

BOOK REVIEW

Alina Mihaela Dima (ed.), *Doing Business in Europe. Economic Integration Processes, Policies, and the Business Environment*, Springer, 2018, 449 pages, ISBN: 978-3-319-72238-2

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As the European Union is based upon everchanging processes, legislation, procedures and the Member States, the Single Market raises increasing challenges for the business sector. Building and maintaining a common area for the Union's economic agents has been one of the main characteristics of the European Union since its early beginnings; however, the accentuated diversity of each regional and national market, the heightened competition, the regulations aimed at addressing the challenges of the new, modernised millennium – such as pollution, demographic changes or technological development – add new pressure on the private sector's economic agents. Nevertheless, as the European integration process has already shown during the past decades, each challenge may turn into policy and business opportunities, thus ensuring the progress of the European construction.

In this precise context, the book entitled “Doing Business in Europe. Economic Integration Processes, Policies, and the Business Environment” brings to the fore several of the current characteristics of the European business environment in an attempt to sustain that similarities and differences throughout the Single Market could in fact represent a starting basis for the development of entrepreneurship.

In order to understand the current context describing the European Union – in terms of redefining the EU's architecture after the Brexit –, the first chapter provides an incursion into the past to such extent as to start the analysis of the period before the signing of the founding treaties of the European Communities. Shaping the political, economic and social context which led to the European integration process proves useful in terms of comprehending the aftermath of such endeavour. The brief presentation of the treaties which form the legislative basis of the EU and of the successive enlargements casts a new light on the challenges that the EU is currently facing and explains to some extent the exacerbation of the Euroscepticism and of the nationalist views, while trying to answer one of the questions repeatedly asked in the past two years: “Do European States afford to give up the advantages resulting from belonging to a strong union?” (p. 9).

The subsequent chapters of the book offer analyses of the various facets of the Single European Market. Hence, the second chapter describes the stages of the

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integration process and the main characteristics of the free movement of goods, services, capitals and persons. As the actors on the Single Market have changed and evolved, based on these four freedoms of movement and on new regulations aimed at guaranteeing and improving these benefits, the chapter stresses the need for upgrading the Single Market in order to help small and medium enterprises (SMEs) and start-ups to grow, to enhance a balanced collaboration among institutions and economic agents, to provide less bureaucracy and more transparency. Subsequently, since free trading of goods was the starting point of the Single Market, a deeper analysis of the EU's trade policy can be found in the third chapter of the book. The main key goals of this chapter are to answer the questions related to some strategic issues concerning the perpetual dilemmas regarding protectionism versus liberalisation of trade, the fairness of the free trade, external openness versus internal perspective. The European Union has become one of the main trading actors worldwide and in order to consolidate this position, it must adapt to the modernisation needs in terms of the multilateral trade dimensions.

The third chapter also presents in a clear manner the main features of the oldest common policy of the EU, namely the institutional design supporting the trade policy, the main tariff and non-tariff instruments and the roles played by the Member States and international organisations. Additionally, a special focus relates to meeting the objectives of the Europe 2020 Strategy.

The enlargement of the European Union over the decades has brought an increased pressure on the EU institutions and policies to reduce the development gaps between the old and the new Member States. In this sense, the need for developing the Cohesion Policy is fully stressed in the fourth chapter of the book; the answer as to why the Cohesion Policy is needed in the EU is supported by the numbers and figures which provide a clear image of the disparities among the European regions. Moreover, based on the principles of this policy, the connection to the idea of supporting entrepreneurship through Structural and Investment Funds is of use in terms of perpetuating the advantages of the Single Market exposed in the previous chapters.

The book follows throughout the subsequent chapters (5 to 7) some of the features that could translate either into barriers or into stimulating factors for European entrepreneurship, depending on how the European Union would continue its course of action in the future. Firstly, the Single Market is highly regulated under the premises and limitations imposed by the Competition Policy, with anticompetitive practices clearly stated and supervised by the European Commission. Additionally, there is a fine line between innovation incentives and competition rules within the EU, hence the fifth chapter presents various and sometimes divergent opinions formed about this particular issue.

The desiderate of obtaining the Single Market has been supported by the creation of a common currency, namely the Euro. This book offers in its sixth chapter a critical analysis of whether the common currency has been a success or a failure as

regards to its role of achieving? increasing convergence on the market of the EU. With strong points on both sides – the pros and cons of the Euro – taking into consideration the characteristics of the optimal currency area, the Eurozone remains an ambitious and unfinished project, dividing Member States and scholars alike. In this context, the review of the Fiscal Policy and regulations in the EU comprised in the seventh chapter comes as a natural transition. As the relationship between healthy public finances and economic development has been emphasised at all levels by various professionals, a special attention is focused on the case of Romania, as a country struggling to fulfil the limits of the structural deficit imposed by the European fiscal pact and the Maastricht criteria for entering the Eurozone. The figures point out and support the author’s statement that since the implementation of the fiscal pact, “the fiscal-budgetary policy room for manoeuvring will be much lower than in the past” (p. 164).

