in a conversation, to Babe’s delight.

The story is “one of those unusually moving artistic works that seems not to *mean* but to *be*. The story depicts not a crisis in the life of Everyman, but the inner feelings of those who prefer to dwell in the ‘nice’ world of their imaginations rather than in the ‘phony’ world of the sad partings.”(French, 1963:62)

Soft-Boiled Sergeant, The Last Day of the Last Furlough and Both Parties Concerned were the three stories that Salinger had sold to the *Saturday Evening Post* before setting off for Europe. When the first two stories appeared, Salinger saw that the *Post*’s editors had changed their names (Salinger had called them **Wake Me When It Thunders** and **Death of a Dogface**), without consulting him.

Both Parties Concerned (1944) - or **Wake Me When it Thunders** - is the tearful idyll of a couple who married too young, and the husband does not want to accept the responsibilities. They get a divorce, but he wins her back. The title comes from the fact that he tells her to wake him up whenever the thunder frightens her.

Soft-Boiled Sergeant (1944) is perhaps the most sentimental of all Salinger’s stories. The title hero, Sergeant Burke, has managed to remain through years of military service “the catcher in the rye” that Holden Caulfield only longs to be. Despite his nobility, Burke is ugly; and, moreover, he admires a beautiful girl. The Sergeant finally loses his life rescuing three scared young soldiers during the attack on Pearl Harbor. One of the story’s purposes is to criticize most movies about army life which are unrealistic because their heroes are too superficially glamorous.

Once a Week Won’t Kill You (1944) – In this story, the most sentimental of the group, the moviegoer, is Aunt Rena, a woman in her early fifties during World War II. Her life apparently really ended when a second lieutenant in World War I did not return to her for unknown reasons. Since then she had consoled herself by listening to the radio and watching movies, while living more and more in her dreams of the past. Now she lives with her nephew, who is getting ready to enter the army. He has no visible regrets about leaving his ambitious wife (although they have been married for three years), but he is really concerned about his Aunt. He wants his wife to promise him that she will continue to take his aunt to the movies once a week. Salinger attempts in this story to arouse sympathy for a man whose desire to arrest the passage of time is nearly as psychotic as his aunt’s dwelling in the past. The man’s efforts to preserve his aunt’s delusion foreshadow, of course, Holden Caulfield’s ambition to be a catcher in the rye. But the main character in this story appears irredeemable, and the story is pointlessly depressing.

Elaine (1945) - This story concerns not one but three compulsive moviegoers. The main character, Elaine, is an extremely beautiful moron, who finally graduates from grammar school after nine and a half years, and even then has no idea of what it is that makes a boy

interested in a girl. Her mother and grandmother are not much different from her. However, Elaine's mental deficiency is her protection against male wishes. But, at sixteen, she is forced to face this issue when the effeminate movie usher Teddy invites her to the first trip to the nearby beach. Salinger does not specify what happens, but the two are married only a month later. But the marriage is never legally consumed, as Elaine's mother opposes to it. In this story, however, Salinger convinces the reader that it is indeed better that people feebly mentally endowed, as the Cooneys, spend their time attending movies rather than grappling with the problems of real life.

A Boy in France (1945) is the second story about Babe Gladwaller. The boy in the title is an army sergeant in his twenties. There is no plot, only a record of discontent and discomfort. Salinger shows the steps by which Babe painfully installs himself for the night in a foxhole dug by a German, who is believed to be dead. We are distressed that any human beings must live, even for a short period of time in such conditions. But Babe does not reflect either his dehumanization or the absurdities of human behavior that have caused it. Instead he worries about a lost fingernail and dirty underwear, and finally lulls himself to sleep rereading a letter the ten-year-old Mattie complains about not being too many boys on the beach. This story was Salinger's last contribution to the *Post*.

The weakness of **This Sandwich Has No Mayonnaise** (1945) is that halfway through the story, the interest shifts from Vincent Caulfield, who finds too many soldiers on a truck that is taking the men to dance, to a lieutenant who solves the problem of what to do about the extra men. Due to Vincent's depression over the news that his brother is missing in action, he should be in the center of the story. Vincent is separated from his family and removed from his brother. "Cut off from love, alienated from the other soldiers by his thoughts, Vincent is drenched to the bone, the bone of loneliness, the bone of silence." (Levine, 1958: 92)

The obscured truth is that, if Vincent is really responsible for loading the truck, he is also responsible for checking the rosters to see that the proper men are on board. He has failed, however, to do this job. In short, Vincent is upset about Holden's being missing in action and that he cannot do his duty properly. Yet, he is decided to go to the dance; and in the end of the story the lieutenant calls up a girl he knows and makes her come to the dance through the rain. The story falls apart because Salinger wishes the reader to sympathize with Vincent and cannot, therefore, expose him as both the culprit of the tale and the victim of a monstrous self-pity.

Babe Gladwaller, home from war, turned up next in **The Stranger** (1945), a story in which there is no real relationship between the parts. Babe, who has survived the war, visits Vincent Caulfield's ex-girlfriend in New York. Vincent was killed in the Hürtgen when a mortar exploded in his face; he was standing around with Babe at the command post when it happened. Babe wants to give his friend's girl a poem Vincent wrote for her. The visit is not easy: Gladwaller feels, not for the first time, a huge separation between those who know about what happened in the forest and those who have only read about it. Mattie is still not very matured. The high point of the story is Babe's impassioned speech against the injustice done to every girl whose lover has been killed by a mortar shell that he did not hear coming. Unfortunately, this speech has no relationship to Vincent or to his ex-girlfriend because they had broken up before he went overseas, and she had already married another man before Vincent died. In fact, the girl's explanation of their break up is that Vincent had not believed in anything since the time before the war when his younger brother Kenneth had died. But it is not explained why the death of a younger brother should alienate a man from his girlfriend. However, since the story fails to be either a satisfactory anti-war preachment or an explanation of the central question, why Vincent's relationship with the woman he loves is not enough to comfort him over the death of his brother, critics have agreed that **The Stranger** is one of Salinger's most complete failures. With this story, Babe Gladwaller disappears from Salinger's work. We see him for the last time admiring his

sister Mattie, who jumps from a curb, as a “beautiful thing to see,” and we are left with the impression that he is likely to spend the rest of his life watching children. He is a “catcher in the rye” who has “made it.”

I'm Crazy (1945) - in this story Holden Caulfield has his earliest appearances. In this story, he emerged at last as a character in his own right. Here the Holden of **The Catcher in the Rye** appears, for the first time, in two scenes that Salinger later expands - Holden's talk with his history teacher before he leaves for prep school, and his talk with his sister, Phoebe, in her bedroom. A year later, he was heard of again in **Slight Rebellion off Madison** (1946). So, both of these stories offer earlier versions of material incorporated into **The Catcher in the Rye**. In this second story, Holden is seen in his date with Sally Hayes, another incident that becomes part of **The Catcher**. In technique, however, these stories are not quite the early versions of scenes from Salinger's novel that one might at first think they are. Holden is seen here as mainly a crazy kid, but not at all a character as complex as he eventually becomes. The narrative style is also different, for example, **Slight Rebellion off Madison** is told in the third person, while **I'm Crazy** is told in the first person. There are many and large differences between the two stories and the novel. This early Holden is a much less complex and more familiar type than in the novel - the kind of lazy, romantic kid who loses his keys and breaks his radio and whose intellectual capacities simply do not measure up to his ambitious parents' expectations. While the later Holden - who cherishes and ultimately loses his illusion of protecting kids from falling over “some crazy cliff” - is a more complex and touching figure than his prototype.

A Young Girl in 1941 with No Waist at All (1947) is a nostalgic attempt to recapture American youth's prewar innocence. It is based on Salinger's youthful spell as entertainment organizer on the MS *Kungsholm*, and is really about the prewar lull, the breaking into peace. It was tucked away among the fashion pictures in the issue of *Mademoiselle*. The title character, Barbara, is an orphan who has been “sick” and is now cruising the Caribbean with her mother-in-law-to-be. The girl apparently has to get married; because - not having gone to college - she cannot think of anything else to do. It seems that all her relatives have convinced her that she is stupid and that is why she accepts to become the fiancé of Ray Kinsella, a member of the ship. But not long after, Barbara decides not to marry him. Apparently when Barbara makes this decision on her own, she leaves her girlhood behind.

A crucial story in understanding Salinger's attitudes toward love and marriage is **The Inverted Forest** (1947), which is actually a short novel of 24,000 words, in which marital responsibility, repressed sexuality, and artistic integrity are all linked. The story is an important one because it may give us some insight into what Salinger was thinking about himself at the time when he was just out of military service, and out of his short and most possibly unofficial marriage with the French woman, and back living with his parents on Park Avenue. The story opens in 1918 when Corinne von Nordhoffen, eleven years old and the daughter of a German baron and an heiress who committed suicide, is having a birthday party on Long Island. Corinne is sad because Raymond Ford, the hero of the story, and a poor boy who is her favorite, is not there. So she goes looking for him, but the only thing she sees is him being taken away by his waitress mother. Corinne's father dies, she goes to Wellesley, and then spends three years in Europe. During all this period, her only love is a boy who is killed when he falls from the running board of her car. After she returns to New York, Robert Warner, the narrator of the story and an old college friend who once loved her, gets her a job on a newsmagazine, and she finally becomes a drama critic. Warner also gives her a book of poems by Ray Ford, now a well-known poet. One of his poems also gives the title of the story. He had an alcoholic mother, and that is why he has never taken a drink, never smoked, and never been able to love. But after ten weeks of dates and confessions, Corinne and Ray get married despite the gloomy warning of Warner that Ray is a hopeless psychotic and that

he cannot love her. But soon, Bunny Croft, a college girl of Ray, begins to appeal to him. At this point the narration changes and becomes a private detective's notebook. Corinne starts drinking heavily, and so does Ray, and the marriage falls apart. Ray and Bunny leave New York together, and Bunny's husband, Howie Croft, counsels Corinne. A year and a half later Corinne tracks Ray and Bunny to a mid-western slum. They are both alcoholics. In a drunken speech, Ray tells Corinne that for him there is no escape. He suggests that his crude mother finally has passed her alcoholism on to him and that Bunny, also an alcoholic, associated in his mind with his mother, has got for good.

The idea of inversion runs throughout the story. Ray is the artist, the one with the inverted forest, in that the beauty he sees, the beauty which leads to his art, is all underground.

The collection **Nine Stories** (1953), a collection greatly influenced by Salinger's beliefs in Zen and Buddhist religion, as we have already discussed in the first part of this chapter. It is in **Nine Stories** that Zen is most pointedly used as a conceptualizing force for Salinger's fiction and the puzzle that is presented to us is:

We know the sound of two hands clapping.

But what is the sound of one hand clapping?

This is, of course, one of the most famous Zen *koan*, originated by Hakuin - one of the greatest of Zen masters. The collection begins with **A Perfect Day for Bananafish** (1948). This story has been seen as the most enigmatic and perplexing story in the collection. It opens with a woman sitting in a Miami Beach hotel room, painting her nails, reading an article ("Sex is Fun - or Hell"), and waiting for a phone call from her mother in New York. When she finally receives the phone call, we find out that her husband, Seymour Glass, has some behavioral problems (he has crashed a car into a tree; he has the habit of insulting people). Then we have the image of Seymour on the beach, speaking to Sybil Carpenter. The two have a playful question-and-answer conversation that suggests the wise nonsense that is often part of the Zen master-student relationship. Then he takes her into the water to look for a "bananafish," which Seymour describes as swimming into a hole where there are a lot of bananas. When they swim in they look like ordinary fish, but once they get in, they behave like pigs; they eat a lot and they get very fat. Finally they die from "banana fever." After listening to Seymour's little allegory, Sybil says that she has just seen a bananafish. Seymour kisses the arch of her foot and they return and then part. Seymour goes to his hotel room, where his wife is sleeping, and takes out an automatic pistol, sits down on the bed, and shoots himself. The general agreement is that the bananafish have something to do with the satiation of senses. The sea represents the blue world of spirituality in which we may swim freely if we only chose to do so. "Seymour's suicide is his way of allowing the true Muriel to escape from the banana hole where she has become trapped through her attitude to marriage. In other words he dies physically in order that she may live again spiritually ... because his love for Muriel demands from him a unique and sacrificial spiritual effort." (Hamilton, 1967:30)

Uncle Wiggily in Connecticut (1948) - Most of the story involves a conversation between two old college roommates, Eloise and Mary Jane, in Eloise's house as they sit drinking cocktails and talking about former acquaintances. Eloise's young daughter, Ramona, comes in the resentment Eloise feels towards her is disturbing. Ramona has problems with her eyes and wears thick glasses; yet she possesses imagination and spontaneity, and has invented an imaginary playmate, "Jimmy Jimmereeno," because there are no other children in the neighborhood. In this story we have a continuation of the wasteland theme of the sterility of modern life. After Ramona goes outside to play, Eloise begins to tell Mary Jane about Walt Glass, Seymour's brother and her lover during the war. She remembers him as superior to her husband, Lew, in every way. Walt had an odd and tender sense of humor, and once, when Eloise twisted her ankle, it called it "Poor Uncle Wiggily." Eloise has never been able to accept the absurdity of Walt's death - he was killed when a Japanese stove blew up. When

Ramona comes in and tells them that Jimmy has been run over in the street, Eloise sends her to bed. Later, when the telephone rings, Eloise cruelly tells her husband that she cannot come to the station to pick him up. Then she goes upstairs to check on Ramona, but gets very angry when she sees her sleeping way over one side of the bed (in order to leave room for Jimmy). Ramona tells her that she has a new friend, "Mickey Mickeranno." Eloise loses her temper and forces her to sleep in the middle of the bed. But then, all of a sudden, full of remorse, she picks up Ramona's glasses and starts crying as she says "Poor Uncle Wiggily" over and over again. Finally she puts the glasses back on the table and kisses Ramona. And again, "glass" figures prominently as a symbol. She had spent all the afternoon and much of her life drinking from glasses without realizing that suffering cannot be escaped though satiation. But it is not until she sees through the glasses of a child that she begins to "see more."

Just Before the War with the Eskimos (1948) - in this story "the sign" is not a pair of glasses, but half of a chicken sandwich. Ginnie Manno, a teen-age girl, who is "five-foot-nine and wears size 9-B shoe," is uncertain of herself, and is angry with her classmate and tennis partner, Selena Graff, because Selena never volunteers to pay her half of the cab fare after their Sunday morning tennis sessions. Ginnie insists on collecting the \$1.90 that Selena owes her, and so she goes to her apartment. While she is waiting for Selena to get the money from her mother, Selena's brother, Franklin, comes in. But Franklin is repulsive looking and while talking to Ginnie, he picks food from his teeth with a fingernail. But Ginnie is fascinated by him and she begins asking him questions to probe the sources of her anguish. She finds out that he had met her sister, Joan, whom he calls a snob, at a party in 1942, and that he had written her eight letters and never received an answer. She also finds out that he has problems with his heart and he had to spend the war years working in an airplane factory. And when Franklin's friend, Eric, comes to pick him up, she finds out that Franklin is a homosexual. But at one point in the story, when Franklin is holding his bleeding finger and Ginnie tells him not to touch it, he seems to have experienced an awakening. A basic point in Buddhism is one contained in the "Four Noble Truths" and is says that suffering is, in one sense, its own cause. It is that Franklin suddenly understands as he sees through himself, through his own agony, and stops "touching it." He is so moved that he insists Ginnie accept a gift, half of a chicken sandwich he has kept in his room. "The sandwich takes on a sacramental quality and suggests the underlying fable of incarnation - the revelation of spirit through matter - that runs through this story and most of the others in **Nine Stories.**" (Lundquist, 1979:91) When Ginnie is forced by Franklin to take a bite of the sandwich, she is forced to take a taste of what Franklin's life is like, and in turn, better understand her own. The title of the story stands for Franklin's sarcastic prophecy that the next war will probably be against the Eskimos. "Life is that absurd."

Blue Melody (1948) and **A Girl I Knew** (1948) are not part of the collection **Nine Stories**. The first one, **Blue Melody** is another not completely successful story of "youth's awakening." It was said that the story wanted to be about Lisa Jones, a black blues singer who (in a situation based on accounts of the tragic end of Bessie Smith) died from appendicitis because the Southern white hospitals to which she was taken would not admit her. The story is actually about a white boy named Rudford, whose boyhood ends with Lisa's death. Lisa died on a picnic, where they were together (black and white friends), before they could find a hospital. After Lisa's death, Rudford leaves the South. Years later, during the war, he meets again a white girl who shared these experiences with him, but she is now the wife of a jealous army officer. Rudford promises to play one of Lisa's rare recordings, but he never does. He does not want to because the record is "terribly scratched" and Lisa's voice can hardly be recognized. The story, however, fails to achieve what appears to be its purpose of dramatizing one boy's awakening to the realities of the American situation.

In **A Girl I Knew**, the narrator returns to Austria after World War II and finds out that the girl he had loved before the war had been burned up in one of Hitler's incinerators. So the story deals unsuccessfully with the same problem of the world's insensitivity to the destruction of innocence. The girl is the charming Viennese Jewess, Leah, who is genuinely childlike. Instead of killing herself, she suffers the awful fate of dying in a Nazi concentration camp after having been forced by her parents to marry a man she hardly knew. The story is not really effective as protest against the inhumanity of the Nazis because their victim is a girl who would surely have been defeated by external forces anyway. Actually, as W. French thinks, Salinger's purpose in this story seems to be not so much to stimulate pity for Leah and hatred toward the Nazis as to arouse antipathy for those Americans who are unmoved by the knowledge of her destruction.

The Laughing Man (1949) - the next story of the cycle - is a story about the destruction of the spontaneous, irrational, and imaginative world of childhood. The mature narrator takes us back when he was nine and a member of the Comanche Club, whose leader was John Gedsudski (the "Chief"). But the Chief's best ability is that of a storyteller. At the end of each soccer, football or baseball game, he would continue the adventures of The Laughing Man, who was kidnapped by Chinese bandits as a child. His parents refused to pay his ransom, and the bandits squeezed his head and left him with hideous features: no nose and an enormous oval cavity for a mouth. He had to cover his face with a red mask in order to be allowed to stay with the bandits. The Laughing Man used to go in the forest where he had his best friends - the animals. Meanwhile, he picks up the bandits' trade secret and so he becomes more successful and they try to kill him. But he escapes, he goes to France and he acquires the largest fortune in the world. He gives most of the money to a monastery and then lives the simplest life. Nobody has ever seen his face. The Laughing Man represented for the narrator more than simply a fantasy figure. He provided him with his own "original face," the perception of the self beyond the self that is more possible in the Zen world of children than it is in the conventional world of adulthood. But a change occurs when the Chief has a girlfriend, Mary Hudson, who joins the boys in their baseball game. Something goes wrong in their relationship (in The Laughing Man's story we find out that he dies and his last act is to pull off his mask); the Chief has made Mary pregnant. When the Chief strips away the Laughing Man's mask he destroys his own belief in the value of irrational exuberance, and the nature he reveals is indeed a hideous one. **The Laughing Man** is one of the bleakest and disturbing stories in the collection, and it makes us become cautious that the way of Zen is not easy.

