

## REGIONAL COMPETITIVENESS VS ECONOMIC CRISIS: THE ROLE OF THE PUBLIC SERVICES

### **Abstract**

During the last 2-3 decades regional competitiveness became one of the key concepts used in regional social-economical analysis. Another related term, competitiveness of an economical branch, economical sector or particular industry, is used as an indicator of great importance for the position of the products or services of a specific sector on a market which is more and more crowded. Taking into account the importance of the above mentioned terms, especially the importance granted to them by the Lisbon Agenda, and the fact that a bigger and bigger share of the Gross Domestic Product of a nation is achieved in the field of public services, this work tries to analyze the extent, at the level of the Romanian society, of the contribution of public services of general concern to the emergence and development of regional competitiveness poles, and also the way some services from the category mentioned could become themselves competitiveness poles at European and Romanian economy level.

**Keywords:** poles of competitiveness, public services of general concern.

**JEL CODES:** D73; I18; L78; L88; R38; R28; N40; M16.

# COMPETITIVITATEA REGIONALĂ ȘI CRIZA ECONOMICĂ: ROLUL SERVICIILOR PUBLICE

Florin IONIȚĂ

Florin IONIȚĂ

Lector univ. dr., Facultatea de Management,  
Academia de Studii Economice din București  
E-mail: [ionitaf@hotmail.com](mailto:ionitaf@hotmail.com)

### **Rezumat**

Pe parcursul ultimilor 20-30 de ani competitivitatea regională a devenit unul dintre conceptele cheie folosite în analizele socio-economice la nivel regional. Un termen înrudit, și anume acela de competitivitate a unei ramuri economice, sector economic sau a unei industrii este utilizat ca și indicator de maximă importanță în poziționarea produselor sau serviciilor unui anumit sector pe o piață din ce în ce mai aglomerată. Având în vedere importanța termenilor mai sus menționați, și în special importanța acordată lor de către Agenda Lisabona, precum și faptul că o cotă din ce în ce mai însemnată a Produsului Intern Brut al unei națiuni este realizată în domeniul serviciilor publice, prezenta lucrare încearcă să analizeze nivelul contribuției serviciilor publice de interes general la apariția și dezvoltarea unor poli de competitivitate regională, precum și căile prin care anumite servicii din categoria menționată ar putea deveni ele însele poli de competitivitate la nivelul economiei românești și europene.

**Cuvinte cheie:** poli de competitivitate, servicii publice de interes general

We can state that the regions (as towns or countries) are competitive if their economies are open, their income per capita is high and growing, if they are able to support a high employment rate and if large population segments benefit of a significant share of the national or regional income. By extra poling these at the level of an economy we can say that a branch, a sector or an industry represents a pole of competitiveness when its contribution to the global results generated by that economy is significant and when the specific products or services of that sector have a top position on the regional or world market. Due to the definition given by Eurostat (<http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>, 2009), the statistical office of the European Communities, the competitiveness is the capacity of an enterprise, branch, region or multinational assembly to generate, in a sustainable way and under competition conditions a high level of the incomes and a relatively high resource occupation rate.

The competitiveness can be in the same time a means of sustained growth of the life standard of a nation and also a way of maintaining a low level of involuntary unemployment (Castles, 2007). It can be measured both by ex post indicators (indicators which quantify the present or past performances of an economy, such as Gross Domestic Product, GDP per capita, annual growth rate of the GDP, productivity, employment rate, structure of the foreign trade, the market share of the region on the international market) and ex ante indicators, which focus on the sources of the competitive advance of a region more than on the performance level itself. In the first part of this work we will present a European approach of measuring the competitiveness level of a region and the results of the application of this method for measuring the competitiveness of Romania as a state.

The policy of the European Union concerning competitiveness is synthesized in the Lisbon Agenda, a document issued as a result of the European Council in Lisbon which took place in March 2002 (Hall, 2009). At this meeting the European Union launched a complete set of targets which could be achieved by implementing the integrated structural reform support in the next decade, targets convergent to the achievement of the main goal, which is becoming "the most competitive and dynamic economy in the world, knowledge based, capable of constant economic growth, with more and better jobs and a bigger social cohesion", as stated in the 5th paragraph of the conclusions of the Council. The above mentioned document represented the reaction of the European leaders to the necessity of long term European reforms for solving important problems of the European continent such as the aging of the population, enlarging the Union or globalization. Starting from this reaction, we will hereby present the way the field of public services of general concern can contribute, in our opinion, to achieving some of the objectives of the Lisbon Agenda.

