

Who's walking on the Silk Road?

EU's Policy at the Black Sea Region: from Bilateral to Regional Approach

Anca Gabriela Ilie
Oana Antonia Colibășeanu

The Black Sea region is today the geopolitical attraction for both the United States and the European Union after being under the Soviet Union for more than 4 decades.

The countries in the region have started to become pro-European but the Union seems to change its bilateral policy approach with a more regional approach. The political swift has done some history in the case of the Western Balkans, where the EU has first tried its regional approach with a bilateral flavor. The conditionality sets and rules applied in the case of the Western Balkans states could be also used in the case of the Black Sea bordering countries. However, both the European Union and the countries here must first find the incentives and the strenght to get involved into a long term relationship, as it is the relationship between Brussels and the Balkans. In the same time, the events in the Balkans set trends within the Black Sea region.

European geopolitical, economic and security interests demand clear answers to questions like: "how will the dual EU's approach differ from the approach used in the case of the Western Balkans?", "What are the special features of the region that the Union should take into account?". In order to properly answer all these, the EU has first to answer the question "Why the Black Sea region?".

A history of interests – the Black Sea region

Washing the borders of the three ancient civilizations in the World and shaping their history throughout centuries, the Black Sea is not only a place where the European, Eurasian and Middle Eastern values meet, but also the crossroads of competition between the three. The place where East meets the West, where European customs mild with the Oriental ones, has always been viewed as an essential spot for area powers in their geopolitical strategy, whether these powers were Eastern or Western. Shaping cultures, the waves of history have exercised a great influence on the peoples' minds and hearts. Being geographically at the edge of the three continents, at the crossroads of cultures, the region has kept stories that influenced and still influence the peoples' life.

Ever since the Antiquity the Black Sea was the connection between the West and East, serving not only the commercial interests of the merchants but also the first geopolitical strategies of powers both sides. A sensitive point in the commercial routes of all times, it became a strategic region for the Greeks, the Venetians and the Genoas in the Middle Age. Then it assured the Ottoman Empire the resources and the basis needed for a further expansion to the East and North. Ever since Alexander the Great of Macedonia sailed it to the East, the Black Sea served as a bridge between cultures and influences.

The so called "Silk Road" was an active route even before it received the name that made it so famous from the German scholar, von Richthofen in the nineteenth century. Even though no single route was taken, they all passed through the Caucasus and then sailed the Black Sea for the West. The Silk Road was not a trade route that existed solely for the purpose of trading in silk; many other commodities were also traded, from gold and ivory to exotic animals and plants. Of all the precious goods crossing this area, silk was perhaps the most remarkable for the people of the West. Probably the promoters of the Silk Road, the Romans have "used" the Black Sea at its full potential,

not only strategically and commercially but also culturally, through their system of colonial administration. The activities based on sharing values and spreading culture were continued by migratory peoples, by warring peoples, by merchants, by religious missionaries and all others that sailed to the East and to the West in searching answers to their questions.

The Russian, the Persian and the Ottoman Empire have first divided the region upon their interests in the area in the earliest time of modern history. The three have either tried to minimize their strategic risks and secure their borders or transform the region into a strategic stake. It is the way that the politics for the Black Sea region have ever been, as the place has always been the strategic equilibrium between the Mediterranean powers and the ones dominating the South of Eurasia (nowadays Russia), every single major actor on either the East-Mediterranean or the Eastern European stage feeling the need to control the region.

Towards the end of the XIX-th century the Black Sea, until then a stake in itself changed its role and became an 'appendix' for the Caucasus. The shift was caused by the discovery of the new resource that drove the world to the new and modern era: the oil. The nineteenth century was the century when a new political and economic power has risen: the Great Russia - a power that felt the richness within and bordering its lands. But the policies of Russia weren't the only ones that were heard or felt in the Caucasus and the Black Sea region. The multinational companies of the XXth century were attracted by the regions richness and helped or concurred Russia in stressing its policy: Royal Dutch Shell, Nobel Brothers Petroleum Production or Rothschild family businesses are just few examples. This was the time when Caucasian oil represented 30% of world trading oil.