Down at the Dinghy (1949) is the slightest piece of the collection. The story begins with Sandra, the maid, and Mrs. Snell, the ironing lady, sitting at the kitchen table at the Tannenbaum's vacation house. They are talking about the behavior of their employ's four years old son who has the habit of running away. The lady of the house, Boo Boo, a sister of Seymour Glass, comes into the kitchen to take something. The child, who is sitting in the kitchen, after an adult conversation with his mother, tells her the reason why he wants to go. He tells her that he had overheard Sandra tell Mrs. Snell that his father is a "big - sloppy - kike." Boo Boo takes him in her arms and then gently asks him if he knows what the word means. The child says that it is "one of those things that go up in the air," and she is very touched by his innocence and spontaneity. Now she sees how absurd the problems of the obscene adult world are when viewed through the mind of a child. So the story moves toward a moment of enlightenment and it does include one of Salinger's precociously symbolic children.

If **Down at the Dinghy** deals with a far more universal problem than the Jew's role in society, it is Salinger's presentation of the static essence of tragedy; **For Esmé - with Love and Squalor** (1950) is the opposite: it is the high point of his art and it is the dramatization of the dynamic essence of comedy. The story is narrated in the first person and it takes the form of a recollection. The narrator has received an invitation to a wedding in England. He decides not to go

but at the same time he writes down a few notes for the bride. He knew her six years ago. In 1944 he was taking an English Intelligence course at Devon in England. On the last day, a rainy day, he goes into a church and listens to the children singing, but paying more attention to a thirteen-year-old girl with an exquisite face. After he gets out and seeks shelter, the girl and her brother join him. She tells him about herself; that both her parents are dead and she lives with her aunt. Then she finds out that he is a writer and asks him if he will write a story for her - one with lots of "squalor" in it, a word she cannot define because of her innocence.

The second part of the story presents a lot of contrast between the world of Esmé and of the sergeant. The recollection is so painful, that the narrator has chosen to refer to himself in the third person, as Sergeant X. The story shifts to Bavaria where Sergeant X is stationed after being hospitalized for a nervous breakdown. He is suffering more, just as Holden Caulfield, from an "utter obscenity of life." While he is trying to write to a friend in New York, but he can't because his hands are shaking too badly, he finds a package on his desk. He opens it and he finds a note from Esmé with her father's wristwatch (her father was killed in a battle in Africa when she was just a child). She wants him to have the watch because it is "extremely water-proof and shockproof as well as having many other virtues among which one can tell at what velocity one is walking if one wishes." (Lundquist, 1979: 99) Thus the story ends with a moment of liberation in which takes place the human exchange of beatific signals. And Lundquist appreciates again that, of course, the crystal of the watch reminds us of the glass that has to be broken, has to be penetrated and seen through. "The water that may leak through the crystal is a universal symbol of cleansing and rebirth."

Pretty Mouth and Green My Eyes (1951) serves as a near perfect counterpoint to **For Esmé - with Love and Squalor** because it features three characters who are literally up against their individual walls and who will never meet at the corner. This story carries to an extreme a device greatly used by Salinger: the telephone conversations that express the difficulty his characters have in talking directly to one another face-to-face. This story consists almost entirely of a telephone conversation late at night between an older lawyer and a younger man in the same firm. The young man, Arthur, is concerned about what has happened to his wife. She did not come home with him after a party and he wonders where she is. The older man, Lee, tries to offer him advice and comfort, and encourages him to go to bed. But all the time Lee is trying to comfort Arthur, he is in bed with his wife. The story ends with Arthur trying to save face by telling Lee that the wife, Joanie, has just walked in. The story was full of irony and it had a lot of success.

De Daumier-Smith's Blue Period (1952) is again a story narrated in the first person and the narrator recollects a traumatic period in his life that ends with the most vivid account of the Zen experiences we find anywhere in Salinger. On one level, the story can be read as if it is the treatment of the classic Oedipal situation - the narrator telling how he returned to New York from Paris in the company of his stepfather after the death of his mother, both of them discovering that their only bond is that they are both in love with the same dead woman. After studying art in New York, the narrator writes a letter of application for a job at an academy in Montreal. In the letter he assumes the name of Daumier-Smith and he also writes a lot of lies about himself and his qualifications in the past. The school turns out to be a correspondence school run by M. Yoshoto, a Japanese artist. Daumier-Smith's ideas on life and art are so confused, he so loathes other people, and he feels so sorry for himself that his condition seems hopeless in its horrible isolation. Among his colleagues, only one captures his attention: a nun of the order of Sisters of St. Joseph named Sister Irma. She has enclosed no photograph in her application papers, she does not reveal her age and she leaves all of her work unsigned. Daumier-Smith writes a letter to her that is the first honest and thoughtful communication he has ever had with anyone, and it seems that he has fallen in love with her. He even asks her what her visiting hours at the convent are, but his fantasy is ended when a letter returns from

the Mother Superior of Sister Irma's convent saying that the nun would be not allowed to continue her study at "Les Amis Des Vieux Maîtres," the university. After he reads the letter and after a period of meditation, he writes another letter to her, but he never mails it. Then as he goes out ready to get drunk, an accident happens to a shop assistant in a shop nearby. As he reaches out to help the girl, he is made aware of his own isolation and intellectuality. Later he goes to his room and he writes that he is "giving Sister Irma her freedom to follow her own destiny. Everybody is a nun." This suggests that being a human means being devoted to a religious life, and that everybody must try to discover the path of spiritual awareness. In the end, Daumier-Smith stops being a phony, he even returns to his stepfather after the school fails and his oedipal difficulties have disappeared.

Teddy (1953) is the last story in the collection. The protagonist is a child that is so precocious that his parents have taken him to England where he has been examined at Oxford and Edinburgh by some of the world's leading savants. When the story opens Teddy, his parents, and his emotionally disturbed six years old sister (she hates everybody) are on an ocean line returning to the United States. The action mostly consists of a dialogue between Teddy and a young professor of education, Bob Nicholson. Through this conversation, we find out that Teddy is a believer in the Vadic theory of reincarnation, that he was a holy man in India in his last incarnation, that he almost reached Brahma. We also find out that he had his first mystical experience at the age of six when he observed his sister drinking milk and suddenly realized that she was God and the milk was God, and that the apple Adam ate in the Garden of Heaven was logic. Teddy, because of already having lived through a thousand lives, he is able to predict when he and others will die. In fact, we learn from his notebook that his own death will occur either on 14 February 1958, or on the very day he is talking to Nicholson. It turns out to be the latter. Teddy finishes his conversation with Nicholson, walks down to the empty swimming pool, looks over the edge, and he is pushed to his death by his sister (a scene he has already outlined to Nicholson as a possibility of his way of dying that day). His sister is introduced in the story as a mean child because she has not had a chance to live very many lives, as Teddy explains. So, **Teddy** is an appropriate conclusion to the collection; not only does it provide a final commentary on the opening *koan*; but it also serves to explain and underline the point of Seymour's death in the first story, **A Perfect Day for a Bananafish** - for them physical death may be spiritual life.

Franny (1955) and **Zooey** (1957) are the two stories that later on have become **Franny and Zooey** (1961). **Franny** has as a background Salinger's relationship with his wife, Claire. In the story, Franny is a bright young student who spends a weekend with her Ivy League boyfriend, Lane Coutell. But she knows his type, so he realizes that she is not going to play his game. She deeply disapproves of the stupidity and self-interest of the others. So she seeks and partially finds an "alternative education" in yoga-like disciplines. "In **Franny** for once Salinger demonstrates that he can write of adolescence without disappearing into it; but **Franny**, alas, is completed by **Zooey**, which itself completes nothing." (Fiedler, 1962: 235-36)

Raise High the Roof Beam, Carpenters (1955) is a story about a wedding that turns into an elopement, and it is Salinger's first extended exploration of the fictional family that from now on will be the focus if everything he writes. The narrator is Buddy and he remembers the day of Seymour's wedding. The bride is Muriel, not a very intelligent girl but very good looking, and Buddy has been summoned to attend the ceremony. The summons and the judgment of Muriel come from the third Glass child, Boo Boo. She herself can't make it to the wedding, she is on duty, and more or less she begs Buddy to be there. This is not easy because Buddy is in an army hospital, in 1942, recovering from pleurisy. But Seymour does not appear, and so Buddy is the only one of the Glass family who is able to be present for the ceremony. He is forced into a car with four other wedding guests to be driven to the apartment

of the bride's parents for what has turned out to be a non-wedding reception. The situation Salinger uses to build his story around is a classic one in vaudeville and burlesque humor.

Like Salinger, Buddy is a professional short story writer who has reached a turning point in his career. Like Salinger, he lacks a university degree and lives as remotely as he can. He even once wrote a story about the suicide of Seymour Glass. But there also are some differences. Seymour is Buddy's brother. Buddy has a job - one that Salinger loathes - he is a teacher at an unfashionable college; but Salinger needs this for his links to the academia. **Zooey** is a story about education, and reminds us just how much of Salinger's fiction turns on a teacher-pupil dialogue.

Seymour: An Introduction (1959) – This story is, in fact, an introduction to an introduction, which seems to carry an element of mockery. Once again Buddy Glass is the narrator, and he tells us more about his dead brother. Seymour is a great poet, a reincarnated seer. As we have heard before, he committed suicide in 1948. Buddy Glass wants us to worship Seymour as he does, and this is also the purpose of the introduction. But the real "star" is Buddy. He wrote a book, as we have already known, and two stories about Seymour (one about his suicide and one about his wedding), and he has become successful, a kind of hero to the young, but he feels victimized by his admirers. **Seymour** pretends to be a song of praise, and it is full of arch and self-deprecating charm.

Hapworth 16, 1924 (1965) shows Salinger still struggling with Seymour's haunting presence. Buddy, now forty-six years old, tries to trace the origins of his older brother's saintliness in a letter Seymour wrote home when he was nine. With the letter, we are introduced to the sensitivity and psychic powers that foreshadow his spirituality. Seymour, incredibly advanced for his age - seven - reflects on the nature of pain and he asks his parents to send him books by Tolstoy, Vivekananda of India, Dickens, etc. In this story Salinger attempts to portray Seymour in the process of deepening his awareness. "What the story does is to emphasize how oppressive as well as potentially enlightening Seymour's influence on his brothers and sisters must be. He is a grotesque, but then so are the lives of most saints." (Lundquist, 1979:149)

Nevertheless, the most iconic period is "The age of Salinger," as James Lundquist calls it in his book, **J. D. Salinger**, is the period from the early 1950's when, through his only novel, Salinger influenced an entire generation of readers. His novel has become a modern American classic, and generations of troubled teenagers have adopted the protagonist, Holden Caulfield, as a heroic and symbolic figure. In this book, Lundquist also explores the theme of alienation and isolation, the religious statements, the symbolic structure of language and Salinger's personality as it reveals itself in the work from an autobiographical writer.

Conclusions

It is also true that after World War II the cautious academicians usually shied away from the recently risen authors who have written relatively little. But Warren French, in his **J.D. Salinger** (which is also one of the main sources of this paper work), demonstrates that Salinger is one of the most influential post-war authors and that he cannot be slighted in any meaningful study of literature. In the preface to his book, W. French says: "I felt that if those who are guiding our youth do not see what there is to respond to in Salinger's work, they cannot begin to understand those who respond to it. This study is thus a guide for those who, bedeviled by the inscrutability of the younger generation, are not content simply to throw up their hands in despair but wish to understand." One of the main reasons why American youth was, and still is after five decades, so enthusiastic about Salinger's fiction is that he is a great reporter. Salinger "has an uncanny ability to reproduce in the language of the teenage and city-dweller the shortcomings of our neurotic urban civilization - the 'phony' world" (the front flap of the jacket of W. French's **J. D. Salinger**). Salinger satirizes the "shabby

American pretensions” in **The Catcher** and that is also why W. French considers him a great writer, being both a healer and a diagnostician.

Although Salinger is a recluse, he is, paradoxically, one of the most popular American writers. Thus we have to admit that his long silence and his refusal to publish later writings (which apparently exist), or to give interviews about his life and work (and to this point Ian Hamilton’s quoted book in the first chapter, **In Search of J. D. Salinger**, is a good example) have only added to his fame and have intensified public curiosity about the cherished American recluse.

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LITERARY WORKS AS MANIFESTOS

Georgiana Mîndreci¹

Abstract

It is not difficult at all to talk about literary creations as quests, initiations or manifestos since the writers' literary geniuses fulfil this inner need of using art as a tool of expressing attitudes towards or against the outside world that surrounds them. There is a myriad of examples in point throughout the literature of all times and cultures, but I believe that the modern one presents a more grounded approach in an attempt to exemplify the power and impact of such a literary creation on generations of young people worldwide. And what better example could I think of if not J. D. Salinger's novel "The Catcher in the Rye"? This article tries to outline the most important themes and patterns in the novel and connect them to other relevant and similar ones.

Keywords: Themes and patterns; J. D. Salinger; outcast; quest; protest; phoniness.

JEL Classification: I21, I29.

Introduction

The Catcher in the Rye exercises a unique seductive power, not just for the young readers who discover it, but also for the millions of admirers who still view Holden Caulfield with a fondness that is weirdly personal, and almost possessive. What more audacious opening to the novel could be imagined than the one it already has?

"If you really want to hear about it, the first thing you'll probably want to know is where I was born, and what my lousy childhood was like, and how my parents were occupied and all before they had me, and all that David Copperfield kind of crap, but I don't feel like going into it, if you want to know the truth." (Salinger, 1951: 3)

Salinger worked on his novel step by step, starting early in his youth. Although Salinger has written many short stories, **The Catcher in the Rye** is his only novel and also his most notable work. The novel is the culmination of themes that appeared throughout a number of Salinger's short stories, however, some of which form the basis of individual chapters in **The Catcher**. The Caulfield family is the subject of two of Salinger's major stories: **I'm crazy** and **This Sandwich Has No Mayonnaise**, as well as a number of unpublished works, such as **An Ocean Full of Bowling Balls** and **The Last and Best of the Peter Pans** and others.

Salinger's Novel as a Manifesto

Though controversial, **The Catcher in the Rye** immediately appealed to a great number of people. It was a hugely popular best seller and general critical success. Salinger's writing seemed to tap into the emotions of readers in a completely unprecedented way. As counter-cultural revolt began to grow during the 1950's and 1960's, **The Catcher** was frequently read as a tale of an individual's alienation within a heartless world. Holden seemed to stand for young people everywhere, who felt themselves beset on all sides by pressures to grow up and live their lives according to the rules, to disengage from meaningful human connection, and to restrict their own personalities and conform to a bland cultural norm. Many readers saw Holden Caulfield as a symbol of pure, unfettered individuality in the face of cultural oppression.

A more daring approach of the novel can be that of considering it a "war novel," a war between childhood and adulthood. Holden Caulfield sees childhood as the ideal state of being. He thinks adulthood is filled with corrupt people. The only way one can win, in the adult world, is if the cards are stacked in his favor. The characters in the novel play a diverse set of roles in the war between childhood and adulthood.

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Children do not think of appearances very highly, but in order to be respected in the adult world you must always look your best. Holden did not care what people thought about him as long as he felt good. He would wear his red hunting cap backwards and he would have his hair cut crew style, which is thought as a kid's haircut. Ackley is the absolute extreme: he didn't just look bad, but also had terrible hygiene. He had mossy yellow teeth from not brushing them and bad acne too. Adults always hide their imperfections to make themselves look good, but many are, as Holden calls them, "secret slobs." And Stradlater is a perfect example of this. He always shaves twice but never cleans his razor. He would spend forever making sure his hair is perfect and all his cloths look just right.

Sonny, the prostitute, bleaches her hair and dresses up nice to fit into the adult world. Mrs. Antolini, a married woman, needs to look good when she goes out in public. But the night Holden stops over their place for a while; she looks terrible without her make-up and with rollers in her hair. All that matters is that she looks good by society's standards so she can be accepted into the adult world.

Children live on lasting compassionate memories, while adults go for all kind of empty conquests. Holden remembers that Jane would always keep her kings in the back row when they played checkers because they looked pretty there. When Holden comes home, he stops and buys "Little Shirley Beans" record for Phoebe, and even though he breaks it, he still gives it to her. She loves it just as much as if it were not broken. Holden also remembers Allie by his baseball mitt with the poems on it. But when he tried to bring meaning into the adult way of things, he was outcaste. After he told Maurice to send up a prostitute, he did not try to do anything with her, but to talk to her. He tried to make something meaningful out of it but Sunny did not understand. The three girls Holden meets in the bar may be the worst of all. They could care less about anybody, but would die to get with a movie star. All these memories show thought and love which are a lot stronger than the empty conquests, mostly sexual, of adults.

Children move through their childhood without a care in the world, but have a wonderful time doing it, while adults push kids to become more adult like and figure out what they want to accomplish. As Holden is waiting for Phoebe to show up to say good-bye to her, he takes two boys who are skipping school to see the mummies. These kids do not care about math class; they just want to have a good time by going to the museum. This causes Holden to remember the museum and how it has always been the same. Later on, when he takes his sister to the Ferris Wheel, he wishes that it could always be this way for him and for her.

Holden's history teacher, Mr. Spencer, tries to get him to understand that he has to focus in order to make a living. Mr. Antolini gets through to Holden a little better but is unable to keep his attention. Carl Luce is just a few years older than Holden, but he basically tells him he is immature and will always be the same. Kids really want things to stay the same, while adults want things to change and grow quicker than they should.

Holden seems to be the only one fighting this "war." When he makes an adult decision he always gets sick. When someone he loves makes an adult decision he gets very mad at them. The more he tries to keep kids from turning into adults, by being a catcher in the rye, the more depressed he becomes. As he goes crazy, life will become hell for him.

In discussing some of the themes of the novel, we can say that science can be seen as the study of what is held in common between many particular instances. Art, among other things, is an attempt to capture the specific, and, thus, illuminate the general. Salinger's **The Catcher in the Rye** is the first and the foremost about the journey of one individual, Holden Caulfield, into self-discovery. However, in writing about Holden, Salinger has somehow managed to capture the conflicts and identity crises which many young adults his age are caught in. Also, despite Holden's protests that he is not trying to write something along the

lines of Charles Dickens, there is little doubt that the novel is intended also as a piece of social criticism, calling for integrity and human interaction in a mechanized society.

Perhaps the deepest-running theme of the book is Holden's stance against phoniness. It is no coincidence that Holden's journeys take him through a cross-section of American society: the school, bars, city streets, family, friends, etc. Salinger aims to show how widespread this phoniness has become. However, Holden's criticism is not necessarily a good thing, and indeed it is this constant criticism which detaches him from society and also results in some self-loathing. In demonstrating the effects of this detachment on Holden, Salinger encourages the building of human relationships.

Holden abhors movies and shows because they are larger than life, because they generate a sort of passiveness among society. He is depressed when someone says "good-luck" because the statement implies that fortune supersedes human effort.

Another theme is, as we have already discussed, that of childhood versus adulthood. Holden belongs in neither of these two worlds (as do many adolescents), and finds himself in a position to see which category he would rather choose. In the end his choice is to be neither immature, arguably the hindrance of childhood, nor phony, the evil of adulthood. There is nothing wrong with growing up, according to Salinger. There is something wrong with growing phony. And a Freudian idea says that no one can grow up if they do not deal with the awful side of themselves that hates everything. To repress it, is to give it power.