The leaders of the states of the European Union were aware that this could only be possible by means of a concerted action involving all the member states and more political areas. The European Council in Gothenburg (June 2004) added a third dimension to the Lisbon Agenda, the environmental protection, completing the other two (economical and social) conceived by the Council in Lisbon (Demmke, 2009). The national governments were asked to develop and implement the reforms at the national level, by means of an adequate European frame. This approach emphasizes both the necessity for reform coordination at the level of the European Union and the reality that each of the member states faces obstacles of different nature and must take into account the particularities of each of the economies in the implementation process of this strategy. This is why this paper shows a series of comparative analysis from which the actual level of the services of general concern in Romania comes out, compared with the European level of the same services.

We will make a brief analysis of the development of both the economical and the social services, of the principles which determined this evolution, of some of the strengths and weaknesses of each category of services of general concern and we will make some recommendations for the further evolution of the field of public services of general concern which, in our opinion, can lead to the emerging of poles of regional or economic competitiveness.

### ***Regional competitiveness***

At European level the strategy concerning competitiveness is best described in what we call The Lisbon Strategy (or the Lisbon Agenda). This is the most important European development project, reflecting the strategic thinking for economy and society at communitarian level. Initially thought to help Europe become "the most competitive knowledge based economy" until 2010, the Lisbon Agenda suffered, in March 2005, at the middle of the implementation process, a review which moved the weight to economic growth based on technological progress and employment. Under the pressure of the lack of results, the Lisbon Agenda was redesigned and received what used to be known as "a new start" (Boger, 2005)

In order to achieve a pertinent analysis of the evolution of the competitiveness at the level of a region, and to determine the degree of compatibility between the measures taken in the field of regional and national politics and the norms of the Lisbon Agenda, it is necessary to define a methodology for the evaluation of the level of competitiveness. One of the first consequences of this initiative was launching a Platform for Monitoring the Lisbon Agenda (PML), (Määttä, 2004) having two main components:

- the Web component – operational instrument of the regional authorities which includes and uses detailed regional data, a documenting centre and interactive forums by which information about good practices is being changed
- the workshop component

PML was established by a questionnaire - like demand addressed in May 2006 and became operational in November 2006. By this platform the local authorities are invited to participate in the review process of the Lisbon Agenda. At that moment 140 local and regional authorities answered the call (Romania and Bulgaria were to be considered for the next phase of the call) (Eurostat, 2009). The main element of this project consists of a system for econometric classification of the regions in 11 groups depending on certain social-economical characteristics, as they are quantified by the Eurostat indicators. We briefly present these indicators and the regional typologies which resulted (European Federation of Public Services Union, 2008).

The indicators proposed for the analysis are:

1. The Gross Domestic Product, per capita.
2. Long term unemployment, as % of total unemployment.
3. High technology services (% of labour force)
4. High education (% of population who graduated a university)
5. Workers in knowledge domain (% of population having a licence in the field of science and technology and works in the research field)
6. Public expenses with R&D, as % of GDP
7. Population density
8. The added value in industry, the share of processing industry in total gross added value
9. The added value in services, the share of services in total gross added value
10. Governmental services, employment in administration (% of total employment)
11. High tech processing industry, employment in high and medium technology industry (% of total employment)
12. R&D in business, expenses for R&D in business as % of GDP
13. Research workers (% of the population employed in the research area)

14. Added value in agriculture, rate of processing agriculture in total gross added value
15. Training (% of the adult population recently registered to training programmes)
16. Youth (% population under 10)
17. Women activities (% of the total of the age categories)

Speaking about generating, by the public services of general concern, of poles of regional competitiveness, we emphasize the importance granted to this sector through the indicators at the positions 3 (high technology services), 4 (high education), 5 (workers in knowledge domain), 6 (public expenses with R&D), 9 (the added value in services), 10 (governmental services), 12,13,15 and, indirectly, 7, taking into account that a region with a high level of development of the public services of general concern usually attracts a high urban development.