The following chapter emphasizes the role of the European Energy Union in increasing the competitiveness of the business sector; valuable ideas such as Energy Policy, climate goals and regenerable sources of energy are combined with concepts of achieving an integrated European energy market and energy security. As the European Union strives to decouple the economic development from energy from fossil sources consumption, the chapter delivers a relevant analysis of the correlation between energy and economic indicators in the EU.

The Single Market framework is completed by an incursion into the digital sector, as a key-element of the modern society. Digitalisation becomes more and more present in the lives of European citizens, hence the Digital Single Market is a relevant component of the classic market, as it interferes with all the four freedoms of movement set into place by the Single European Act three decades ago. A descriptive investigation of the correlation between the Information and Communication Technologies (ICT) sector and the economic development of the EU-28 reveals that there is a strong connection between economic development and internet access and use, lifelong learning and the ICT supply, while also pointing out the business opportunities offered by the digital market, such as e-commerce.

Chapters 10 to 12 examine social entrepreneurship across the EU from a theoretical to a more practical approach. Moving on from the motivation of just achieving a financial gain, “social entrepreneurs engage in fields of activity where they can have a positive social impact while addressing social problems, ... such as education, health, culture, environment, human rights and poverty alleviation” (p. 215). Because social entrepreneurship is gaining importance, the European Union is actively supporting social business initiatives through a more comprising set of regulations and funding opportunities for research and businesses, in order to achieve a more balanced structure between economic and social sustainability. In terms of cohesion within the EU, there is still a disproportion between Western and Eastern Europe Member States regarding the scale of social entrepreneurship. Consequently, the role of social enterprises becomes more significant and relevant examples of such

enterprises from various European countries offer enough incentive for further exploring this type of business sector – with a special focus on family businesses as a means of resolving several community problems while ensuring a decent standard of living for the family members.

Another segment which has built its contribution to the EU's GDP and has intensified as a result of the creation of the Single Market is the tourism industry. Throughout the years, the European Commission has developed various initiatives in order to increase Europe's worldwide attractiveness as a touristic destination and numerical and statistical findings emphasise a growing role of tourism within the European economy. A focus on Romania's case, however, shows relatively slow improvements and brings to the fore new courses of action for more visible results in the future, based on the main personal preferences and profiles of regional tourists.

The fourteenth chapter deals with the "sociotechnical challenges that SMEs of a transition economy face during EU integration" (p. 296), respectively the ones from Albania, a candidate country for EU accession. The qualitative research comprised in this chapter emphasises the main critical success factors for SMEs in an emerging economy such as the Albanian one in its transition to the EU market.

The subsequent chapters of the book highlight once more the role played by the SMEs in economic growth and outline several niches and business opportunities arising from different European countries and business environments. Such a business development is given by the concept of intrapreneurship or "the creation of business ventures within existing organisations" (p. 321) and by the constant connection between innovation and entrepreneurship in order to achieve company and societal long-term sustainability goals. Under these circumstances, a newer concept emerges, namely the concept of "creative economy" (p. 331), which brings together even more elements, such as culture, economics, geography or technology. The quantitative analysis in the sixteenth chapter demonstrates the increasing importance of the creative economy in the Romanian economy as a new means of local and regional development.

A noteworthy remark at this point in the book is directed towards the challenges faced by the higher education system in the process of preparing specialists for the labour market. As new education strategies are needed, international rankings become a more significant criteria which must be taken into consideration when developing such strategies and issuing pro-active managerial actions in the tertiary education system.

Another important aspect revealed by this book is the lobbying power the big businesses have within the EU's institutions' regulation process in the detriment of the SMEs' interests – to support the critical approach of the eighteenth chapter on this matter, two major economic segments are taken as examples: agriculture and banking/finance. As it is often argued that the European institutions acted towards managing the past financial crisis, rather than resolving it (p. 381), this chapter debates from a critical point of view to which extent the European Union actually

creates a favourable environment for the development of small and medium companies instead of serving the big businesses' interests.

Since the importance of research has already been highlighted in the previous chapters, the penultimate chapter provides a useful insight into the FP7 results in its various fields of application, ranging from the number of jobs created to the annual impact on the GDP. The book concludes with yet another chapter which brings into the light the example of the Over-The-Counter (OTC) market in Poland in comparison with the OTC markets in old Member States. The examination of this type of market in connection with investments in ICT indicates that Polish companies in this business sector have already acknowledged the importance of such investments for enabling their internationalisation and their access to other national OTC markets and stakeholders.

A special feature of the book is that each chapter contains a dedicated section to questions and applications, which proves extremely useful for students and specialised practitioners. Furthermore, the numerous examples from various EU countries, case studies and qualitative or quantitative analyses sustain the main idea of the book, specifically that the threats or challenges of the Single Market might also be turned into opportunities for the European business environment. The book delivers extensive information from theoretical and legislative perspectives as well as from a practical and applicative point of view on several key-aspects which define the past and the current evolution of the Single Market and of the integration process among Member States, thus being a highly useful material for students (at all levels of higher education), but also for the general public and the entrepreneurial environment.