Another central aspect closely connected with Holden's hatred against phoniness and which has puzzled people both inside and outside the novel for fifty years is Holden's question where the ducks go when the lagoon in Central Park freezes over.

The first cab driver Holden asks in chapter 9 thinks Holden is trying to kid him. Then, in chapter 12, Holden has this famous and funny conversation with Horwitz, the second cab driver. Horwitz has not got a clue where the ducks go and gets incredibly excited about the question, also comparing the ducks' situation to that of the fish in the lagoon. In fact, he gets so "sore" that he drives off "like a bat out of hell." (Salinger, 1951:109) So, Holden himself never finds out where the ducks go. But after fifty years Tim Lieder published the answer. He talked to the park commissioner, who had been contacted every year by people inquiring about the mystery posed by Holden, and according to him, the lagoon does not really freeze anymore. He also said that usually the ducks go to the middle of the lake, which is least likely to freeze. If it happens to freeze over, the ducks go somewhere else, but near, because they travel much less than they used to.

So the point is that Horwitz was basically right: Mother Nature takes care of the fish and the ducks, too. Holden cares about the ducks because he cares about helpless, innocent creatures who he feels should be protected from the brutal world. That goes for the ducks, for the nuns, for Jane Gallagher, and, of course, for his sister, Phoebe. It would be hard to imagine Ackley or Stradlater asking themselves where the ducks go.

Therefore, just like Holden eventually realizes in the carrousel scene that he has to allow Phoebe to make the experience of possibly falling off the horse or the carrousel (of life) - he should not worry too much about the ducks.

In the Bible, from Mathew 6/26, there is an interesting parallel with what we have just discussed: "Behold the fowls of the air: for they sow not, neither do they reap, nor gather into barns; yet your heavenly Father feedeth them."

For a more complete structural analysis of **The Catcher in the Rye**, we need to consider three main patterns. Although the novel is embellished, it still is the account of a nervous breakdown of a sixteen-year-old boy; and it concentrates on the evens of its critical stage.

Even though Holden acknowledges being attended by a psychoanalyst at the end of the book, his breakdown is clearly not just mental; he is physically ill too. He has grown six and a half inches in a year, he has TB, he is "skinny," he has not kept the diet to gain weight.

Holden's condition is complicated, however, by emotional problems. His mother is ill and nervous, and his father is so busy being successful that he never discusses things with his son. Holden is thus without the kind of parental guidance an adolescent needs during this crucial period. The school to which he has been sent fails to take the place of his parents.

Altogether, **The Catcher in the Rye** is a story of initiation. Its hero is innocent, but not naïve; he has some knowledge of evil though he is not himself corrupted by it. His story is an odyssey - a search and a series of escapes, both a flight and a quest. The odyssey itself, which begins on a Saturday afternoon, "last Christmastime," at Pencey Prep and ends at the New York zoo on Monday afternoon, is placed in a retrospective frame; Holden tells the story some months later in California, where he has been seeing a psychiatrist.

The central conflict, as we have said, is the traditional one between innocence and experience. "Holden has a messianic sense: he wants to save people from sin - their own and the world's. But like most messiahs, he fails: he learns that it is impossible to be the catcher in the rye, to save the innocents from the fall into experience. As the frame of the book suggests, the story itself is both a case study and a therapeutic confession." (Harper, Jr., 1967:67)

The Catcher is filled with Holden's aversions, and the most obvious one is to phoniness. Everyone in the book, except for Phoebe, is a phony, pretending to be someone he is not - also as a characteristic of the adults.

The Catcher in the Rye is a deceptively simple, enormously rich book whose sources of appeal run in deep and complexly varied veins. Young people are likely to identify with Holden and to see the adult world in which he sojourns as completely phony and worthless; the book thus becomes a handbook for rebels and "a guide to identification of squares." The older generation is likely to identify with some part of the society that is satirized, and to see Holden as a bright but sick boy whose psyche needs adjustment before he can, as he will, find his niche and settle down. Holden as ideal rebel or Holden as neurotic misfit, the evidence for either interpretation lies loosely on the surface of the novel. Beneath the surface lies the evidence for a more complicated as well as more convincing Holden than some of his admirers are willing to recognize.

It was inevitable that **The Catcher in the Rye** would be compared to the greatest American odyssey of initiation, **The Adventures of Huckleberry Finn** by Mark Twain. The exciting and striking similarities between the two books have been justly noted by a number of critics and they are obvious in their narrative framework, their episodic structure, their colloquial style, their social criticism, the comic irony, the picaresque structure, the theme of anti-phoniness, the characters' rebellion against society, the inspiration of their honesty against sham and the sympathetic awareness of their melancholy roles.

Huck Finn introduces himself in the first paragraph as the narrator of the story, and in the last paragraph he remarks that "there ain't nothing more to write about, and I am rotten glad of it, because if I'd a knowed what a trouble it was to make a book I wouldn't a tackled it and ain't agoing to no more." (Harper, Jr., 1967: 68)

The Catcher is the American novel of its generation, for in Holden Caulfield Salinger created a myth-figure with which millions of young people have identified themselves. In Holden's monologue (this is what the novel is), Salinger has created the dialect of a generation - a triumph of a special kind of vernacular writing. Like **Huckleberry Finn**, **The Catcher** is a picaresque novel about initiation into manhood. But though Twain's - or Huck's - attitude towards initiation is ambiguous, at least Huck intervenes in the activities of the adult world and makes deliberate moral choices, for all that at the end he seems to repudiate the adult world. In **The Catcher**, however, the attitude towards initiation is not even ambiguous, it is rejected. In the end he is ill and it seems that he is writing the book under the influence of psychoanalytical treatment - which represents a kind of facing of reality.

Salinger's novel belongs to an ancient narrative tradition, probably the most profound in Western fiction, the tradition of the Quest. This medieval term means the seeking after what is tremendous, greater than the love of a woman. Of course, the love of a woman may be part of the seeking, even of the object sought; but if this kind of love is essential, then we have to do with a romance. A. Heiserman and J. E. Miller, Jr. consider that these two terms - quest and romance - distinguish thematic patterns, and have nothing to do with tragic or comic effects. There are more kinds of quests, depending upon the object sought. One could be seeking acceptance and stability, the other the opposite. For example protagonists like Bloom in **The Waste Land**, the Joads, Alyosha Karamazov, Ulysses, Gatsby, seek acceptance, stability, a life based upon what is known and can be trusted. Characters like Dedalus, Huck Finn, Ishmael, Dostoevsky's **Idiot** or Huxley's heroes place themselves outside the bounds of what is known and seek not stability "but a Truth which is unwrapped by stability."

American literature seems fascinated with the outcast, the person who defies tradition in order to arrive to a certain type of knowledge and some personal integrity. All the virtues of the American heroes are personal ones, and most often they are in conflict with home, family, church, so the American hero has to flee these "institutions." And if the hero does not flee, at least he defies them.

Holden Caulfield is one of these American heroes, but with an important and significant difference. He seems to be engaged in both quests at once: he needs to go home and he needs to leave it. Unlike the other heroes, Holden "seeks Virtue second to love." He wants to be good, he wants to be the one who catches the children playing in the rye field before they fall off the cliff. He is not driven towards love of woman, but towards love of his fellow man and charity. Holden is actually frightened by a frontier code of masculinity. But he is a wanderer because in order to be good he has to be more of a bad boy than the puritanical Huck could have imagined. Thus Salinger translates the old tradition into contemporary terms. The phoniness of society forces Holden to leave it, but he is seeking nothing less than stability and love. Holden's Quest takes him outside society, but the grail he seeks is the world and it is full of love. "To be a catcher in the rye in this world is possible only at the price of leaving it." (Grunwald, 1962: 199) The only role that would allow Holden to be a catcher in this world is that of a child and this is what he is looking for. But his tragedy is that he is sixteen and can never be less. In childhood he can find what he is seeking now: non-phoniness, truth, innocence. He can still find all this, but only in Phoebe, in his dead brother Allie's baseball mitt, in the red hunting cap and in the tender nuns. Holden is different from us because he refuses to compromise with adulthood and its necessary adulteries. Holden's quest may be stated in a number of ways. In one sense, his quest is a quest to preserve an innocence that is in peril of vanishing - the innocence of childhood. In another sense, the quest is a quest for an ideal but inhuman love that will meet all demands but make none. Perhaps in its profoundest sense Holden's quest is a quest for the self - he does, for example, go through a number of guises, such as Rudolf Schmidt when he talks with his classmate's mother or Jim Steele when he is visited by the prostitute Sunny. "But he remains Holden Caulfield, and the self he is led to discover is Holden's and none other. And that self he discovers is a human self and an involved self that cannot, finally, break what Hawthorne once called 'the magnetic chain of humanity'; he cannot deny the love within him when he begins to miss all people, 'bastards' included, he has told about." (Miller, Jr.; 1965: 12-13)

If we could keep the spontaneity of childhood, our social and personal problems would disappear. Huck and Holden, and other characters, seek to return to a lost childhood for precisely the same reasons. The flight out of the world, out of the ordinary into an Eden of innocence or childhood is a common flight, and it is one which Salinger's heroes are constantly attempting.

Holden Caulfield, like Huck Finn, tells his own story and a great part of the humor lies, in both novels, in the language of telling it.

Huck begins: "You don't know about me without you have read a book by the name of **The Adventures of Tom Sawyer**: but that ain't no matter." (Grunwald, 1962:202) Thus he speaks about his relationship to the alien adult world in which he finds himself a tourist.

Holden, Huck's twentieth-century counterpart, is probably more correct but none the less distinctive. There is a note of skepticism in his case, "if you want to know the truth," which suggests that in his world very few people do.

Huck's spelling of *sivilization* makes us think that it stands for "distasteful." Holden's incorrectness frequently appears to be straining after correctness ("She'd give Allie or I a push") which suggests a subconscious will to nonconformity. Each novel employs an appropriate first person vernacular. Holden has the more "educated" vocabulary; he speaks with a modern schoolboy's idiom and slang and he can spell and he can also swear. Huck's speech, usually dispassionate and matter-of-fact, is relaxed and flexibly rhythmical. His direct apprehension gives us an objective recording rich in implication. Huck's speech reflects his personality, just as is the case for Holden.

But next to the many similarities there are a lot of differences too. Both boys are fugitives from education, but Holden has suffered more of the evil than Huck. Holden's best subject in the several schools he has gone to is English. And he is a child of the twentieth century too.

Another similarity, this time concerning the two authors, is that they did not copy faithfully the language and their genius lies in their mastery of the technique of the first person narration which, through meticulous selection, creates the illusion of life. The fact that Huck and Holden appear to reveal themselves is a mark of their creator's mastery.

Holden Caulfield relied on his former teacher, Mr. Antolini, until his, assumed by Holden, homosexual pettings made him flee in panic. Huck Finn, in his "close place" a century earlier, relies on his best teacher, Jim. Huck can always depend on Jim.

Holden's society is different from Huck's society, just as Broadway is different from the Mississippi a century ago. Yet a flight down the river and a flight through New York streets turn out to be not so different after all. Holden and Huck have essentially the same pattern of existence. **The Catcher in the Rye** is in fact a kind of **Huckleberry Finn** "in modern dress."

Huck initially flees conventionalities, constraint and terror. On the river he meets murderous thieves, a treacherous fog, Negro hunters and a steamboat that rips through the raft and thrusts him among feuding country gentility. He lives with professional crooks. But experience teaches Huck that truth is usually weak, trouble best avoided and evil often inevitable.

Holden Caulfield, intensely troubled, escapes initially from the stupid constraints and violence of his Prep school life. Like Huck, he enters a jungle world, New York City, where he knows his way around but from which he is alienated. There, for two days, start his "adventures" with fearsome "dopes," "fakers," "morons" and sluggers. On this journey Holden's Jim is the image of Jane Gallagher, an old friend who needs love and whom he loves with strange unawareness. Holden's Jim is also all the little children whom he wants to save from the adult world.

It is clear that Mark Twain and J. D. Salinger present parallel myths of American young man confronting his world - Huck Finn over many months, when time was expendable; Holden over two days when, Salinger seems to imply, time is rapidly running out. In the corrupt world Holden lives in, he miraculously keeps his uncorrupted heart that reminds us of Huck Finn. He genuinely loves natural beauty and the socially unspoiled. In short, Holden, like Huck, respects human personality and hates whatever demeans it. He knows that snobbery is aggression, and that subordinating people to ideas and things destroys fruitful human intercourse.

Huckleberry Finn and **The Catcher in the Rye** are also alike in ethical-social import. Each book is a devastating criticism of American society and voices a morality of love and humanity. In many important matters, Huck and Holden - not to mention the other characters like Jim and Phoebe - affirm goodness, honesty and loyalty. Huck does so almost unconsciously, often against his conventional conscience, and Holden does so with an agonizing self-consciousness and a bitter spirit.

We have seen that the two books share certain ethical and social attitudes. Yet "Salinger's critical view assumes a cultural determinism that in *Huckleberry Finn*, although always present, permits freedom through self-guidance. Salinger's viewpoint also draws upon a mystical sense merely inchoate in Mark Twain's imagination. [...] But Mark Twain's moral vision is projected through prevailing normality of Huck's temperament." (Grunwald, 1962: 216)

To conclude, the two novels are clearly related in narrative pattern and style, characterization of the hero and critical import. **The Catcher in the Rye** takes place in a literary creation, that of Anderson, Lardner, Hemingway, Faulkner, and it has one of its great sources in **Huckleberry Finn**.

Conclusions

The basis of **The Catcher in the Rye** as a series of unrelated short stories, as well as Salinger's affection for that form explains the pacing and relative lack of narrative continuity in the novel. Neither setting nor character recurs for more than one or two consecutive chapters. The first chapters of the novel, which are all set at Pencey, are the only ones that sustain the same characters and setting for an extended period. Holden, as narrator, is the only character who recurs throughout the entire story. Characters such as Sally Hayes or Mr. Antolini appear in only one chapter and then basically disappear. Furthermore, since Salinger reiterates thematic elements throughout the novel (in practically every chapter Holden complains about phonies), many of the characters can essentially stand as short stories in themselves.

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NEW EUROPEAN REGULATIONS ON DIGITAL MARKETS AFTER THE PANDEMIC EXPERIENCE

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Abstract:

Digital technology has constantly evolved into an indispensable part of our lives. In recent years in particular, online platforms have gained ground, being increasingly present in our life and business and representing a true economy, distinct from off-line markets.

When referring to the activity of online platforms, we consider that they have both benefits and risks for users. The acceleration of digitalisation, against the background of the global pandemic, has led to a significant increase in the number of users, who have become more comfortable accessing various services online platforms.

The study aims to analyse the legislative approach at EU level so that the benefits of using these platforms for the economy and society as a whole outweigh the risks they could have for users and ensure a level playing field for all providers of such services.

Keywords: digital services, contestable markets, fair markets, online platforms, users

JEL Classification: K10

1. General Considerations

We assume that technology must work for the benefit of humanity, and the role of online platforms in facilitating the purchase of goods and services is undeniable. Over the last two years, users of these platforms have gained confidence and have used digital markets for a variety of purposes.

When we refer to online platforms, we will consider a multitude of business models they host: search engines, social media, content-sharing platforms, applications, tourism sites, ticket purchasing sites, reservation of accommodation, online shops or online multiple vendor markets, etc.

Users of online platforms thus have the opportunity to learn, communicate, purchase goods and services from anywhere in the world, and the convenience of doing all of this wherever they want.

On the other hand, for suppliers of goods and services, online platforms offer the opportunity to expand their market, thereby increasing their efficiency, effectiveness and competitiveness

At European level, “the benefits to our economy and society are so significant that the most successful online platforms have attracted hundreds of millions or even billions of users, making them the most frequently visited websites in the world” (<https://digital-strategy.ec.europa.eu/en/library/how-do-online-platforms-shape-our-lives-and-businesses-brochure>).

According to European Union data, “in 2020, online platforms have continued to grow at unparalleled rates in comparison to traditional business models. The total value of the world’s top 100 platforms increased by 40% between January and October 2020 to EUR 10,5 trillion. Although there are over 10.000 EU platforms, most of these are start-ups and account only for 2.7% of the global total value.” (<https://digital-strategy.ec.europa.eu/en/library/how-do-online-platforms-shape-our-lives-and-businesses-brochure>).

In view of these figures and the dramatic increase in the number of online platforms and their business figures, not only their benefits but also the risks they may entail have been analysed.

As the number of users increases, the data that these platforms collect increases considerably, so that they gain a dominant position on the market and are able to control the market, possibly in an abusive manner and influence the information provided to users.

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This concentration of power on certain online platforms may jeopardize fundamental rights of users (e.g. freedom of expression, right to information, right to the protection of personal data and privacy, etc.), may favour online crime (e.g. facilitating money laundering, incitement to violence, terrorism, hatred, violation of intellectual property rights, child pornography, etc.). In relation to service providers, potential abuse of dominant position by platforms could create problems for them by distorting competition (e.g. search engines that generate certain results directed to the potency of the service provider, so smaller providers appear at the bottom of the search results, although they may charge better prices or tariffs).

Potential risks lead to unfair competition, which can harm the rights of both users and users of services.

Analyses at international level have shown a tendency for major international platforms to evade tax and tax payments by outsourcing profits to “tax havens”. As a result, worldwide concerns have arisen over the adoption of measures leading to a more uniform charging model for large companies, including those in digital markets.

On 08.10.2021, the Organization for Economic Cooperation and Development (OECD) (<https://www.oecd.org/about/>) announced an agreement on the taxation of multinational enterprises: “International community strikes a ground-breaking tax deal for the digital age” (<https://www.oecd.org/newsroom/international-community-strikes-a-ground-breaking-tax-deal-for-the-digital-age.htm>). The reform of the international tax system will ensure that multinational enterprises will be subject to a minimum tax rate of 15% from 2023, with an agreement between 136 countries and jurisdictions “ensuring that these firms pay a fair share of taxes wherever they operate and generate profits”.

The two pillars of the agreement are expected to ensure “a fairer distribution of profits and tax entitlements between countries compared to the largest and most profitable multinational enterprises” (pillar one) and to “introduce a minimum overall corporate tax rate set at 15%” (pillar two).

At the G20 Summit in Rome from 30 to 31 October 2021, the leaders of the Member States (<https://www.g20.org/about-the-g20.html>) signed an agreement on the global tax, which had been agreed by the OECD. It is appreciated that “this is more than just a tax settlement – it is diplomacy that reshapes our global economy and delivers results for our people” and is “a clear signal of justice in times of digitalisation”. The agreement reached in Rome “will make our international tax arrangements fairer and will work better in a digitalised and globalized economy”. (<https://globalnews.ca/news/8338408/g-20-global-corporate-minimum-tax-rome-summit/>)

In this way, it seems that the best solution for managing the risks of tax avoidance has been identified, with the aim of promoting a European Directive on minimum tax. (<https://www.agerpres.ro/politica-externa/2021/10/30/video-summitul-g20-liderii-tarilor-industrializate-aproba-o-reforma-fiscala-internationala--806041>)

The other highlighted risks remain, which users themselves increasingly perceive and need to feel safe in the digital environment. According to the Edelman trust Barometer for 2020, global trust in technology has fallen by 4%, 66% of respondents are worried “that technology will make it impossible to know if what people see or hear is real” and 61% of respondents believe that governments “do not understand emerging technologies enough to regulate them effectively” (<https://www.edelman.com/trust/2020-trust-barometer>). The Barometer Edelman trust for 2021 points out that 68% of respondents are concerned about the possibility of cyber-attacks (<https://www.edelman.com/trust/2021-trust-barometer>).