The eleven resulted groups compose the following regional types:

1. Platforms of processing industry – regional economies mainly depending on the processing industry. Most important locations are Czech Republic, Hungary and some areas in Slovakia.
2. Tertiary oriented cohesion - activities oriented to services, with low level of the GDP per capita. Main locations are Poland, Spain and Hungary.
3. Science and services – Urban areas serving as national centres for business services, government and administration, public institutes for research and universities. Important locations are mostly in capital cities, as Madrid, Warsaw, Lisbon, Budapest, Athens.
4. Techno-central – characterized by an important weight of the processing industry, based on high and medium technology; located especially in the middle of the European Union, Germany, France and Italy.
5. High employment rate – Regions which are capable to offer long term jobs on a large scale, for youth and women. Examples are Great Britain, Holland, Sweden, Austria or Finland.
6. Experience and skills – Important rate of the population with high education, but low capacity to ensure a significant dynamics of employment (East Germany, Spain, Bucharest and Sofia).
7. Ascension – all indicators are at low or at most medium levels. Long term unemployment is higher than other regions. Located in large areas of Romania and Bulgaria.
8. Periphery and rural – usage of technology in the private sector reaches low scores. Locations: Greece, Spain, Portugal, Latvia and Finland.

9. Governmental services – municipal services and employment in public administration have high levels, but unemployment is a great problem. The level of GDP per capita equals the European average. Located in south Italy, Malta, Spain, Northern Ireland.
10. Areas of high German technology - they include regions of the high tech processing industry from Bavaria and Baden - Württemberg. They are characterized by a very high productivity, even if the employment expectation is low. This category recorded the smallest growth rate in all 11 groups.
11. Dynamic centres – main characteristic is big towns, high density of the population, high levels of the productivity or GDP per capita. The business research or processing industry based on high tech can still be relatively low.

The standing of Romania can be seen in the 6th category, together with Bulgaria, East Germany and Spain, category which is described as one with a relatively high level of education, especially in big towns. The decline of the industry is a cause of the low employment rate, reason for reorientation of the labour force to the service sector, especially the services of general concern. As a matter of fact, this sector can turn to a competitiveness pole both because of its capacity of creating employment and of increasing the life quality level.

Together with Bulgaria, Romania is also classified in the 7th category (Ascension), category which is characterized by a high level of the long term unemployment and low levels of most of the indicators. This classification changed in the last two years, when some of the indicators suffered important and positive transformations, on the background of a fast economical growth, which was recently slowed down by the economical crisis. In this case it is obvious that an orientation of the economy towards services can improve the present situation, and the public services of general concern can generate an important growth by the set of indicators influenced.

For a better understanding of the way the development of the services of general concern can influence the performance level and, implicitly, the competitiveness of a state and a region, we show, further on, a sketch which describes the aggregation of the performance level, starting from the basic performance indicators of a state, as shown in Figure 1(Donath, 2008).