Legal rules on the protection of personal data have been adopted at EU level (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection

Regulation), published in the Official Journal of the European Union L 119/04.05.2016), as well as rules on audiovisual media services (Directive (EU) 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media services Directive) in view of the changing market realities, published in the Official Journal of the European Union L 303/28.11.2018), on the protection of copyright (Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the digital single market and amending Directives 96/9/EC and 2001/29/EC, published in the Official Journal of the European Union L 130/17.05.2019). A Regulation on addressing the dissemination of terrorist content online is also being worked on (<https://data.consilium.europa.eu/doc/document/ST-14308-2020-REV-1/en/pdf>).

However, at European level, gaps in the regulation of the functioning of digital platforms are still considered to exist, for which new legislative initiatives, the Digital Services Act and the Digital Markets Act, have been developed, complementing the legal responsibilities of service providers on-line platforms.

2. Regulation of the single market for digital services

On 15.12.2020, the European Commission finalized a proposal (<https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package>) for a Regulation of the European Parliament and of the Council on a single market for digital services (Digital Services Act¹) and amending Directive 2000/31/EC (Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market (Directive on electronic commerce) OJ L 178, 17.7.2000, p. 1).

The Digital Services Act assumes that “digital services can support the achievement of sustainable development goals by contributing to economic, social and environmental sustainability”.

The provisions of the Digital Services Act aim to establish “a targeted set of uniform, effective and proportionate mandatory rules” and to induce intermediary service providers to adopt “responsible and diligent behaviour ... essential for a safe, predictable and trusted online environment and for allowing Union citizens and other persons to exercise their fundamental rights guaranteed” (recitals 3 and 4 of the proposal).

As a novelty, the Digital Services Act defines new concepts such as:

1. ‘intermediary service’ means one of the following services (Article 2(f) of the Digital Services Act):

–a ‘mere conduit’ service that consists of the transmission in a communication network of information provided by a recipient of the service, or the provision of access to a communication network;

–a ‘caching’ service that consists of the transmission in a communication network of information provided by a recipient of the service, involving the automatic, intermediate and temporary storage of that information, for the sole purpose of making more efficient the information's onward transmission to other recipients upon their request;

–a ‘hosting’ service that consists of the storage of information provided by, and at the request of, a recipient of the service.

2. ‘illegal content’ means any information,, which, in itself or by its reference to an activity, including the sale of products or provision of services is not in compliance with

¹Hereinafter referred to as *the Digital Services Act*

Union law or the law of a Member State, irrespective of the precise subject matter or nature of that law (Article 2(g) of the Digital Services Act);

3. ‘online platform’ means a provider of a hosting service which, at the request of a recipient of the service, stores and disseminates to the public information, unless that activity is a minor and purely ancillary feature of another service and, for objective and technical reasons cannot be used without that other service, and the integration of the feature into the other service is not a means to circumvent the applicability of this Regulation (Article 2(h) of the Digital Services Act);

4. ‘dissemination to the public’ means making information available, at the request of the recipient of the service who provided the information, to a potentially unlimited number of third parties (Article 2(i) of the Digital Services Act);;

5. ‘online interface’ means any software, including a website or a part thereof, and applications, including mobile applications (Article 2(k) of the Digital Services Act);

6. ‘content moderation’ means the activities undertaken by providers of intermediary services aimed at detecting, identifying and addressing illegal content or information incompatible with their terms and conditions, provided by recipients of the service, including measures taken that affect the availability, visibility and accessibility of that illegal content or that information, such as demotion, disabling of access to, or removal thereof, or the recipients’ ability to provide that information, such as the termination or suspension of a recipient’s account (Article 2(p) of the Digital Services Act);

Chapter II of the Digital Services Act regulates the ‘liability of intermediary service providers’, namely: ‘Mere conduit’, ‘caching’, hosting, orders to act against illegal content, orders to supply information

Chapter III of the Digital Services Act regulates on “due diligence obligations for a transparent and secure online environment”. A common obligation for all intermediary service providers is transparency reporting (Article 13 of the Digital Services Act), with the effect that the obligation does not apply to intermediary service providers which can be considered to be micro or small enterprises.

“Providers of intermediary services shall publish, at least once a year, clear, easily comprehensible and detailed reports on any content moderation they engaged in during the relevant period. Those reports shall include, in particular, information on the following, as applicable:

(a) the number of orders received from Member States’ authorities, categorised by the type of illegal content concerned, including orders issued in accordance with Articles 8 and 9, and the average time needed for taking the action specified in those orders;

(b) the number of notices submitted in accordance with Article 14, categorised by the type of alleged illegal content concerned, any action taken pursuant to the notices by differentiating whether the action was taken on the basis of the law or the terms and conditions of the provider, and the average time needed for taking the action;

(c) the content moderation engaged in at the providers’ own initiative, including the number and type of measures taken that affect the availability, visibility and accessibility of information provided by the recipients of the service and the recipients’ ability to provide information, categorised by the type of reason and basis for taking those measures;

(d) the number of complaints received through the internal complaint-handling system referred to in Article 17, the basis for those complaints, decisions taken in respect of those complaints, the average time needed for taking those decisions and the number of instances where those decisions were reversed.”

In the same chapter, Section 2 contains ‘additional provisions applicable to providers of hosting services, including online platforms’ and Section 3 covers ‘additional provisions applicable to online platforms’ (which does not apply to online platforms that can be considered micro or small enterprises).

Under Section 3, one of the additional measures is to protect against misuse (Article 20) which confers the right of online platforms to suspend “for a reasonable period of time and after having issued a prior warning, the provision of their services to recipients of the service that frequently provide manifestly illegal content”.

Another new element is the establishment of the obligation of “notification of suspicions of criminal offences” (Article 21). The obligation concerns “a serious criminal offence involving a threat to the life or safety of persons”, and the platform must “inform the law enforcement or judicial authorities of the Member State or Member States concerned of its suspicion and provide all relevant information available”.

Another novelty is the obligation for online platforms to establish the “traceability of traders” (Article 22) by obtaining full data on traders by checking the information provided (in official online databases such as the Trade Register), and, where appropriate, require the trader to provide supporting documents from reliable sources. Where the platform becomes aware that the information obtained from a trader is inaccurate or incomplete, it should require the trader to correct the information and if the trader fails to comply, the online platform should suspend the provision of its services to the trader until the trader has complied with the request.

Still related to the traceability of traders, online platforms must store information about them “in a secure manner during the contractual relationship” and, upon completion of the relationship, the platform is obliged to delete the information. The disclosure of trader data to third parties may only take place subject to a legal obligation.

Section 4 sets out “additional obligations imposed on very large online platforms to manage systemic risk”, i.e. platforms with a monthly average number of active recipients of services in the Union equal to or greater than 45 million (Article 25).

With regard to sanctions applicable to infringements of the Digital Services Act, the Commission leaves it up to the Member States to adopt the sanctioning regime, while respecting the principles of effectiveness, proportionality and deterrence and maximum limits on sanctions (Article 42).

The Digital Services Act aims to “contribute to a safe, trustworthy and transparent online environment for consumers, as well as for other interested parties such as competing traders and holders of intellectual property rights, and to deter traders from selling products or services in violation of the applicable rules” (recital 49) and ensure that these platforms behave correctly in the online environment.

3. Regulation of contestable and fair markets in the digital sector

On 15.12.2020, the European Commission completed the proposal for a Regulation of the European Parliament and of the Council on contestable and fair digital markets (Digital Markets Act)¹ based on the idea that “cover a wide range of daily activities including online intermediation services, such as online marketplaces, online social networking services, online search engines, operating systems or software application stores”.

The Regulation is to cover “core platform services”, which include:

- (i) online intermediation services (incl. for example marketplaces, app stores and online intermediation services in other sectors like mobility, transport or energy),
- (ii) online search engines,
- (iii) social networking,
- (iv) video sharing platform services,
- (v) number-independent interpersonal electronic communication services,
- (vi) operating systems,

¹ Hereinafter referred to as *the Digital Markets Act*

(vii) cloud services,

(viii) advertising services, including advertising networks, advertising exchanges and any other advertising intermediation services, where these advertising services are being related to one or more of the other core platform services mentioned above.

As a novelty, the Digital Markets Act defines new terms, which were not regulated in European legislation, such as:

– ‘Online social networking service’ means a platform that enables end users to connect, share, discover and communicate with each other across multiple devices and, in particular, via chats, posts, videos and recommendations (Article 2(7));

– ‘Operating system’ means a system software which controls the basic functions of the hardware or software and enables software applications to run on it (Article 2(10));

– ‘Software application stores’ means a type of online intermediation services, which is focused on software applications as the intermediated product or service (Article 2 (12));

– ‘Software application’ means any digital product or service that runs on an operating system (Article 2 (13));

– ‘Identification service’ means a type of ancillary services that enables any type of verification of the identity of end users or business users, regardless of the technology used (Article 2(15));

– ‘End user’ means any natural or legal person using core platform services other than as a business user (Article 2(16));

– ‘Business user’ means any natural or legal person acting in a commercial or professional capacity using core platform services for the purpose of or in the course of providing goods or services to end users (Article 2 (17));

– ‘Ranking’ means the relative prominence given to goods or services offered through online intermediation services or online social networking services, or the relevance given to search results by online search engines, as presented, organised or communicated by the providers of online intermediation services or of online social networking services or by providers of online search engines, respectively, whatever the technological means used for such presentation, organisation or communication (Article 2 (18));

– ‘Data’ means any digital representation of acts, facts or information and any compilation of such acts, facts or information, including in the form of sound, visual or audiovisual recording (Article 2 (19));

– ‘Undertaking’ means all linked enterprises or connected undertakings that form a group through the direct or indirect control of an enterprise or undertaking by another and that are engaged in an economic activity, regardless of their legal status and the way in which they are financed (Article 2 (22));

Another novelty is that the Digital markets Act defines the so-called gatekeepers. Article 3 stipulates that:

“A provider of core platform services shall be designated as gatekeeper if:

(a) it has a significant impact on the internal market;

(b) it operates a core platform service which serves as an important gateway for business users to reach end users; and

(c) it enjoys an entrenched and durable position in its operations or it is foreseeable that it will enjoy such a position in the near future.”

The Digital Markets Act regulates gatekeeper practices that limit contestability or are unfair and imposes obligations on gatekeepers.

With regard to sanctions for non-compliance with the Digital Markets Act by the gatekeepers, the European Commission has the power to impose “on a gatekeeper fines not exceeding 10% of its total turnover in the preceding financial year where it finds that the gatekeeper, intentionally or negligently, fails to comply”. (Article 26 (1))

Undertakings and associations of undertakings not having a gatekeeper status are also subject to sanctions by the European Commission, which “may by decision impose on undertakings and associations of undertakings fines not exceeding 1% of the total turnover in the preceding financial year where they intentionally or negligently”. (Article 26 (2))

Another novelty is the possibility for the Commission to “by decision impose on undertakings, including gatekeepers where applicable, periodic penalty payments not exceeding 5 % of the average daily turnover in the preceding financial year per day, calculated from the date set by that decision”, in order to compel them to comply with measures adopted under the Digital Markets Act, such as: Commission decisions, on-site inspections, provision of information, etc.

The Digital Markets Act requires the officials involved in its application to observe professional secrecy with regard to the data and information they obtain under the Regulation (Article 31), and the publication of the decisions which the Commission adopts pursuant to the Regulation will be made with an indication of the names of the parties and the main content of the decision, including any penalty imposed, while respecting the legitimate interest of gatekeepers or third parties in protecting their confidential information. (Article 34)

4. Conclusions

As we have analysed, legislative regulations aim to ensure a secure environment for users on the one hand and a competitive market in the digital environment on the other. Everything that is illegal offline is thought to be illegal online as well. The digital environment must respect European values and rules to ensure that the evolution of technology benefits everyone.

The Digital Services Act and the Digital Markets Act are seen as central to the European Digital Strategy and the European Commission will have to ensure that the adopted legal rules keep pace with the rapid evolution of the digital sector, conduct market investigations and take corrective action, where infringements of the provisions of the regulations are detected.

The Commission considers that “the new rules are proportionate, foster innovation, growth and competitiveness, and facilitate the scaling up of smaller platforms, SMEs and start-ups”. The rules aim at protecting consumers and their fundamental rights online, establish a strong and clear framework for the transparency and accountability of online platforms, promote innovation, growth and competitiveness in the single market. (https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/digital-services-act-ensuring-safe-and-accountable-online-environment_en)

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THE ROLE OF THE PREFECT AND THE SUBPREFECT IN THE LOCAL PUBLIC ADMINISTRATION

Isabela, Stancea¹

Abstract

The notion of prefect comes from Latin, where it means the one who was put in charge ... and he was an official from ancient Rome who was appointed by the state in a precise position with well-defined attributions. In our country, a prefect is the government's representative at the county level, and the institution led by him is called the prefecture and has the role of fulfilling the duties and prerogatives conferred on the prefect by the Romanian Constitution and the Administrative Code.

In a democratic state, the institution of the prefect must be particularized by the existence of a statute, which will ensure the fulfillment of his role professionally and within apolitical limits.

Keywords: *prefect, subprefect, territory, Government.*

JEL Clasification: K0, K1

According to art. 249 of the Administrative Code, the Prefect is the representative of the Government locally, being the one who leads the decentralized public services of ministries and other central public administration bodies in administrative-territorial units and ensures the leadership of county committees for emergencies and legality administrative acts of the local public administration authorities and may challenge before the administrative court their acts which they consider illegal.

In order to fulfill his attributions and prerogatives according to the law, the prefect is assisted by 2 sub-prefects. The prefect of Bucharest is assisted by 3 sub-prefects. The functions of prefect and subprefect are functions of public dignity.

The government appoints a prefect in each county and in Bucharest. The appointment and dismissal of prefects and sub-prefects are made by a decision of the Government, at the proposal of the minister who coordinates the institution of the prefect.

The person who fulfills cumulatively the following conditions may be appointed as prefect, respectively as subprefect:

- a) is a Romanian citizen and has his domicile in the country;
- b) enjoys the exercise of electoral rights;
- c) has full exercise capacity;
- d) has not suffered criminal convictions, except for the situation in which the rehabilitation took place;
- e) has a bachelor's degree with a bachelor's degree or equivalent;
- f) has graduated specialized training programs in order to be appointed to a position of prefect or subprefect, organized by the National Institute of Administration, in accordance with the law.

The condition provided in let. f) is considered fulfilled in the situation where the person who can be appointed as prefect or subprefect has completed specialized training programs for holding a public position corresponding to the category of senior civil servants, as well as if the person has held at least one full term senator or deputy.

The law also establishes an exception from letter f), in the sense that a person who has not graduated the specialized training programs may be appointed to the position of prefect, respectively sub-prefect, provided that within a maximum of 1 year from the date of issuance of the act of appointment he can graduate such of the program. At the end of the term of 1 year from the appointment, the person appointed in the position of prefect, respectively

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subprefect in the above conditions and who has not graduated the specialized training program is released by right from the position of public dignity held¹.

During the exercise of the function of prefect or sub-prefect, the employment contract is suspended, respectively its service relationship, except for the situations provided by law.

Upon appointment, the prefect and deputy prefect take the following oath before the Government, respectively the Prime Minister or a designated minister, in Romanian: «I swear to respect the Constitution and the laws of the country and to do in good faith everything in my powers and my skill for the good of the inhabitants of the county ... / Bucharest municipality. May God help me! ».

The religious formula for concluding the oath will respect the freedom of religious beliefs, the oath can be taken even without the religious formula.

The refusal to take the oath entails the revocation of the administrative act of appointment.

The prefect fulfills the following categories of attributions:

A) attributions regarding the ensuring the implementation at local level of the governmental policies and the observance of the public order;

B) attributions in exercising the constitutional role of leading the deconcentrated public services of the ministries and of the other bodies of the central public administration from the administrative-territorial units;

C) attributions regarding the verification of the legality of the administrative acts of the local public administration authorities and the attack of the administrative acts of these authorities that they consider illegal;

D) guidance attributions, at the request of the local public administration authorities, regarding the application of the legal norms in the sphere of competence;

E) attributions in the field of emergency situations.

A) Duties on ensuring the implementation at local level of government policies and respect for public order. In exercising these powers, the prefect:

a) ensures the monitoring of the unitary application and observance of the Constitution, laws, ordinances and decisions of the Government, as well as other normative acts by local public administration authorities and decentralized public services, at the level of the county, respectively of Bucharest;

b) analyzes the fulfillment in the county, respectively in Bucharest of the objectives included in the Government Program and informs the Government, through the ministry coordinating the prefect's institution, on the stage of their realization, in accordance with its attributions according to law;

c) monitors the implementation activity in a coherent and integrated way in the county, respectively in Bucharest of the public policies promoted by the ministries and the other authorities of the central public administration subordinated to the Government and informs the Government, through the ministry coordinating the prefect's institution theirs;

d) acts to maintain the climate of social peace and permanent communication with all institutional and social levels, paying constant attention to the prevention of social tensions;

e) monitors the actions for the prevention of crimes and for the defense of the rights and safety of citizens, carried out by the legally empowered bodies;

f) verifies the application of the legal norms governing the use of the national minority language in the relations between the local public administration authorities and the deconcentrated public services, on the one hand, and the citizens belonging to the national

¹ Art. 251 paragraph 2 of the Administrative Code of 03.07.2019. In force from July 5, 2019. The consolidation of June 6, 2021 is based on the publication in the Official Gazette, Part I no. 555 of July 5, 2019 Includes the amendments brought by the following acts: GEO 63/2019; GEO 1/2020; GEO 44/2020; GEO 61/2020; DCZ 240/2020; L 84/2020; GEO 164/2020; GEO 226/2020; OUG 4/2021. Last amended on 5 March 2021.

minorities, on the other hand, in the administrative-territorial units. they have a share of over 20%, according to the latest census.

B) Duties in exercising the constitutional role of leading the decentralized public services. In exercising these powers, the prefect:

a) verifies the manner in which the decentralized public services of the ministries and of the other bodies of the central public administration fulfill their monitoring and control attributions in the field in which they operate;

b) approves the draft budgets and financial statements regarding the budgetary execution of the decentralized public services of the ministries and other bodies of the central public administration subordinated to the Government and sends them to the head of the institution hierarchically superior to the decentralized public service. The opinions are consultative;

c) may propose to the Minister, respectively to the head of the public administration body under whose subordination these public services carry out their activity the disciplinary investigation of the head of the decentralized public service if he considers that he has committed, in connection with the performance of duties, a disciplinary offense; , as the case may be, may notify directly to the competent disciplinary commission;

d) appoints by order a representative of the prefect's institution in the competition commission for the position of head of a decentralized public service in the county.

C) Duties regarding the verification of legality The prefect verifies the legality of the administrative acts of the county council, of the local council and of the mayor, being able to attack the acts of these authorities that he considers illegal, before the competent court, under the law of administrative contentious.

D) Guiding attributions, in the exercise of which the prefect:

a) receives the requests for guidance sent by the local public authorities and, as the case may be, consults the other authorities of the central public administration in order to issue a point of view;

b) issues views as a result of requests for guidance received from local public administration authorities;

c) communicates to the applicant the points of view thus issued.

E) Duties in the field of emergency situations. In exercising these powers, the prefect:

a) orders, as president of the County Committee for emergency situations, the necessary measures for their prevention and management;

b) uses, as head of civil protection, the funds specially allocated from the state budget and the logistical base of intervention in crisis situations, in order to carry out this activity in good conditions;

c) watches over the development in good conditions of the interventions and other activities necessary to restore the normal situation locally.

In cases that require the adoption of immediate measures for crisis or emergency management, the prefect may request the mayor or president of the county council, respectively the mayor general of Bucharest to convene, as appropriate, an extraordinary meeting of the county council, the general council of the municipality. Bucharest or the local council.

In case of declaring the state of alert, in accordance with the law, in order to resolve the interests of the inhabitants of the administrative-territorial units, the prefect may request the immediate convening of the county council, the General Council of Bucharest or the local council, as appropriate.

In emergency or crisis situations, the military authorities and the components of the structure of the Ministry of Internal Affairs have the obligation to inform and support the prefect to solve any problem that endangers or affects the safety of the population, goods, values and environment. According to art. 258 of the Administrative Code, "The Prefect also fulfills other attributions, such as:

- a) supports, upon request, within the limits of its competence, the local public administration authorities for highlighting the priorities of territorial economic development;
- b) supports, upon request, the actions carried out by the decentralized public services, respectively by the local public administration authorities in the field of European affairs;
- c) decides, in accordance with the law, the cooperation or association with similar institutions from the country and from abroad, in order to increase the degree of professionalism of the prefect's institution;
- d) fulfills the attributions established by special laws in the field of organization and conduct of local, parliamentary, presidential elections, elections for members of Romania in the European Parliament, as well as national or local referendums;
- e) ensures the development in good conditions of the activity of the community public services for the issuance and registration of simple passports, respectively regime of driving licenses and registration of vehicles, as well as of the activity of issuing the apostille for official administrative acts;
- f) other attributions provided by law, as well as the tasks established by the Government ”.

According to art. 259 of the Administrative Code “The ministers and the leaders of the other bodies of the central public administration subordinated to the Government may delegate to the prefect some attributions of management and control,

such as:

- a) checking the use of public funds allocated to decentralized public services;
- b) verifying the way of achieving the objectives included in the sectorial strategies;
- c) analyzing the manner of carrying out interministerial actions aimed at increasing the quality of public services;
- d) representation before the courts, in case the subordinated decentralized public services cannot be mandated;
- e) other attributions established by order of the head of the institution hierarchically superior to the decentralized public service ”.

Regarding the subprefect, art. 260 of the Administrative Code states that it is subordinate to the prefect and his legal substitute.

The attributions of the subprefects are established by a decision of the Government, but the prefect may delegate to the subprefect, by order, a part of his attributions.

If several sub-prefects are in office, the prefect issues an order designating one of the sub-prefects as a legal substitute, and if this order has not been issued, the legal deputy of the prefect is appointed by order of the minister who coordinates the prefect's institution.

It should also be mentioned that, between the prefects, on the one hand, the local councils and mayors, as well as the county councils and the presidents of the county councils, on the other hand, there are no relations of subordination, but only of collaboration.

In order to fulfill his duties, the prefect may request from public institutions, decentralized public services of ministries and other bodies of central public administration and local public administration authorities in the county or in Bucharest, as appropriate, documentation, data and information, and they they are obliged to provide them to them quickly and free of charge.

The prefect may notify the disciplinary commission if he considers, following a control of the prefect's institution or at the written and motivated notification of an authorized authority or institution, that the general secretary of an administrative-territorial unit / subdivision has committed in his performance an act that constitutes misbehavior.

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CONCESSION OF PUBLIC PROPERTY GOODS

Isabela, Stancea¹

Abstract

The state has the quality of grantor for the public property of the state, being represented, in this sense, by ministries or other specialized bodies of the central public administration. by the president of the county council, and the commune, city or municipality, as the case may be, has the quality of grantor for the public property of the commune, city or municipality, being represented, in this sense, by the mayor of the commune, city or municipality, respectively by the mayor general of Bucharest.

Keywords: *concession, concessionaire, public domain, public property.*

JEL classification: K0, K1

According to art. 302 of the Administrative Code, the goods in the public domain, which are provided by law or which by their nature can be exploited in order to collect natural, civil or industrial fruits and products may be the subject of the concession. They can be granted by the state or by the administrative-territorial units on the basis of a concession contract for public property.

A public property concession contract is a contract concluded in writing by which a public authority, called a concessionaire, transfers, for a specified period, to a person, called a concessionaire, who acts at his own risk and responsibility, the right and obligation to exploit a good public property in exchange for a royalty.

The state has the quality of grantor for the public property of the state, being represented, in this sense, by ministries or other specialized bodies of the central public administration. by the president of the county council, and the commune, city or municipality, as the case may be, has the quality of grantor for the public property of the commune, city or municipality, being represented, in this sense, by the mayor of the commune, city or municipality, respectively by the mayor general of Bucharest.

Sub-concession is prohibited. Publicly owned real estate is registered in the land register prior to the conclusion of the public property concession contract, and non-compliance with these provisions entails the absolute nullity of the public property concession contract.

The public property concession contract is concluded in accordance with Romanian law, regardless of the nationality or citizenship of the concessionaire, for a period not exceeding 49 years, starting from the date of its signing and may be extended by agreement of will concluded in writing, provided that the total duration does not exceed 49 years. By special laws, concessions with a duration of more than 49 years can be established.

The royalty obtained by concession is constituted income to the state budget or to the local budgets, as the case may be.

The royalty obtained by concession, from activities of exploitation of the surface resources of the state, is constituted income as follows:

- a) 40% to the local budget of the county on whose territory the exploitation activity exists;
- b) 40% to the local budget of the commune, of the city or of the municipality, as the case may be, on the territory of which there is exploitation activity;
- c) 20% to the state budget.

The royalty obtained by concession, from activities of exploitation of the surface resources of the administrative-territorial units, is constituted income to the budget of the granting administrative-territorial unit.

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The method of calculation and payment of the royalty is established by the line ministries or by other specialized bodies of the central public administration or by the local public administration authorities, according to the legal provisions.

When initiating the procedures for determining the calculation of the fee, the line ministries, other specialized bodies of the central public administration or the local public administration authorities, as the case may be, will take into account the following criteria:

- a) the proportionality of the royalty with the benefits obtained from the exploitation of the good by the concessionaire;
- b) the market value of the good that is the object of the concession;
- c) correlation of the royalty with the duration of the concession.

According to art. 308 of the Administrative Code, the concession takes place at the initiative of the grantor or as a result of a proposal adopted by him. Any interested person may submit a concession proposal to the grantor.

The concession proposal is made in writing, includes the identification data of the person concerned, the firm and serious manifestation of the concession intention, the object of the concession, the business plan and must be substantiated from an economic, financial, social and environmental point of view.

The concession initiative must be based on an opportunity study which shall include, in particular, the following elements:

- a) description and identification of the property to be leased;
- b) economic, financial, social and environmental reasons, which justify the concession;
- c) the minimum level of the royalty;
- d) the procedure used for awarding the public property concession contract and justifying the choice of procedure;
- e) the estimated duration of the concession;
- f) the foreseeable deadlines for the accomplishment of the concession procedure;
- g) the obligatory approval of the National Administration of State Reserves and Special Issues and of the General Staff regarding the classification of the object of the concession in the infrastructure of the national defense system, as the case may be;
- h) the obligatory approval of the administration structure / custodian of the protected natural area, in case the object of the concession is goods located inside a protected natural area, respectively of the territorial authority for environmental protection competent, if the protected natural area has no structure administration / custodian.

The grantor is obliged, within 30 days from the adoption of the concession proposal formulated by the interested party, to proceed to the elaboration of the opportunity study. In cases where the public authority does not have the organizational and technical capacity to develop this study, it may call on the services of specialized consultants.

To the extent that, after drawing up the opportunity study, it is found that the exploitation of the property to be granted necessarily involves the execution of works and / or services, the grantor has the obligation to, depending on the purpose and activities carried out, to qualify the nature of the contract according to the legislation on public procurement or works concessions and service concessions, as the case may be. For this purpose, the grantor may request the opinion of the competent authority in the field. The opportunity study is approved by the grantor, by order, decision or decision, as the case may be.

After the elaboration of the opportunity study and based on it, the grantor elaborates the specifications of the concession. This new document must include at least the following elements:

- a) general information on the object of the concession, ie the description and identification of the property to be concessioned, the destination of the goods subject to the concession, the conditions of operation of the concession and the economic, financial, social and environmental objectives pursued by the concessionaire of the goods that are the object of the concession.

b) general conditions of the concession, ie the regime of the own goods, respectively the goods used by the concessionaire in the development of the concession, the environmental obligations, the obligation to ensure the operation in continuity and permanence regime, etc.

c) the validity conditions that the offers must meet;

d) clauses regarding the termination of the public property concession contract.

The principles underlying the award of public property concession contracts are:

a) transparency - making available to all interested parties the information regarding the application of the procedure for awarding the public property concession contract;

b) equal treatment - the application, in a non-discriminatory manner, by the public authority, of the criteria for awarding the public property concession contract;

c) proportionality - any measure established by the public authority must be necessary and appropriate to the nature of the contract;

d) non-discrimination - the application by the public authority of the same rules, regardless of the nationality of the participants in the procedure for awarding the public property concession contract, according to the conditions provided in the agreements and conventions to which Romania is a party;

e) free competition - ensuring by the public authority the conditions for any participant in the award procedure to have the right to become a concessionaire under the law, international conventions and agreements to which Romania is a party.

The grantor has the obligation to award the public property concession contract by applying the tendering procedure and to ensure the protection of that information communicated to him by natural or legal persons in a confidential manner, insofar as, objectively, the disclosure of the information in question. it would harm the legitimate interests of those persons, including trade secrets and intellectual property.

The award documentation shall be drawn up by the awardee, who shall specify in the award documentation any requirements, criteria, rules and other information necessary to ensure that the tenderer is fully, correctly and explicitly informed of the application of the award procedure. attribution.

The grantor has the right to impose in the award documentation, insofar as they are compatible with the object of the contract, special conditions for fulfilling the contract which aims to obtain social effects or in connection with environmental protection and the promotion of sustainable development.

The interested person has the right to submit a request to participate in the procedure for awarding the public property concession contract.

The grantor has the right to opt for one of the following ways of obtaining the award documentation by the persons concerned:

a) ensuring direct, unrestricted and full access, by electronic means, to the content of the award documentation;

b) making available to the person concerned who has submitted a request to that effect a copy of the award documentation, on paper and / or on magnetic media.

The grantor has the right to set a price for obtaining the award documentation, provided that this price does not exceed the cost of multiplying the documentation, to which may be added, where appropriate, the cost of its transmission.

The award documentation must include at least the following elements:

a) general information on the grantor, such as: name, personal numerical code / tax identification code / other form of registration, address / registered office, contact details, contact person;

b) instructions regarding the organization and development of the concession procedure;

c) the specifications;

d) instructions regarding the elaboration and presentation of the offers;

- e) detailed and complete information on the award criteria applied to establish the winning bid, as well as their weight;
- f) instructions on how to use remedies;
- g) information regarding the mandatory contractual clauses.

The auction is initiated by the publication of a tender notice by the grantor in the Official Gazette of Romania, Part VI, in a daily newspaper of national circulation and in one of local circulation, on its website or through other media or channels. public electronic communications.

The tender notice shall be drawn up after approval of the award documentation by the grantor and shall include at least the following elements:

- a) general information regarding the grantor, such as: name, fiscal identification code, address, contact details, contact person;
- b) general information on the object of the concession, in particular the description and identification of the property to be concessioned;
- c) information on the award documentation: the manner or ways in which the persons concerned may take possession of a copy of the award documentation attribution; the name and contact details of the service / department within the grantor, from which a copy of the attribution; the cost and conditions of payment for obtaining the award documentation, where applicable; deadline for requesting clarifications;
- d) information on tenders: deadline for submission of tenders; the address to which tenders must be submitted; the number of copies in which each tender must be submitted;
- e) the date and place at which the public opening meeting of the tenders will take place;
- f) the court competent in resolving disputes and the deadlines for notifying the court;
- g) the date of transmission of the tender notice to the competent institutions, for publication.

The tender notice is sent for publication at least 20 calendar days before the deadline for submission of tenders. The interested party has the right to request and obtain the award documentation.

The tender procedure may be carried out only if at least two valid tenders have been submitted following the publication of the tender notice, and if at least two valid tenders have not been submitted following the publication of the tender notice, the grantor is obliged to cancel the procedure. and to hold a new tender, in which case the procedure shall be valid if at least one valid tender has been submitted.

As an exception, public property may be granted by direct assignment to national companies, national companies or companies subordinated, under the authority or coordination of the state, which were established by reorganization of autonomous utilities and whose main object of activity is management, maintenance, repair and development of those assets, but only until the completion of their privatization.

The bidder has the obligation to elaborate the bid in accordance with the provisions of the award documentation, in Romanian. Tenders shall be submitted at the grantor's premises or at the place specified in the notice of invitation to tender, in two sealed envelopes, one outer and one inner, which shall be recorded by grantor, in the order of their receipt, in the Offers register, specifying the date and time.

The tender will be submitted in a number of copies established by the grantor and provided in the tender notice. Each copy of the tender must be signed by the tenderer. Each participant can submit only one offer.

The interested party has the obligation to submit the offer to the address and by the deadline for submission, set out in the notice of procedure. The risks related to the transmission of the offer, including force majeure, are borne by the person concerned. The content of the tenders must remain confidential until the date set for their opening, the grantor will only become aware of the content of those tenders after that date.

The criteria for awarding the public property concession contract are the following:

- a) the highest level of the royalty;
- b) the economic-financial capacity of the bidders;
- c) environmental protection;
- d) specific conditions imposed by the nature of the leased property.

The weight of each criterion is established in the award documentation and must be proportionate to its importance assessed from the point of view of ensuring a rational and economically efficient use / exploitation of the leased asset. The weight of each of the criteria is up to 40%, and their sum must not exceed 100%.

The grantor has the obligation to establish the winning bid based on the award criterion / criteria specified in the award documentation. During the application of the award procedure, the grantor has the right to request clarifications and, where appropriate, completions of the documents submitted by tenderers to demonstrate the compliance of the tender with the required requirements. The request for clarifications is proposed by the evaluation committee and is sent by the grantor to the bidders within 3 working days from the receipt of the proposal of the evaluation committee.

Sealed envelopes shall be handed over to the evaluation committee on the day fixed for their opening, provided for in the tender notice. Following the opening of the external envelopes in open court, the evaluation committee shall remove the tenders which do not contain all the required documents and data.

After analyzing the contents of the outer envelope, the secretary of the evaluation committee shall draw up the minutes specifying the result of the analysis. The opening of the inner envelopes is done only after the signing of the minutes by all the members of the evaluation commission and by the bidders.

Following the evaluation of the tenders by the evaluation committee, on the basis of the validity criteria, its secretary shall draw up a report mentioning the valid tenders, the tenders that do not meet the validity criteria and the reasons for excluding the latter from the award procedure. The minutes shall be signed by all members of the evaluation committee.

On the basis of the minutes meeting the conditions, the evaluation committee shall draw up, within one working day, a report which it shall send to the grantor. Within 3 working days of receiving the report of the evaluation committee, the grantor shall inform, in writing, with acknowledgment of receipt, the tenderers whose tenders have been excluded, indicating the reasons for the exclusion.

If there are equal scores between the first ranked bidders, their tie will be made according to the score obtained for the award criterion which has the highest weight, and in case of further tie, the tie will be made according to the score obtained for the award criterion which has the highest weight after it.

Based on the evaluation of the bids, the secretary of the evaluation commission draws up the minutes that must be signed by all the members of the commission.

The grantor has the obligation to conclude the public property concession contract with the bidder whose bid was established as the winner and to send for publication in the Official Gazette of Romania, Part VI, a notice of award of the concession contract of public property, within 20 calendar days from the completion of the procedure for awarding the contract for the concession of public property.

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SECTION IV SOCIAL AND EDUCATIONAL POLICIES

ANALYSIS OF PERFORMANCE IN EDUCATION IN TERMS OF HUMAN RESOURCES COMPETENCES

Bidireanu Florin-Valentin¹

Abstract:

Performance in education must also be analyzed from the point of view of the quality of training of existing human resources at the level of the school organization. For an even more efficient measurement of performance, it is good to take into account external indicators, but also internal indicators. This paper analyzes the performance in education in terms of human resources skills, taking into account the European directions of development in the horizon 2025, which aims at cross-border mobility, lifelong learning and social education and the development and awareness of a common European identity, through capitalization and enrichment. European cultural. Among the recommendations of this paper are the encouragement of cultural, social and intellectual mobility at European level, lifelong learning, the development of a common mechanism for the recognition of diplomas, the correlation of study programs and the promotion of areas of study agreed at European level.

Keywords: *performance, skills, human resources*

JEL Code: *I21*

1. Introduction

Performance in education is influenced by the attitude towards learning of learners, cultivating and respecting certain values, involvement in the act of education. In educational management there are two components: a procedural component and a structural one. The strategies used by the manager are based on authority, attitude, balance, impartiality, sanction. The training profile of the intermediate level graduate (gymnasium) includes the development of key competencies. The key competencies allow the graduate to adapt to the labor market and to today's society. These must be integrated into the design of the training. They are a cross-cutting application of the framework by developing creativity, the ability to solve risk assessment and decision-making problems. Every competence related to communication in the mother tongue, communication in the foreign language, skills in mathematics, science and technology, digital skills, the ability to learn to learn, interpersonal relationships and civic spirit, initiative and entrepreneurship is to be translated into manifestations in life. everyday. The communication process represents the way in which the exchange of information between the members of the school organization takes place.