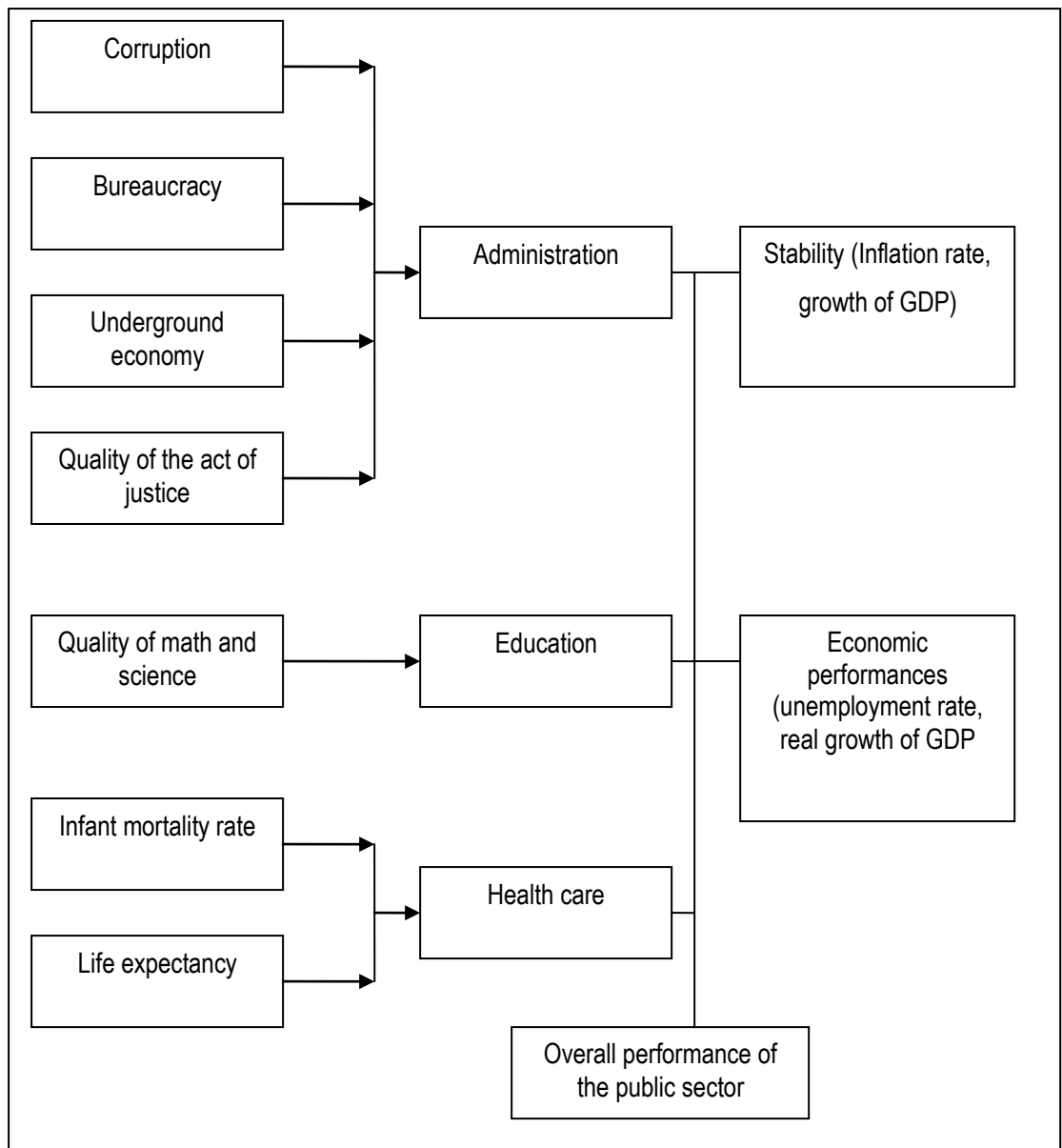


FIGURE 1 COMPETITIVENESS AND PERFORMANCE LEVEL OF A STATE OR REGION

As seen above, public services of general concern (as, for example, healthcare or education) determine, through the overall performance of the public sector, and, also, by economic levers, the competitiveness of a region or country. Further on, we show a measuring method for the regional competitiveness (1) which uses for the computation of this indicator the known values of some general indicators, such as Gross Domestic Product, total population of the region, employed population and the population which, from the age point of view can be employed.

So, a synthetic indicator which can show the competitiveness of a region would be GDP per capita. The formula shown below (1) gives the value of GDP per capita using the factors mentioned above (Donath, 2008).

$$\frac{GDP}{P_T} = \frac{GDP}{P_E} * \frac{P_E}{P_A} * \frac{P_A}{P_T} \quad (1)$$

Where:

GDP – Gross Domestic Product of the region or country

P<sub>T</sub> = Total population

P<sub>E</sub> = Employed population

P<sub>A</sub> = Population aged 18-65

Another interesting aspect of the regional competitiveness is represented by the situation of different regions of Romania. We can state that among these regions (named Development Regions and consisting of 4-6 Departments or Counties, called Judete) there are significant differences, from the point of view of regional competitiveness, as shown in Table 1 and Figure 2, where regional competitiveness is analysed by GDP per capita.

TABLE 1 COMPETITIVENESS OF ROMANIA AND OF THE 8 DEVELOPMENT REGIONS BY GDP PER CAPITA  
GROSS DOMESTIC PRODUCT PER CAPITA BETWEEN 1999-2004 - EURO PPC 1-

	1999	2000	2001	2002	2003	2004
UE 25	19808	20580	20992	21708	21070	22741
Romania	5031	5124	5500	6100	6300	7300
North-East	3723	3587	3945	4363	4557	5052
South-East	4664	4555	4739	5237	5398	6621
South	4191	4176	4368	4882	5113	6088
South-West	4518	4294	4621	4874	5335	6081
West	5811	5257	5827	6607	7114	8373
North-West	4835	4765	5078	5738	6088	7096
Center	5378	5488	5769	6587	6755	7607
București-Ilfo	8588	10596	11640	12698	12225	13980

(Source: The Statistic Year Book of Romania 2006-2007) (Institutul Național de Statistică al României, 2008)



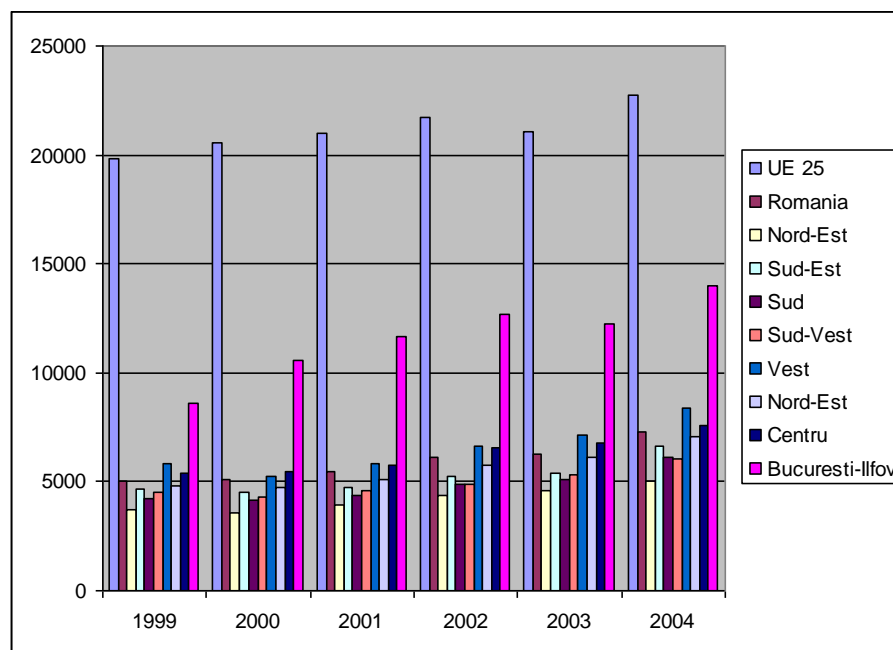


FIGURE 2 COMPETITIVENESS OF ROMANIA AND OF THE 8 DEVELOPMENT REGIONS BY GDP PER CAPITA  
(Source: The Statistic Year Book of Romania 2006-2007) (Institutul Național de Statistică al României, 2008)

In view of these gaps, the government program of Romania has set the following fundamental objects for the period 2008 – 2012:

- Diminishing the existing regional unbalances by stimulating the increase of competitiveness and by revitalizing the disfavoured areas.
- Balanced regional development by correlating the national sectorial development public policies to the local development public policies: infrastructure and transportation, increase of employment, rural development, education and health, environment.

Among the main viewed lines of action we can mention: elaboration of the local development strategy as a component of the public administration reform, elaboration of a procedural normative framework to define the components of the different strategic decision levels, identifying, drawing and solidarizing the local performers on a partnership basis to support and actually acquire the local and regional projects, valuation of the local resources (human, physical, natural, economical, financial etc (FDSC, 2007).

Correlated development of urban and rural areas with a view to integration of the local development plans into the regional ones and to monitoring their accomplishment, promotion of public-private partnerships, providing the necessary funds for preparation and co-financing of projects from the state budget, intensifying the transborder and transnational cooperation at region level, human resource development, capitalizing the cooperation potential with the private sector and other measures are also

taken into consideration. (Lambro, 2004) The field of public services of general concern is an extremely important element for the increase of regional competitiveness. In public administration and especially in different forms of combined administration (such as public-private partnerships) these services can bring some extra vitality to the development of the levels of attractiveness and competitiveness of regions. Moreover, education as a public service of general concern has a primordial role in forming and perfecting the human resource, whilst the public utility services provide the industrial development with the necessary infrastructure. A concrete example of attitude towards the component of public services of general concern is given by the structure of the State Budget of Romania for 2008, shown in Table 2. To be noticed that 20.6% of expenditures are assigned to economical purposes, being meant (in the authors' opinion) for supporting the unattractive fields for the private capital and for providing public goods and services. These are positive, added value creative and time amortizable expenditures.

Also, a significant percentage of the public expenditures is allotted to non-productive, financial resource consuming activities: public order (11.7%), state administration (10.2%), national defence (7.3%).

The percentages allotted to quasipublic expenditures are 12.3% for education, 2.25% for culture, religion and recreation, 3.72% for health. Of course the education and health expenditures have become to a considerable extent the responsibility of local communities in terms of competence and financing obligations, but the percentage allotted in the total state budget expenditures is still poor.