2. Theoretical approach

Quality management in the educational system is distinguished by establishing reference standards, by ensuring the achievement of objectives, by involving all factors and by correlating with social needs. The role of the teacher is very important in obtaining quality. That is why his professional development has an important role. Teachers are considered the category of key stakeholders in achieving the quality of the educational product. Efficiency in the field of education has a complex character, and can be approached from the point of view of the conception that man is both the subject and the object of activity. There are a lot of factors that influence educational activity, quantifiable factors, among which we list economic

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factors, demographic factors, technical factors, non-quantifiable factors, among which we mention psychological and social factors. People are a valuable resource for the organization, regardless of its field of activity. (Maican, 2001) They determine the degree of evolution, progress and success in a changing market. Without employees, organizations do not achieve their goals. Organizations live through people, they develop them, they keep them on the market, they close them in order to adapt to the new requirements of society. (Popa I., Filip R., 2001)

In today's educational society, the teacher must be an educator and a counselor, concerned with the development of the abilities and interests of his students, putting these goals on the main and secondary level his role as a transmitter of knowledge and source of information. The quality of human resources leads the organization to performance. Competence means action, the conditions of implementation, it depends on the situation and the contexts in which it is expressed (Dulamă, 2011)

Competence is the ability to decide on a thing based on knowing the problem. (Cojocaru, V., Sacalciuc, 2013) Competence is the remarkable professional capacity, springing from knowledge and practice. (Schiopu, 1997)

Teacher training has also been addressed at the level of European policies. The European Union has issued as common principles for the competences of the teacher quality and multidisciplinary university training, lifelong learning, mobile profession, profession based on partnerships. (Code of Ethics and Integrity, 2020) Key competencies refer to the ability to work with information, technology and knowledge, to work with peers, to work in society. Thus appears the concept of mentor teacher, the one who supports the beginning teacher. The profile of the teacher refers to the level of professional training and the level of personality development. The profile of the teacher includes intellectual, emotional, managerial, motivational, communication skills. The profile of the manager, in the educational system, refers to a series of competencies. The competencies of the manager in the educational system are: communication, relationship, use of technology, monitoring, evaluation, management, administration, knowledge and application of the law, strategic vision. The manager has a set of cognitive, affective, motivational, managerial abilities. (Jinga, I., Istrate, E., 1998)

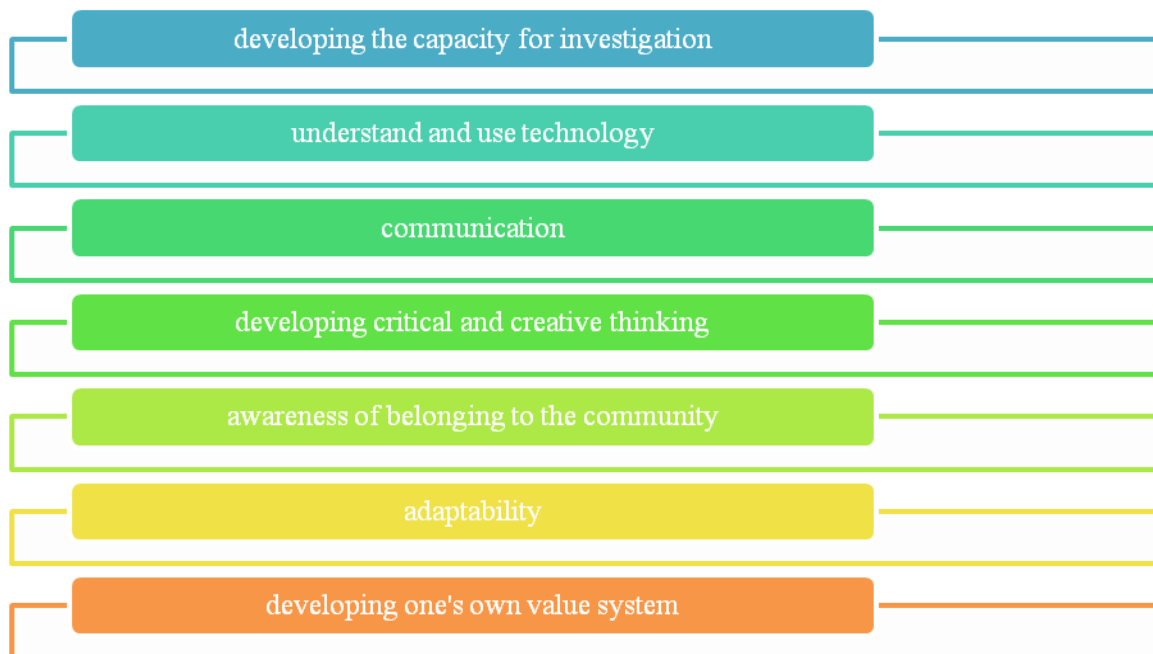
3. The relationship between human resources competencies and the performance of the school organization

Competences refer to the intermediate level, so that, at the end of the learning cycle, the graduate can easily integrate into the labor market. To this is added the training profile of the graduate of vocational, technical and vocational education. In addition to key competencies, the training profile includes transdisciplinary attitudes and values. The graduate develops critical and creative thinking, is able to communicate in various situations, is aware of belonging to a cultural, ethnic and social community, is able to adapt to various life situations, achieves a quality life, understands and uses technology, has developed the capacity for investigation and capitalizes on his experience, develops his own system of values based on which he develops his career.

The European Recommendation provides for the harmonization of national systems with European directives, in this respect it leaves to the discretion of each state how to apply them. Control-evaluation is the process that verifies the extent to which the activity is correlated with the proposed purpose. Control optimizes education outcomes and quality improvement. There are standards for measuring the performance of managerial activity. Each standard is based on the achievement of indicators. Regarding the change of the educational management paradigm, various aspects are taken into account, starting from the quality of the human resource, the capitalization of the previous experience, communication and

collaboration, managerial culture, the capitalization of the new tendencies. Through change in school organizations, the efficiency of the education system is ensured by the efficient use of resources and the capitalization of the particularities of the social environment in which the organization develops.

Figure 1: Training profile of graduates



Source: processing according to the education legislation

Based on this argument, the scientific approach should not be limited to investigating their opinion on the educational product, the educational process and their quality, but aims to research their behavior on the development and updating of specific skills through continuing education. The characterization of this type of behavior can identify the strengths and weaknesses of the skills held by trainers, in order to anticipate their training needs to ensure the sustainability of the quality level of the entire educational process. The quality of human resources directly influences the quality of the education system.

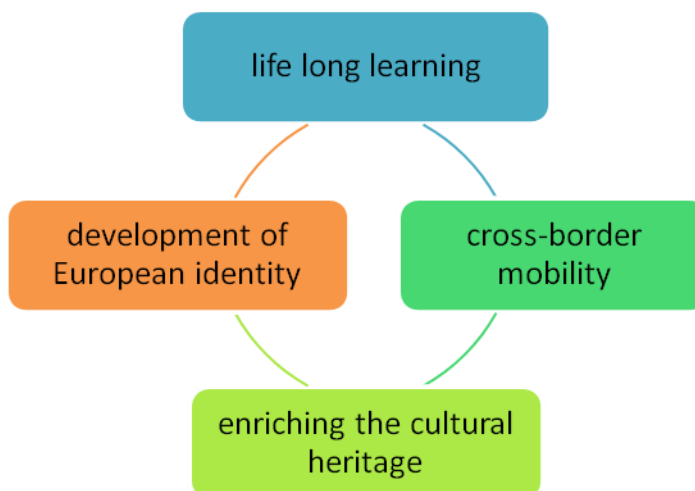
School managers decide, lead, but need to share, share information about how they improve their performance, about what they do and what they convey through their experience. Leaders are responsible for the work and learning climate in the school and for the professional development of both themselves and their subordinates. School managers are required to have a productivity of knowledge, a quality of work, an innovative and implicit potential, the prosperity of the educational unit they lead. Students must learn to develop their skills, to acquire new knowledge, to be able to apply this knowledge and to reflect, to make value judgments on their unity and capitalization. To achieve all this they need research and information spaces and must be helped to find their own way in laboratories, meditation and study rooms. The media news, the diversity of learning sources and resources, this abundance of information available, these new conditions in today's society, demand high learning skills, and traditional education no longer provides answers to these new requirements.

Teachers have a particularly important role to play in creating a strong learning environment tailored to the needs of students or trainees. Teachers create a group that ensures the learning conditions and standards necessary to achieve the educational-formative process. The role of teachers has changed radically in the last ten years, from the traditional transmission of knowledge to another more complex role, adding qualities and qualities of mentoring and coaching. In this context, training, coaching, guidance acquire more

importance than teaching. This change in the formative-educational processes also requires a change on the part of the teacher, who reaches the position of studying and training, respectively continuous improvement. These new requirements for the teacher require a new position from the manager, a review of attitude. The manager must convince the teaching staff of the school unit of the new requirements that are facing them, to ensure the constant and sustained motivation of teachers, to identify the most favorable environment for development, according to society's requirements for the students they train. From this perspective, the main steps to consider in the case of a school self-assessment can be changed in an assessment plan. Only those who want to study, adapt and change will be able to keep pace, control and be able to fulfill their teaching tasks, thus meeting the needs of the current generation. The recognition of the particularly important role of teachers regarding the development of the educational process has a much longer history than the recognition of the role of the curriculum related to the same aspect. In today's educational society, the teacher must be an educator and a counselor, concerned with the development of the abilities and interests of his students, putting these goals on the main and secondary level his role as a transmitter of knowledge and source of information.

The quality of human resources leads the organization to performance. The quality level of products or services is often significantly influenced by the nature of human resources. Regarding the improvement of the initial training, the professionalization of the teaching career is subject to a diversity and sometimes inadvertence of the professional competencies to be developed, understanding by this pedagogical competence, specialized competence, psychosocial competence, managerial competence. A harsh critique, brought to the initial training, refers to the emphasis on the predominantly theoretical training, irrelevant for the practical training, respectively, the confrontation with the class. Regarding the retention of valuable teachers in the system and the efficient use of competence issues, these are considered important issues, the solution of which takes into account the probationary period, professional development, professional development and improvement of career paths. Regarding the motivation and morale of teachers, ways to increase teachers' motivation can be defined, if the existing motivational theories in the literature are analyzed in detail. The content and nature of the activity is able to influence the motivation of teachers. Continuing education is carried out on two coordinates: improvement and professional conversion. These coordinates are thought from the perspective of the role of the teacher in the new educational paradigm, the formation of the teacher's personality, from the perspective of work psychology, the efficiency of the pedagogical activity, the professional training of the teacher;

Figure 2: The most important directions of development



Source: processing according to the European directions of development

The European Commission mentions lifelong learning as an activity that enriches knowledge, skills and competences. Continuing education in order to achieve institutional goals and standards results in quality. The training is carried out according to certain professional standards based on efficient indicators and descriptors that ensure quality. Professional standards refer to the level of performance, achievement of inclusion, ensuring equal opportunities, professional development, collaboration with social factors. The evaluation aims at the level of professional development, the level of quality assurance and the identification of disadvantages or deficient aspects. The Code of Ethics and Professional Integrity aims to increase quality by promoting moral, social and professional values, cohesion and quality. The European directions of development in the horizon 2025 aim at cross-border mobility, lifelong learning and a social education, the development and awareness of a common European identity, through the capitalization and enrichment of the European cultural heritage.

4. Conclusions

Human resources are representative for maintaining the market of any organization through specific values and features but especially for the condition of its employees. Teacher training is a priority of education reform, given that the teacher training system has developed more slowly compared to the other elements of the reform: curriculum and training, assessment and management. Regarding the attraction of valuable candidates for the profession of teacher, there is the problem of the social status of teachers, a status that is lower than that of other intellectual professions and even than other professions in which it is not necessary to pursue higher education.

Achieving European objectives can be achieved by encouraging cultural, social and intellectual mobility at European level, developing a common mechanism for recognizing diplomas, linking study programs and promoting areas of study agreed at European level, promoting multilingual knowledge and lifelong learning. of life. All this also involves material support and the implementation of financial programs at European level for education. Continuing vocational training aims to train and develop the skills of teachers. It involves career development, development of managerial skills, development of new skills, professional conversion, extension of skills, transversal skills. The professional training of teachers represents that continuum of learning.

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AN ECONOMIC PERSPECTIVE ON THE SOCIAL AND PROFESSIONAL INTEGRATION OF YOUNG PEOPLE

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Abstract:

The research work focuses on the integration of young people from a social and professional point of view. By comparing some characteristics of the labour market in the Member States of the European Union, one can observe the relationship between education and income, the labour market being the means of communication between them. During the difficult period imposed by Covid-19, the main elements of labour market policies are analysed, which are addressed to young people to facilitate access to education, in order to integrate into the labour market and society. The paper concludes with proposals for solutions to support and motivate young people in difficulty to learn, a key element in increasing employment and reducing unemployment among them.

Keywords: youth, unemployment, employment, labour market policies, education, motivation

JEL Classification: E24, J64, J21

Introduction

The purpose of the paper is to identify methods and solutions for the training and education of young people in the labour market in order to facilitate their accumulation of experience and their adaptation as easily as possible to the changes. The situation of young people can be described in this period of crisis caused by the pandemic, being affected by risks, difficult conditions, layoffs, insufficient incomes. At the same time, looking from a positive angle, young people had opportunities to learn, new challenges on the labour market, opportunities for entrepreneurship.

In terms of education in the pandemic, the learning environment has changed, moved completely online, in all countries of the world and at all levels of education, governments have tried to change the systems, making it difficult to manage all the changes.

In this context, the paper analyses the characteristics of labour markets in the Member States of the European Union, the main elements of labour market policies.

1. The conceptual and contextual framework of the research paper

The study focuses on the category of young people aged 15 to 29, on the particular characteristics of this segment of the population and on the difficulties, they may encounter during social and professional integration. Young people, as a labour force, represent a potential for the future of the labour market with its new forms, from at least two perspectives:

- the ability to adapt and acquire knowledge and skills in line with the changes imposed by digitalization,
- the motivation for obtaining income.

Considering these aspects, a mix of labour market policies from an economic and social perspective (we refer to income policy, education policies and social policies that could be grouped in the form of active and passive measures to influence the labour market) is necessary, because “The COVID-19 crisis will be at least as important for the future of Europe as it was for the fall of the Berlin Wall for our parents' generation. At some point, we will have to answer our own children's questions about how we did it. If we make the right

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decisions now, we can proudly say that the pandemic was the time when Europe rediscovered its boldness and dynamism and offered its young people renewed hopes for the future. " (Von Hammerstein, E., Gamon, C., Ehm, Y., 2020)¹ As they develop their careers, their professional lives will be better prepared for changes in the labour market and new opportunities, while integrating and participating in society.

Globally, the pandemic has highlighted rising unemployment and declining employment, especially among young people. "Alarmingly high youth unemployment rates of 25-40% in countries such as Italy, Greece, Spain and even Sweden provide more than enough reasons for many to question the value of the EU. Moreover, despite living in an era of relative peace and prosperity, our generation has grown up in the midst of a multitude of crises: financial, migration, climate, and now the current health and economic crisis caused by COVID-19. " (Von Hammerstein, E., Gamon, C., Ehm, Y., 2020)²

The social integration of young people depends on a number of factors and can be influenced by certain risks. Young people can experience uncertainties, difficulties, and a determining factor is individual income. Income for young people has various representations: it can be the expression of a person's productivity level; the level of the debut salary can be perceived as a factor that creates opportunities for promotion in the profession and can be a measure of everyone's contribution to society. "Economic resources allow integration by participating in social activities with peers (for example, going to cafes, cinemas, sports clubs, etc.)" (Plenty, S., Mood, C., 2016, p. 1295) Young people, especially they should pay attention to improving productivity, focusing more on personal and professional development, on developing the skills and competencies needed in the labour market. "Young people should focus on education, training, discovering their unique contribution to society and, ultimately, on creating job opportunities for themselves and others." (Smith, M., Shanahan, G. The Conversation, 2017).³

2. Analysing the main elements of labour market policies

Increasing employment opportunities for young people is a priority for the European Union. Young people can look for a job while they are still in education, and experience is needed in any organization. Their occupation suffered a decline in the pandemic, and they became determined not to look for a job. "According to the International Labour Organization (ILO), the pandemic has 'disproportionately devastating' effects on employment opportunities for young people, and the latest figures show that young people face major obstacles, which prevent them from continuing their training and education, to try more jobs or enter the labour market. " (European Parliament, 2020)⁴, Figure 1 shows the employment situation of young people aged 15 to 29, as a percentage of the total population of the same age.

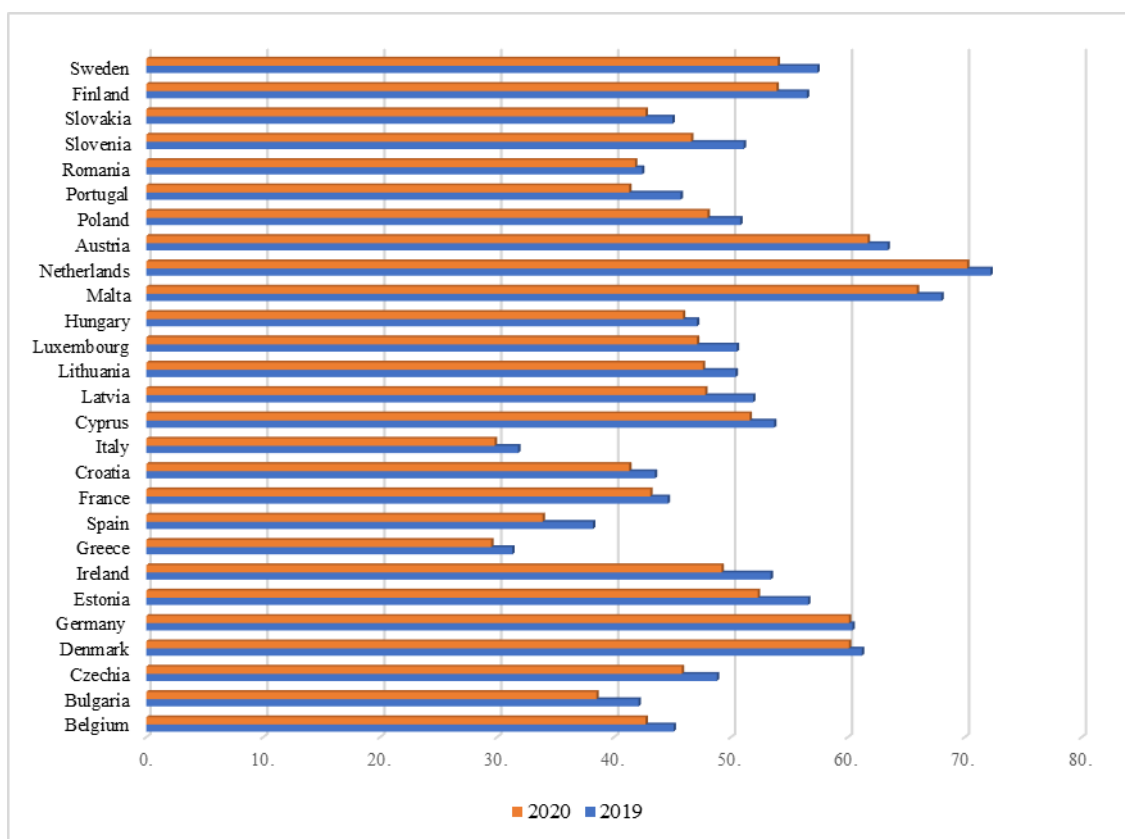
¹<https://www.project-syndicate.org/commentary/how-europe-can-overcome-crises-and-regain-youth-by-elisabeth-von-hammerstein-et-al-2020-11>

² Idem, <https://www.project-syndicate.org/commentary/how-europe-can-overcome-crises-and-regain-youth-by-elisabeth-von-hammerstein-et-al-2020-11>

³ <https://theconversation.com/universal-basic-income-is-it-really-what-todays-youth-need-72979>

⁴ <https://www.europarl.europa.eu/news/ro/headlines/society/20200709STO83004/covid-19-cum-combate-ue-somajul-tinerilor>

Figure 1. Employment of young people aged 15 to 29 (%)

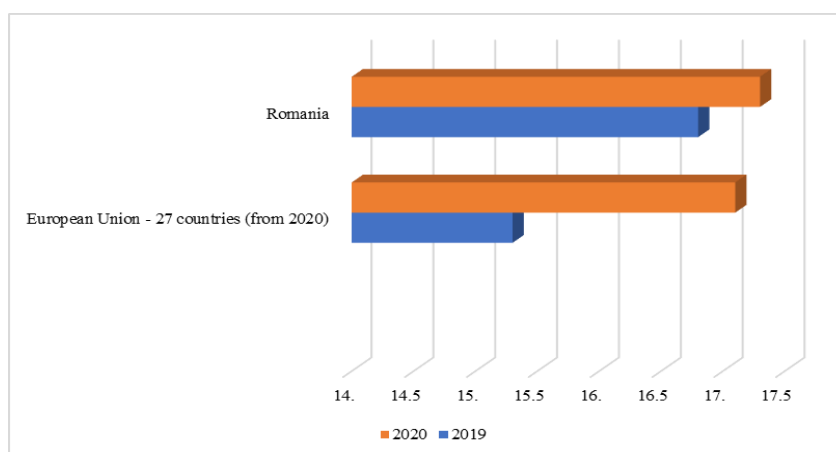


Source: authors' processing, according to Eurostat, (accessed on 21.09.2021)¹

It is noted that in all EU Member States there has been a decrease in employment, even significant in some cases. For example, Sweden, Slovenia, Spain, Estonia, Ireland, Bulgaria suffered. In Romania, in 2019 the employment rate was 42.4%, and in 2020 it decreased to 41.8%, which can cause concern among public policy makers. Layoffs were needed, so employees were left without income in the difficult and restrictive conditions imposed by the pandemic.