TABLE 2 EXPENDITURES STRUCTURE IN 2008 STATE BUDGET OF ROMANIA

Public Expenditure Category	Amount (mil. Lei)	Expenditure Structure (%)
Total expenditures allotted to:	78,867.9	100.0
- Administration	8,064.6	10.2
- National defence	5,737.6	7.3
- Other general public services	1,198.4	1.5
- Public debt transactions	2,686.6	3.4
- Public order	9,259.8	11.7
- Education	9,688.9	12.3
- Health	2,909.5	3.7
- Culture, religion, recreation	1,776.8	2.3
- Social security and assistance	15,265.4	19.4
- Environment protection	457.8	0.5
- Dwellings, services, public development	1,683.1	2.1
- Economical actions	16,251.2	20.6
- Basic research	2,521.9	3.2
- Transfers among administration levels	1,366.3	1.7

Source: Romanian Ministry of Finance, 2008 State Budget (Ministerul de Finanțe al României, 2008)

Taking into account the importance of these expenditures as investments in human capital, we deem that the concern for this sector should be greater, particularly because of the productivity transfer effects on the economy. Even though such expenditures are regarded as negative in the short run, as they are proper payments, it is possible that benefits be greater in the long run, with positive bearings on development. Under the circumstances of knowledge-based economy, promoted by the requirements of Lisbon Agenda, the fields of education and research should become prior. On the other hand, the percentage allotted to the basic research expenditures is far from sufficient to cope with competition under the circumstances of globalization. A tiny percentage (0.5%) of the public expenditures was allotted to environment protection, even if the European tendency is to encourage environment damaging preventative actions. In exchange a significant percentage of the total public expenditures is allotted to social security and assistance (20.6%), meaning that a great part of the population gets financial support from the state.

A recent study reveals that the share of services in the EU economy is about 71% from the added value view point, while the share of goods and services is not even one fifth (its actual level is 18.3%). The remaining 10.7% is divided among utilities (part of the public services of general concern), construction (totalizing 7.7% altogether), mining (0.8%), agriculture and fishing (2.2%). (European Federation of Public Services Union, 2008)

#### ***Services of General Concern***

The services of general concern are those services of public concern which the public institutions and authorities contract to be accomplished by some economical or social units also called "public service providers" or "public service operators". They can have state, private, joint or public capital. The services can be assorted in economical public services of general concern and social public services of general concern.

The services of general concern refer to the following categories of public services:

- a) services provided by network industries (communications, transportation, postal services, electric and thermal power distribution, natural gas management, potable water distribution, sewerage and purifying of used water etc).
- b) social and economical activities of public concern (public lighting, social dwelling construction, public domain management and maintenance, management and maintenance of the tenant's pool, building and urbanistic cadastral survey etc).

According to The Human Rights Chart adopted by the European Union, the access of all citizens to public services of general economical and social concern is recognized and observed. Providing a high quality level for these services contributes to improving life quality and to increasing the economical, social and territorial cohesion. At the same time it leads to consolidating the European citizenship, since it regards the rights of the European citizens and offers a possibility of dialogue with the public authorities, reflecting the way they fulfil their duties to the citizens. At national, regional, county and local level the competent authorities are assigned to define, organize, finance and control the public services.

As far as a good administration is concerned, the public services should be considered in a continuous evolution and adapted to the new requirements of the technological, economical and social progress. The way these services are organized and provided varies depending on the geographic conditions, the history and the cultural traditions of each community as well as on the features of the respective activity. The selection of the public service operators must be done by competitiveness and is achieved by public auctions. The specific duties and the imposed norms are comprised in the Specifications.

With regards to this diversity, the European Union emphasizes in its documents the duties of the national, regional, county and local institutions and authorities to provide public services so that they contribute to the citizens' welfare improvement and to observing their right to democratically choose the service providers in accordance with the quality, competitiveness and efficiency criteria. Providing public services in as skilful a way as possible is also a condition to the proper functioning of the sole market and to a better economical and social integration in the European Union.

The European Community has competences in all fields that view the services of general concern: health, free travel of persons and goods, environment protection, economical and social cohesion, research and development, domestic market, competition, social security, consumer protection, taxation policy etc. Its policy views different levels and forms of action using specific procedures and instruments. The duties of elaborating the communitarian rules regarding the public service obligations as well as of controlling their application are assigned to the competent authorities of the member states, however the Commission can take some direct specific measures to persuade the member state authorities to obey and apply the communitarian rules on competition and state assistance.

The communitarian legislation contains provisions on obeying the democratic, free market economy, competition, competitiveness and performance principles as well as norms of allotting and utilization of public funds. The public authorities must draw up strategies, policies and methodological norms at national or local level for all categories of services of general concern, correlate them and take proper

measures to put them into practice. They must ensure the proper functioning of the market and contribute to meeting the citizens' primordial needs, as well as preserving the public assets.

A series of norms which settle the framework of the responsibilities of the central and local public administration structures, the public service operators and the beneficiary population has been drawn up and put into practice. The above mentioned norms have been followed by a series of secondary and tertiary regulations which, for the first time in the history of post-war Romania, settle administrative, legal and technical rules for each public service. By these regulations it was desired to create a coherent legislative framework to allow the development of each public service in accordance with the provisions of the European directives and to aim at providing high quality services for affordable prices complying with the principles of sustainable development, resource saving and environment protection.

The European Union imposes precise criteria on assuring skilful and quality public services of general concern, especially the development and correlation of network industries, meant to contribute to the increase of citizens' welfare and to reaching the communitarian norms and standards within short (De Bruijn, 2002).

The European Community promotes a "controlled" deregulation of these services, namely a gradual opening of the market accompanied by protective measures of general interest, especially by bringing in the concept of universal service, in view of assuring everybody's access to quality services for affordable prices, regardless of their economical or social status or their geographic location (Demmke, 2009).

Romania must organically enrol in this concept since the central and local administration must progressively ensure the reaching of these goals by drawing up precise medium and long term development programs for public services of general concern by conforming to the common principles and goals in view of their harmonization with the standards and norms imposed by the communitarian acquis.

Let us consider the case of the public utility services, a significant component of the economical public services of general concern, which play an extremely important role in the civilization level of a region, but which is also a dynamic and complex sector, able to provide a considerable number of jobs (Asociația Națională pentru Protecția Consumatorilor și Promovarea Programelor și Strategiilor din Romania, 2009). The National Authority for Regulation of Communitarian and Public Utility Services has been functioning in Romania since 2001, coordinating the activity in this field and working out annual reports on the actual situation and the problems to be priorly solved. Such reports are also worked out by other specialized organical structures with competences in the field of public services, which operate

both within the country and abroad. Their activity is also supported by employers' and professional specialized organizations (Romanian Dwelling Employers' Organization, the National Union of Public Carriers, Romanian Energy Service Employers' Organization, Romanian Water Service Employers' Organization, Romanian Sanitation Service Employers' Organization, Public Lighting Service Employers' Organization, National Association of Public Administration IT Workers, National Geodetics, Cadastral Survey, Map Drawing and Photogrammetry Service Employers' Organization etc), which have already drawn up projects on the National Strategies of Sustainable Development of the main public services of general concern (Mihăescu, 2009). In our opinion the increase of regional competitiveness requires that Romania provides its consumers with skilful public services to European quality standards for affordable prices and contributes to her citizens' welfare increase and to the observance of their fundamental rights.

A few remarks can be made on the social public services of general concern (Kemp, 2002) (Rusu, 2007) (Popescu, 2009):

- there is still a great deal of public institutions at local level, especially villages and small towns, unauthorized to provide social services.
- the special child protection services and institutions are still the most wide-spread as opposed to the disabled and elderly people care services. We can say the same about the prior financing of the child protection services. The elderly people services, along with the family protection services, are still sub financed.
- the public services at county level (DGASPC) and at local level (SPAS) have a double role: implementing the social policy at local level and providing social services.
- the national social policy focuses on the social service system (passive measures) rather than on the active measures able to overcome a social need.
- the social service financing is still centralized, since the greatest share of the sources (70%) comes from the state budget by a VAT deduction and only the remaining 30% comes from the local budgets' own incomes.
- in order for the state budget sources to reach the local level, they cross the budget of the Ministry of Labour and then the budget of the specialized central authorities.