The following figure (Figure 2) shows the unemployment rate of young people aged 15 to 24, in 2019 and 2020, as a percentage of the total population of the same age on the labour market.

Figure 2. Unemployment of young people aged 15 to 24 years



Source: Eurostat, (access date 11/11/2021)¹

¹ Youth employment by sex, age and educational attainment level, https://ec.europa.eu/eurostat/data/browser/view/YTH_EMPL_010_custom_1516059/default/table

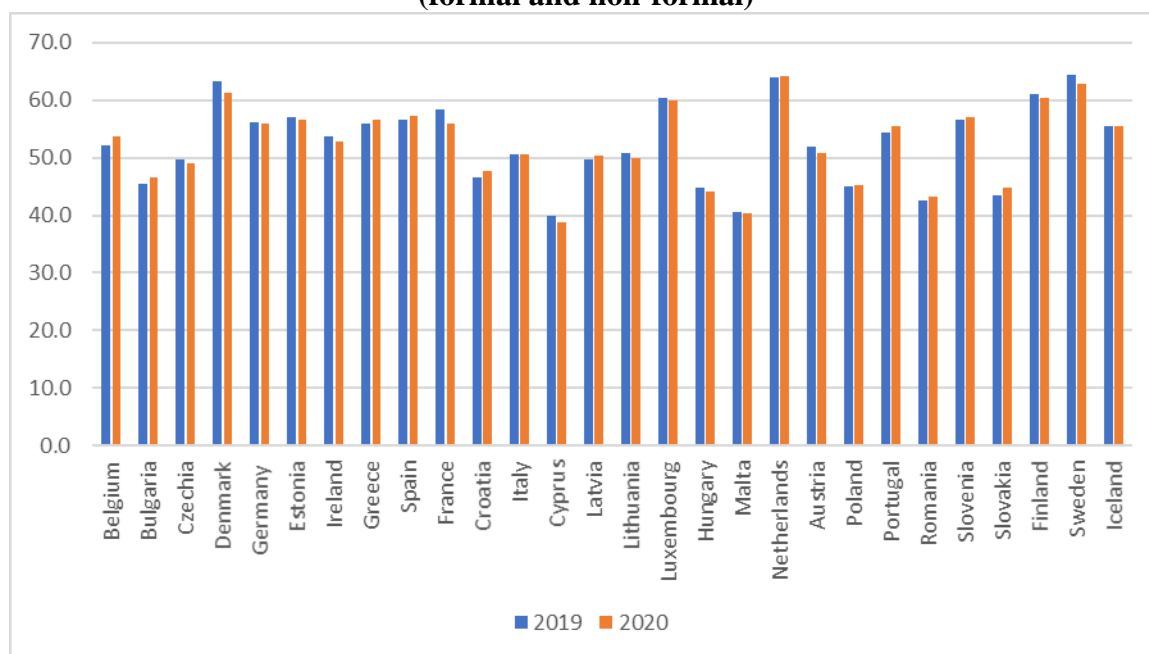
Unemployment in Romania is increasing, since 2018, but it is observed that in 2020 Romania has a slightly higher percentage than in the EU member states, which can be an alarm signal. The rise in unemployment was mainly caused by the conditions imposed in the pandemic. The work in the pandemic took place mainly from home, where there was an improvised office, with the help of the Internet, connected on different devices depending on the possibilities of the individual or the employers. In general, from the very beginning, each company acted by allocating its own resources or using support and facilities to save jobs, protect health, but also maintain employee income and continue business.

Starting from the level of companies, through internal policies to support the motivation of young people for work, this will become an important factor in their integration from a professional point of view and in society. It can be positively influenced by a number of factors, such as training programs within the organization for the skills needed in the labour market, the benefits offered by employers for training and for the transmission of their own knowledge among teams. The employment of young people has proven to be effective over time, but above all it has proven to be beneficial for organizations that have undergone massive transformations of internal processes following the Covid-19 pandemic.

Knowledge and education are important factors for the participation and integration of young people in the processes of social, economic and political development. Each level of education completed is essential because it can provide young people with a career basis, so they can build a plan for their long-term professional and personal development. In society, education offers a status, responsibility and trust.

In the following figure, it is the rate of participation of young people in the types of education and training, formal and non-formal.

Figure 3. Participation of young people aged 15-29 in the types of education and training (formal and non-formal)



Source: Eurostat, (Access date 15/11/2021)²

Graduated levels of education can provide more opportunities, adolescents can be open to change and work. It is to be appreciated the flexibility of the educational system, which can

¹Unemployment by sex and age, https://ec.europa.eu/eurostat/databrowser/view/UNE_RT_A_custom_1518592/default/table?lang=en

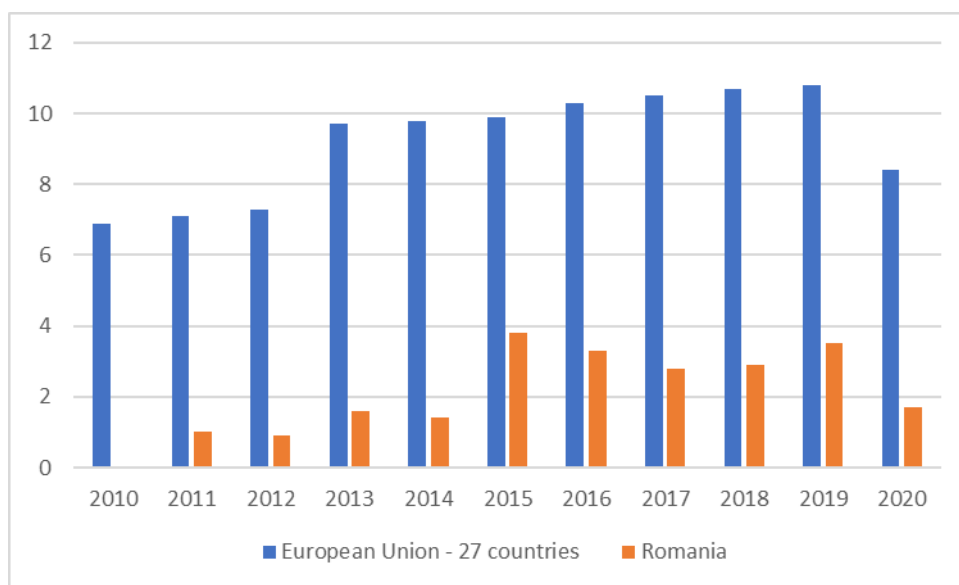
² Participation rate of young people in education and training by sex, age and labour status (incl. NEET rates), <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

offer the possibility to choose one path, or more at once, even the possibility to easily change the chosen path. "The educational system is built so as to permanently offer the student education and training options, paths that ultimately lead to employability, in different forms (professions and occupations or entrepreneurship)." (Ministry of National Education, 2019, p. 9)¹ The school can train an individual, can give him an identity and a decision-making capacity, can develop the empathic side of future adults.

In the figure 4, it is the participation rate of young people in the types of non-formal education and training, which are mainly components of training programs in companies.

Through the internal policies of the companies, the involvement of young people in non-formal training programs will support the motivation of young people for work, and this will become an important factor in their integration from a professional and social point of view.

Figure 4. Participation rate of young people aged 15-29 in non-formal education and training



Source: Eurostat processing, (Access date 20/09/2021)²

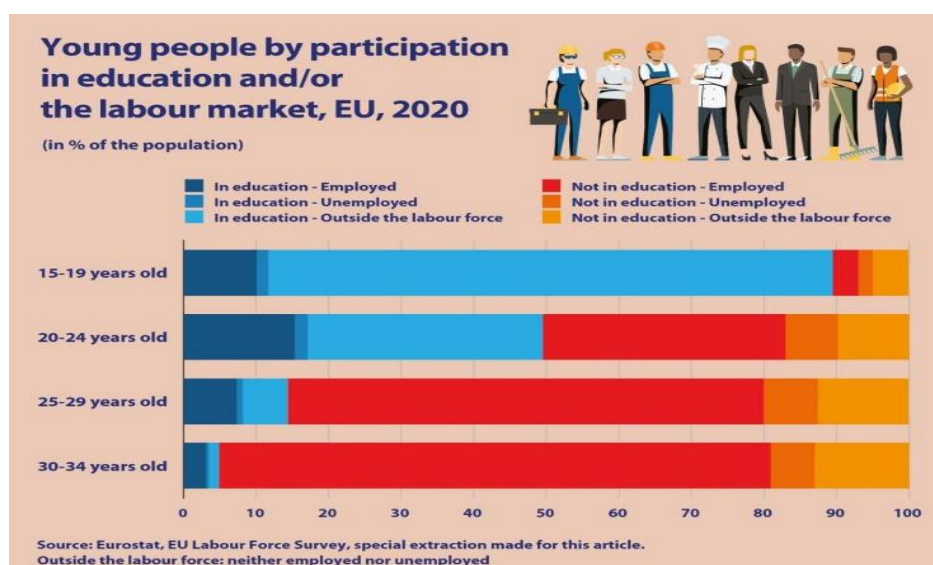
As we can see in figure above Romania is far away from EU countries, but it was observed progress between 2014-2019. In 2020, the pandemic situation disturbed the companies strategies and training programmes.

To exemplify by age groups, the participation of young people in education and the labour market, the following figure can be seen. Most start with affordable, temporary or flexible jobs.

¹ Education unites us - Vision on the future of education in Romania, Ministry of National Education, <https://www.edu.ro/sites/default/files/Educatia%20ne%20uneste%20-%20Viziune%20asupra%20viitorului%20educatiei%20in%20Roma%CC%82nia.pdf>

²https://ec.europa.eu/eurostat/databrowser/view/YTH_EDUC_060_custom_1365057/default/table?lang=en

Figure 5. Young people in education and / or the labour market, 2020



Source: Eurostat takeover, (Access date 11/15/2021)¹

As shown in the figure above, usually by the age of 20, most adolescents are still in education and not many have the courage or opportunity to move on to the next stage, to break away from family, to hire. However, after 20 years, young people can feel ready for a career, to integrate into the labour market and begin to assume the risks and responsibilities that may arise in the situation of assuming the separation from the basic family and integration into society.

Under these conditions, the incomes, respectively the incomes from salaries become a main element of balance / imbalance of the labour market. At the level of Romania, over the years the minimum wage has registered a sharp increase. For young employees, the income obtained on the basis of the minimum gross salary for those with higher education, can be an additional motivation, and the increase of salaries has proven to be beneficial to stimulate employment. In a first phase. it is even possible to increase employee productivity by putting more effort into completing tasks, improving the ability to adapt to change. There are also opinions that increase the minimum wage would lead to a segmentation of the labour market, and some industries risk becoming uncompetitive. Romania's position in this aspect is given by the Government of Romania, through the National Strategy of May 19, 2021 for employment 2021-2027, Published in the Official Monitor no. 559 bis of May 31, 2021.

At European level, an example of a successfully implemented program is the Youth Guarantee, which aims to bring all young people benefits, job offers, further education, offers for students such as internships, apprenticeships. Employers are with people who are having difficulty finding employment. "Therefore, strengthening the Youth Guarantee at this time is important to help mitigate the impact of the COVID-19 crisis and prevent a new youth unemployment crisis. The proposal is based on the experience and lessons learned during the 7 years of implementation of the 2013 Youth Guarantee and integrates the changing realities of the labour market, as well as the double digital and green transition. " (European Commission, 2020)

The HP Life program, implemented by HP Foundation and Junior Achievement Romania, from 2020 young people were able to take free entrepreneurship courses on the Ja

¹https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Participation_of_young_people_in_education_and_the_labour_market#Participation_of_young_persons_in_formal_education_and_in_the_labour_force

Romania platform. In addition, young people have the opportunity to work with HP volunteers and can receive opinions, feedback, advice for their business plans. They can learn how to run a business; they can develop their entrepreneurial skills and competencies. (Kipper, L., 2020)¹

“ACTIMOB NEET’S - Activation and mobility for young people”, co-financed by the European Social Fund, through which ANOFM offered young people NEET financial benefits to increase their employment, with a budget of 40,866,506.91 euros. Those between 15 and 25 years old could receive subsidies in the form of insertion, activation, classification and installation bonuses. During 2017-2019, the program had significant achievements, “through the project, between 16 May 2017 - 15 May 2019, 1134 activation / employment / installation bonuses were granted to unemployed young NEET’s who were employed and 7,471 subsidies to employers who have employed young unemployed NEET’s”. (ANOFM, 2019)²

3. Proposals for solutions to support and motivate young people to learn

Motivating young people is essential in the process of integration into the labour market, but also throughout life. On the part of employers, the process of integration (onboarding) can be helpful, being important the first interaction with the work environment, with the team, with the work tools. The onboarding process should be part of the Human Resource Management Strategy and business strategy. A well thought out, planned process that should not be limited to a few days, but should continue for weeks, even months, being important to enrich the employee experience, adaptation to the workplace to achieve professional performance. It may even be necessary to involve him in decision-making in the company, in relevant projects and with a high degree of importance in order to have the right to express his opinion, to solve certain problems. Facilitating all the processes, from finding the job, to integrating the new employee in the organization, will be capitalized by both each individual and the company, and ultimately by the entire company.

Financial rewards can be a priority for young people, even if they are at the beginning of the road and have no experience, their interest is growing to achieve financial goals. Revenue could be granted according to the achievement of objectives over a period of time. "Increasing the minimum wage can lead to increased employee motivation, taking over the function of efficiency wage - employees respond to wage increases by making a greater effort to perform work tasks, thus increasing labour productivity." (Document of National Institute of Scientific Research in the Field of Labour and Social Protection - INCSMPS, 2016, p. 138)³

Long-term unemployment can be detected and kept under control by employment agencies, young unemployed can be professionally trained and integrated into the labour market through existing programs that offer specialized help. Young people are interested in the development and training programs of an organization, the opportunities for advancement and growth. In fact, the positive effects of on-the-job or off-the-job training on employment growth over time are well known.

To overcome the crisis caused by Covid-19, people in vulnerable situations could receive grants before employment, and organizations could offer training courses to young people during the probationary period to gain experience in the field. They are eager to constantly learn new things, to keep up with technology changes and keep up to date with the most innovative business ideas. The goal of people in the 15-29 age group is to reinvent themselves, to adapt to any change in order to reach the best version of it.

Young people who leave the education and training systems can acquire feelings of fear, distrust because they cannot integrate into society. On the other hand, they will face a lack of

¹ <https://www.prwave.ro/hp-life-un-program-digital-de-antreprenoriat-pentru-tineri/>

² https://www.anofm.ro/upload/6822/Brosura_ACTIMOB_NEETs.pdf

³ https://mmuncii.ro/j33/images/Documente/Transparenta/2016/Studiu_salariu_minim_proiect.pdf

skills, qualifications, knowledge that will make it difficult for them to start in the labour market and integrate into a job, which will give rise to other feelings of frustration and stress, which it will involve additional costs to society for social and health care.

There is a level of awareness among the young generation of these problems and the need to adapt to the skills needed in the labour market, which leads them to look for ways to know, improve and learn, knowing that they prefer informal programs, innovative methods and fast.

The use of technology in the processes of employment, integration and learning in the workplace can be a plus for attracting young people because they are open to digitization and automated processes or subject to intervention by artificial intelligence. The ability to analyse, critical thinking, knowledge of foreign languages, creativity, the ability to learn are specific to young people and, to the same extent, are skills sought in the labour market.

Conclusions

The labour market is in an unfavourable period for new entries to the labour market, but the positive effects of the crisis caused by Covid-19 will not delay to appear. Unemployment has risen and the employment situation among young people has worsened in the countries of the European Union. Young people had the opportunity to take advantage of their time for knowledge, personal and professional development, having the opportunity to adapt more easily, to learn quickly and to adapt to changes. They are the main beneficiaries of the education, formal and non-formal training programs implemented, they need new information, but they also have numerous ways to access it.

The integration of young people from a professional point of view can be a challenge for employers, but with the necessary support the objectives of the implemented programs can be achieved. The Youth Guarantee, being the best-known project for young people, continues to have positive effects on youth employment, the unemployment situation, helping more than 24 million individuals in difficulty. The idea of facilitating the process of finding a job is beneficial to organizations, to increase productivity and competitiveness.

The education system has encountered difficulties, taking place online. It still has the power to prepare young people for the challenges they will face in the labour market. Their guidance can give them confidence that they can achieve their ideals. The Member States of the European Union can provide support to young unemployed people to facilitate their integration into work in society.

Wages are a path of communication between employers and employees, and the relationship between income and education is visible through progress over time. Young people with a solid foundation obtained from education can get results faster, are more productive and motivated. Income can influence the mental state of the individual, it can demoralize him if he is not satisfied financially. An increase in salary, of any kind, can reflect good work results, with employees becoming confident in their work.

Without claiming to be completely exhausted on the subject of youth issues, we intend to continue the research in the following directions: an analysis of the impact of the increase of the minimum wage on the participation of young people in the labour market; an analysis of the social situation of young people in the NEET category and possible economic policies of influence, a perspective on the labour market after the recovery from the Covid-19 crisis and new creative professions for young people.