- the financing of the social care services is not based on a local or national strategy on social needs. Usually the local authorities can only set up new social services upon budget adjustments.
- the social service contracting system is over-regulated. The local public authorities have four totally different contracting instruments on hand. It is necessary to improve and correlate all the contracting mechanisms as well as to clarify the way they relate to the special legislation (for instance the public acquisition law)

The main medium and long term goals and strategies on the modernization and development of the public services of general concern (Hall, 2009) (Mihăescu, 2009) consist of:

- de-politicizing the public services of general concern and promoting professional skills, effectiveness and efficiency at their leadership level
- de-centralizing the services of general concern and involving the network operators
- promoting the free market economy principles and diminishing the degree of monopoly
- attracting the private capital to financing the investments in the infrastructure of the services of general concern
- increasing the authorities' responsibility for the quality of the services provided to the population
- extending the centralized systems for basic services (water supply, sewerage, sanitation) and increasing the population's access to these services
- improving the forms of social care for the disfavoured segments of the population
- re-considering the price/quality ratio in all fields
- increasing the population's purchasing power
- institutionalizing the local credit and its extension to financing public services
- promoting the measures of sustainable development
- continuous training of the human resources
- promoting the social partnership

These are only a few recommendations which, in the authors' opinion, can have significant effects on the increase of the level of the public services of general concern in Romania and this way they can



stimulate the increase of the regional competitiveness and reach some of the goals of Lisbon Strategy. Yet it is necessary that, on one hand, the institutions and organizations with competences in this field develop and particularize these goals by submitting them to public debate, thus actually contributing to as good a substantiation of the Sustainable Development Strategy – Romania 2025 as possible and on the other hand the resulted lines of action, which also settle the development of poles of regional competitiveness by means of the public services of general concern, be consistently followed regardless of the changes in the political leadership that may arise for subjective or objective reasons.

## REFERENCES

- Asociația Națională pentru Protecția Consumatorilor și Promovarea Programelor și Strategiilor din Romania. (2009). *Raport Național – RomâniaProiect: "Organizațiile de consumatori și serviciile de interes general: evaluarea de către cetățeni a autorităților de reglementare"*. Bucuresti.
- Boger, S. (2005). *Public Sector Performance: An International Comparison*. European Public Administration Network.
- Castles, F.G. (2007). *The disappearing state?* Cheltenham: Edward Elgar.
- De Bruijn, H. (2002). *Managing Performance in Public Sector*. Routledge.
- Demmke, C.B. (2009). *Regulating Conflicts of Interest for Holders of Public Office in the European Union, A Comparative Study of the Rules and Standards of Professional Ethic*. Vaasa: European Institute of Public Administration.
- Donath, L. (2007). *Finante publice*. Timisoara: Ed. Mirton.
- Donath, L. a. (2008). *Modalități de alocare a resurselor publice în economiile contemporane*. Timișoara: Universitatea de Vest .
- European Federation of Public Services Union. (2008). *Strengthening social dialogue in the hospital sector in the new Member States and candidate countries, a project for EPSU and HOSPEEM, Overview and Final Reports*.
- Eurostat. (2009, 01 12). <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>. Preluat pe 06 10, 2009, de pe <http://epp.eurostat.ec.europa.eu>.
- FDSC. (2007). *Reforma contractării sociale în România*. Bucuresti: Fundația pentru Dezvoltarea Societății Civile (FDSC).
- Hall, D. (2009). *EU Neighbourhood policy: implications for public services and trade unions*. London: University of Greenwich.
- Institutul Național de Statistică al României. (2008). *The Statistic Yearbook of Romania*. Bucuresti: Institutul Național de Statistică al României.
- Kemp, S. (2002). *Public Goods and Private Wants, A Psychological Approach to Government Spending*. Cheltenham: Edward Elgar.
- Lambru, M. a. (2004). *Parteneriatul public-privat în furnizarea de servicii social*. București: Editura Ziu.



- 
- Määttä, S. (2004). *The Lisbon Strategy and Strategy- Focused Public Administration*. European Public Administration Network.
- Mihăescu, L. a. (2009). *O analiză a serviciilor publice de interes economic general*. Bucuresti: UPB.
- Ministerul de Finanțe al României. (2008). *www.mfinante.ro*. Preluat pe 2009, de pe *www.mfinante.ro*.
- Popescu, L. (2009). *Măsuri strategice de dezvoltare durabilă*. Bucuresti: ASE.
- Rusu, O.P. (2007). *Locul și rolul organizațiilor neguvernamentale pe piața de servicii sociale din România*. Bucuresti: Fundația pentru Dezvoltarea Societății Civile FDSC.