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DEVELOPMENT DURING AND AFTER SARS COVID-19 THROUGH ECONOMIC EDUCATION AND ENTREPRENEURSHIP

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Abstract:

The economy and people's lives have been severely affected by the covid-19 pandemic, and the road to "recovery" requires a lot of work, energy, and solid knowledge. Considered essential in the process of economic growth and job creation, education and entrepreneurship seek to respond to a multitude of challenges aimed at training a new generation of people with an enviable track record. The recognition of the value of experience and learning from both positive and negative examples is essential to achieving it. For a country to progress, it needs strong entrepreneurship. If we look at the approach of successful entrepreneurs about risks, we will notice the importance of the education they received. Lately, the courses of the vocational training centres were adapted to the needs of a changing economy. Armed with determination and courage, people who have lost their jobs need a positive boost through professional retraining to become active members of society again. The initiatives in Romania and Hungary show us the increased interest of people to develop the knowledge and skills to be able to keep jobs or get a new one. People are beginning to understand the true meaning of lifelong learning.

Keywords: entrepreneurship, covid-19 pandemic, recovery, economy, economic education

JEL Classification: A2, I310, L26

1. Introduction

The word entrepreneur "entreprendre" of French origin means to undertake. The study of the fundamental concepts of entrepreneurship began only in the eighteenth century. Traditionally, Jean-Baptiste Say is credited with advancing the concept of entrepreneur, but in fact, the basis of entrepreneurial thinking was laid by the Irish-French economist Richard Cantillon who first used the word entrepreneur in "Essai sur la nature du commerce en général"(Cantillon, 2010). In Cantillon's vision, the entrepreneurial activity involves risk, perspective thinking and speculation. Later, the Austrian economist Joseph Alois Schumpeter implemented innovation as a key element of entrepreneurship. The entrepreneur's orientation towards profit, possessing good management and leadership skills is the model agreed by the Austrian economist Bert F. Hoselitz bearing the ideological imprint of the University of Chicago, where he studied. To have an overview, we must mention the opinion of the Jewish-American economist born in Ukraine, Harvey Leibenstein: "The most important skill of an entrepreneur is cross knowledge gaps and find original and effective solutions in any situation" (Alam, 2014).

Nowadays, everyone has in mind an image of a successful entrepreneur being able to list the elements that characterize them. Does this image likely reflect the characteristics needed by an entrepreneur? We can answer this question starting from the behaviourist school's vision of entrepreneurs: "innovators, leaders, risk-takers, independents, creators, tenacious, energetic, original, optimistic, results-oriented, flexible and materialistic" (Bucurean, 2009).

Undoubtedly through the activity of identifying business opportunities, entrepreneurs need flair and intuition. When designing the vision, they must show imagination, passion and independence. Orientation, constancy and tenacity are important in achieving the vision. Reason and prudence play an important role in decision-making. At the same time, determination and perseverance must be their shadow to face the difficulties encountered. A great emphasis is on the choice and involvement of staff, and to determine the employees to act according to the plan, communication becomes essential. Driven by the desire to win, entrepreneurs analyze risks, but focus on opportunities, use failure as a source of learning, do

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not demoralize, but instead trust their skills. The sense of responsibility and the high level of energy, fortified with a dose of optimism, tilts the balance towards success in this field. Independence often manifested by the desire to differentiate oneself from others, to strive for originality, to adopt a different way of thinking by exploring new horizons is characteristic of the entrepreneur, although these facts do not stop him from encouraging teamwork. The existence of these characteristics is not the guarantee of success, but they are an indispensable basis for the entrepreneur of the present and the future (Bădulescu, 2013).

2. Research methodology

The research in this article is a quantitative type. This involves the study of national and international specialized literature, as well as the analysis conducted by international organizations about education and entrepreneurship. The increasing presence of entrepreneurship education in Romania and Hungary proves that people are beginning to understand and give more importance to this field because they seem like a solution to mitigating the consequences of the pandemic and the precarious financial situation of many people. Out of the desire to form an overview keeping pace with the preferences of the people of the 21st century, I researched the digital world. A strong argument for participating in these courses is to provide a different perspective by facilitating the exchange of information globally. The coronavirus pandemic (Covid-19) that hit the world demonstrated the usefulness and necessity of these courses, through the increased number of participants. But regardless of how the courses are taught, we need to give importance to examples of good practice based on economic realities that facilitate hands-on learning.

3. Prerequisites for success

The Romanian educational system has undergone reform in the hope of becoming more competitive to contribute to the country's prosperity. Among the high grievances is the fact that it is not sufficiently aligned with the current needs of the labour market. The increasingly frequent and rapid changes caused by the covid-19 pandemic in the professional field have prompted Romanian society to adaptability and flexibility. Thus, continuous professional training and professional reconversion through various courses is an activity that supports macroeconomic and social development and evolution. Given the importance of time, these courses must have a clear structure that helps to acquire and consolidate up-to-date knowledge.

3.1. Economic education and entrepreneurship training

The qualification and professional training courses designed by Atelierele Ilbah have enjoyed authorization since 2012. In the locations Bucharest, Ploiești and Cluj-Napoca, the entrepreneurship course takes place according to after-work program and weekend program. The emphasis is on actively acquiring theoretical notions so that a generous component is dedicated to putting into practice the information gathered. The course "Entrepreneurship from A to Z" divided into four weeks looks like this: the introductory part describes the profile, skills and competencies of the entrepreneur. Following to starting and running a business to present the business idea and planning process. The external sources of financing and the marketing strategy are pointed out, in which the target market and the positioning of the products/services are discussed. Then it focuses on the development of business products/services by marking the following: acquisition, installation, maintenance of the necessary technology, the product itself, design, packaging, research, costs, investments, protection of intellectual property rights, international relations, acquisition of know-how, franchising and licensing. The course agenda includes risk and success by exemplifying the typology of risk in various situations along with possible ways to minimize them. The course ends with the presentation of the logistics necessary to run a business, and in the annexes are

provided business plans models. And in the end it is a part of fixing knowledge through grid tests, questions and exercises (ateliereleilbah.ro).

Extreme Training is a training company that since 2005 has delivered training courses for tens of thousands of students. During 4 days, the aim is to train and improve business professionals, starting from simple business ideas to their implementation. Following that the skills, knowledge and abilities acquired are to be implemented for the benefit of the development of the economy. Using modern teaching methods, trainers try to show what a business involves in terms of law and opportunities for the chosen field. Guide students in implementing the business idea, helping to develop their plan so that the chances of success are as high as possible. The course provides relevant models for starting and developing a sustainable business. The course plan includes an introduction to entrepreneurship, starting a business, marketing strategy, financing a business, developing business products/services, promotion policy, development strategies, business risks and business plan. To deepen the acquired knowledge, each student benefits from an introductory guide in entrepreneurship (traininguri.ro).

Centrul Athena operates in Bucharest. It has taken on the mission of caring for the quality and level of training of students by finding the middle ground between passion, goals and the demands of the labour market. The target audience of entrepreneurship courses is those who want to open their own business or already own a business and want to manage it more efficiently. Assistance and advice are provided to graduates in the implementation of business plans built during the courses. The structure of the course does not differ from other qualification centres. Starting with an introduction, after which talk about organizing the business activity, marketing strategy, negotiating contracts, promotion policy, financing, product/service development, staff organization, logistics, development strategies and business risks (centrul-athena.ro). The certificate obtained upon graduation of the course is recognized by the Ministry of Labor and Social Protection and the Ministry of Education and Research. It is valid throughout the European Union and in the states with which Romania has concluded agreements regarding the equivalence of qualifications.

Founded in 2012 with headquarters in Oradea, Corporactive Consulting is a multifaceted company, offering in addition to about 100 training courses consulting and recruitment services, personalized team building and coaching. The entrepreneurial skills course was authorized on 8.12.2014. From 2016 to 2020, 102 students graduated from this course with a duration of 40 hours. 28 hours are allocated to theory and 12 to practice. The agenda of the course is the following: Management of entrepreneurial activity according to the legal provisions; Market research and marketing environment; Establishing the marketing, communication and sales strategy; Elaboration of a business plan; Finding the best sources of financing for the planned business; Business risk assessment and management. Given the vision of the company and the trainers, the emphasis is on flexibility, because it is desired that each student leaves at the end with solid knowledge, finding the answers to the questions he came up with (corporactive.ro). Among the professional skills acquired at the end of the course, we can mention: identifying the logistics necessary to carry out the entrepreneurial activity, negotiating contracts, writing a business plan, defining development strategies and identifying business risks.

When we talk about entrepreneurship courses, we must mention Mr Marius Ghenea, entrepreneur and business angel with successful investments in Eastern Europe. As a professor of entrepreneurship, innovation and new business ventures at the Maastricht School of Management, he was involved in many educational activities being one of the founders of the BusinessDrive program for entrepreneurs and managers, he was co-organizer at School for Startups Romania and last but not least he is co-founder of Venture Connect, a support platform for tech start-ups and investors. In his book entitled "Entrepreneurship, the Road

from Ideas to Opportunities and Business Success" provides valuable information for both entrepreneurs and those who want to follow the path of entrepreneurship. His intensive entrepreneurship course discusses the qualities and skills needed for a good entrepreneur, developing a simple and effective business plan, team building, entrepreneurial approach to marketing activities, efficient business financing, business evaluation and exit options from a business (Ghenea, 2011).

DallesGo, founded in 2010, provides interactive after-work courses in Bucharest, Cluj-Napoca, Timisoara, Iasi, Constanta, Brasov, Oradea, Craiova, Sibiu and Galati that have become a benchmark for excellence in alternative education. A large number of enrolled in the Entrepreneurial Skills Course in Bucharest is due to the person of Mr Claudiu Șerban. With a 15-year career in leadership positions in the media and publishing industry, his name is linked to brands such as Revista TV Mania, Unica Magazine, Gazeta Sporturilor, Capital and Evenimentul zilei. Over the course of 12 weeks, the following topics are covered: business plan, tactics vs. strategy, key success factors, Pareto's rule, decision-making processes, time management, Porter's strengths, branding, advertising, P.R., social media and e-commerce. Trainers being successful people in their field of activity, professionally pass on knowledge, try to give the best advice to students who want to become entrepreneurs and last but not least share their failures, showing that an essential feature of an entrepreneur is tenacity. These courses are meant to train human intelligence in finding solutions in the most complicated situations. Certainly, the acquired knowledge and skills will be an asset in the professional career of students (dallesgo.ro). In Romania, Atelierele Ilbah, Extreme Training, Central Athena, Corporative Consulting, Marius Ghenea, and DallesGo centres in 2019 had some 1.198 students. Due to the transition to online activities, the number of students increased to 1.567. This is also because many see entrepreneurship as a way out of the economic difficulties created by covid-19. Partial data for 2021 show that this interest is maintained even growing.

We cannot conclude without talking about the presence of female entrepreneurship. Since 2010, through CONAF (National Confederation for Female Entrepreneurship), female entrepreneurs have joined forces to promote this field in the country and abroad. At the Women In Economy Gala, second edition in 2020, CONAF President Cristina Chiriac stated that "Romania is currently ranked 9th in the world in terms of female entrepreneurship". From this perspective, the year 2020 for female entrepreneurship meant the year that forced them to overcome the limits. The year 2020 came with major achievements for CONAF, becoming the only employers' organization in Romania that represents the interests of women entrepreneurs on the board of WEGATE, a body created by the European Commission to support and promote female entrepreneurship (conaf.ro). One of the actions in 2021 is the granting of 1000 scholarships for women who want to certify their knowledge in the IT field, thanks to CONAF's partnership with Google Romania. Armed with determination and courage, more and more women are enrolling in special programs in which they benefit from free mentoring and entrepreneurship education, thus daring to follow the path of entrepreneurship.

3.2. The need for economic education

Economic knowledge prepares people to become responsible people, helps them develop the skills and abilities they need to achieve their goals. It has been shown that people with economic knowledge, skills and competencies find easier a job. Education in Romania and Hungary, with the desire to take the pace demanded by the global requirements, has embraced a system based on performance, emphasizing the preservation and creation of value for future generations. This system urges the promotion and emphasis of the importance of economic education from primary school to higher education and beyond, pointing out long-

term benefits such as personal development, capacity for innovation and adaptability, including more efficient use of resources.

Seeing that nowadays those people can maintain their economic position by continuously investing in education, lately, the social importance of education has increased. Due to the covid-19 pandemic, the traditional educational cycle seems too long, so especially adults choose faster options, adapted to the needs of the modern world. Among these variants, we can mention the courses designed especially for them, which make it possible to acquire knowledge for quick retraining to be present on the labour market. We must not forget that in 2020, there were 96.5 million people in the European Union at risk of poverty or social exclusion, representing 21.9% of the population. But hope is also seen because, in the European Union, the employment rate of people aged 20-64 stood at 72.8% in the second quarter of 2021, which represents an increase of 0.7 percentage points (pp) compared to the first quarter of 2021 (Eurostat, 2021).

Economic education received more and more importance during the covid-19 pandemic on the territory of Hungary. Centers such as Vállalkozás Okosan, Oktáv Training Center, NŐ a siker!, Ioszia Center and Fiatal Vállalkozók Országos Szövetsége (FIVOSZ) through online webinars, online courses and digital kits have ensured the transmission of valuable knowledge. The Vállalkozás Okosan Center was founded by Anita Szilágyi and György Vuray out of a passion for entrepreneurial practice. The main topics of the course: what an entrepreneur should pay attention to at the beginning of the road; the right choice of business form; elaboration of the business and financial plan; what impact will the fiscal changes in 2021 have on the business; KATA tax form and online reporting of invoices to the National Tax and Customs Agency. This course does not promise that every student will instantly become a successful entrepreneur, but that he will be much more aware of the processes of starting an efficient business. They will also be able to write their business plan, identify the type of business that suits them and calculate the tax due correctly. Thus, each student will leave with tips and practical information that he can implement with confidence (vallalkozas-okosan.hu). As an accredited institution for adult education, Oktáv has been providing training and vocational training since 1993. The courses are held in Budapest, Debrecen, Dunaújváros, Eger, Esztergom, Győr, Kaposvár, Kecskemét, Miskolc, Pécs, Szeged, Szolnok and Szolnok. Due to the approach that focuses on personalized learning, thousands of adults have chosen to study and obtain a certificate of training. The Training Center has joined the Operational Program for Human Resources Development (HEFOP), the Operational Program for Social Renewal (SRÖP) and the Program for the Promotion of Equal Opportunities operating in an international context offering free courses to disadvantaged or temporarily disadvantaged people. The purpose of the entrepreneurship and payroll course is to train professionals who will be able to perform tasks related to the establishment and operation of enterprises. For a year, the course proposes to cover the following topics: basic business activities; management tasks of small and medium enterprises; social Security; accounting tasks; business financing and taxation; labour management; pay and employment. The practical part of the course is carried out at the companies with which Oktáv has a contract, and students participating in domestic and international projects use the knowledge gained in the fields of business development, crisis management, innovation, organization and coordination of micro-regional vocational programs. At the end of the course, an examination is held after the promotion of which the internationally recognized certificate with the Europass supplement is issued (oktav.hu). Female entrepreneurship is also beginning to gain ground in Hungary. A good example is the work of the NŐ a siker centre! who worked hard during the pandemic to help women who lost their jobs. The adult education centre, Ioszia with over 10 years of experience offers training based on a well-defined quality management system. Offer high-quality training that responds to the national and European challenges of

the labour market. In more than 150 authorized courses, trainers in Hungary try to transmit applicable knowledge (felnottkepzes.hu). Topics discussed in the courses include: starting a business, financing a business, business plan, marketing strategy, contract negotiation, promotion policy, product development, development strategy and risks. From the beginning of 2020, these courses can also be chosen in online format within the E-learning Education Center Ioszia. The community of young Hungarian entrepreneurs, FIVOSZ since its founding in 2007 is officially recognized both in Hungary and by the European Union as a body that helps educate and guide the next generation of entrepreneurs. With 13 years of experience, this organization focuses on young people between 18 and 40 years old. The founder, Dr Kovács Patrik is also the leader of JEUNE - the Organization of Young Entrepreneurs in the European Union. Since 2014, FIVOSZ has contributed to the creation of 1.346 companies in Hungary, because it believes that young entrepreneurs should have a practical education where they can acquire real knowledge and not be abandoned after starting a business. FIVOSZ partners include OTP Bank, Mol, the Ministry of Human Resources, Hepa, Mogyi, E-on, the National Tax and Customs Agency (NAV), Wizz Air, Ericsson and many others who believe in economic growth and expand human well-being through entrepreneurship. Through an innovative approach in various programs, young people benefit from the advice of experienced entrepreneurs who help in exploring the potential, starting and developing business. The most popular program is "Vállalkozz itthon!" (fivosz.hu). In FIVOSZ's opinion, an entrepreneurship education program is much more than explaining how to set up and run a business. They want to help turn business ideas into reality.

4. Online education

This type, of course, combining innovation and competitiveness has undeniable advantages such as the opportunity to learn from experts in the field around the world, to progress at your own pace and last but not least, to build your library for personal and career development. It is often questioned whether these online courses are a more effective way to educate people than regular courses. A popular platform in 2020-2021 was Udemy, providing lifelong learning with over 100.000 online courses. Those who want to acquire the knowledge of economic education have at their disposal 1.693 well-structured courses. Most Udemy course participants who leave feedback mention the main purpose of participation: "Expanding career opportunities" (udemy.com). The platform provides both free and paid courses. The range of courses available is very wide: Elizabeth Heck's course "Successful start-up with natural products", Asif Masood's award-winning course "Recruitment Agency from the comfort of home", Vladimir Raykov with "Entrepreneur Psychology", Terry King with "Startup social - how to start a non-profit business ", John Westbrook with " Profitable online business ", Adnan Mahmood with " Entrepreneurship for engineers (E4E) ", John Shea with " Own SaaS company (software as a service) "just to remind them some. For a better understand what these courses offer, I will present the course by Guy Kawasaki, an American marketing specialist and venture capitalist in Silicon Valley, called "The Essential Guide to Entrepreneurship" available in English, Japanese, Chinese, Portuguese and Italian enjoyed some 22.674 students in 2020. One of the arguments for choosing this course is that Mr Guy Kawasaki, thanks to over 30 years of experience with technology giants such as Apple and Google understands the point of view of the entrepreneur as well as the point of view of the investor, and this helps those at the beginning of the road to look at the business on both sides of the table. The course agenda goes through each stage necessary for the start of your own business, starting with the launch, moving to fundraise, creating teams and ending with marketing. The special section where Mr Kawasaki answers each question comes to the aid of all those who have doubts about the topics covered. Regardless of the theme of the chosen course, they are meant to provide a valuable experience to the students.

5. Conclusions

With each passing day, entrepreneurship is gaining more and more ground, so there has been a demand for a practical entrepreneurial education, anchored in the economic reality. To contribute to the training of adults in the field of entrepreneurship, the Ilbah Workshops, Extreme Training, Athena Center, Corporative Consulting, Marius Ghenea and DallesGo have created practical and perspective courses that train creative thinking. Eager to become better and more useful, the centres are constantly adjusting training to the needs of students. The secret of the success of FIVOSZ programs is to build entrepreneurial education on economic and practical realities. The online courses of the analyzed centres are characterized by flexibility, adaptability to the requirements of the future that train creativity, intelligence, innovative spirit, knowledge exchange and cooperation.

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