The strategic meaning of these resources was evident in both world conflagrations in the XXth century. In the summer edition of the New York Times of 1918, it was clearly shown that the number one priority

for the Allies is the petroleum fields in the Caucasian region. Germany wanted, at the same moment in history, to control the Baku region but that wasn't achieved as Turkish powers and then Russia has secured their influence in the area. During the Second World War, Hitler has highlighted the need to control the Caucasian oil in order to fuel Germany energy for a brighter future.

Talking about the Caucasian region, one cannot forget to take into account the fact that the Black Sea region is the gate that the West has always used. The Cold War era brought Russia control of the region, the USSR bordering the Northern and Eastern side of the Black Sea. The end of the Cold War and the beginning of the XXIst century brought changes on the international market that influenced and were influenced by the political changes in the region. The US started to be more and more interested in the area, the independence and democratic waves started to go beyond the western side of the Black Sea.

The current trends on the energy market created the premises for the *Strategic War*, a peaceful “conflagration” between the powers that are fighting for controlling the strategic resources of the World. Taking into account this context, the Caucasian and the Black Sea become very important. When *commenting* the strategic war in this region, we have to take into account the nature of strategic resource that maybe controlled in the area. This would be the natural gas provided by or through the region. Of course, oil production can not be ignored as the trends in geo-economics shows us these days. Therefore, states here could be considered under two determinates: *resources on territory* and *routes on territory – producers and transit states*.

The West, in this particular case wants the control over the energetic routes that link it to the East energetic sources to assure the western economies of security. The exports from the area to the EU have been fraud not only once by the political problems and “frozen” conflict as well as the terrorist “attacks” over the pipelines. Taking into account the importance of energetic deliveries - on time - for the western

economies, both the routes and the sources need to be secured. But security for the West is hard to be achieved in an area characterized by such a complex situation – not a political unity in place, not a cooperative and “friendly” environment, not the same accessibility to resources and not an equal status regarding the role that each state could play in the region.

Making a quick survey of the statistics we may conclude that the net producers in the area are only two of the eleven states: Russia and Azerbaijan. Having an industry concentrated on the extraction of oil, natural gas, coal and metals, Russia is the main actor on the scene of energy market. With a daily production of over 9 millions bbl and resources involved in production of 69 billions bbl, Russia is going to dominate the market even in the future, as it is thought that undiscovered sources amount quantities of resource that will equal Russia to Saudi Arabia in oil production. If Russia is on the second place among the world’s oil exporters, it is the first gas producer in the world, with an annual production of 587 millions cm¹ and total reserves amounting 47000 billions cm. But the real advantage of Russia is the capacity to control the energy market and through it the western economies dependent or partially dependent on Russian energy exports. The dependence problem of the West is even bigger when we think that Russia establishes the prices not taking into account the international market trends but its internal – often political – factors.

Even more important than the production is the transportation means from sources in the Caucasian region and especially Russia to the Western side of the Euro-Asian continent. The insecurity on the way and the hegemonic position of Russia are demanding for the creation of alternative routes from other sources like Azerbaijan or the Middle East in order to alternate and this way diminish Russia’s power on the energy market. Anyway, as Middle East is even more insecure than the

¹ Cubic meters

Caucasian area, it is certain that the Black Sea region will remain on the long term a strategic place for the European energetic market. Taking into account the recent and current events in the Middle East, the oil market moves its eyes to the Black Sea and Caspian region, where Russia is still having the major influence and US is trying to make its power felt through military bases bordering the shores and diplomatic speeches toward peoples living the area. As the USSR disintegration left some of the conflicts in the region unsolved and these have become now “the frozen conflicts”, the US is not only seen as the protector of its business but also as the protector of the NATO security issues - something that serves indeed very well the US interests. As the main two powers seem to have a silent fight on the region, the EU – probably the one that should be the most concerned and interested in its very important neighboring area, is drafting proposals for future action plans and is discussing about the neighborhood policy as the only incentive it could offer for the states in the region. Of course diplomatic events do happen in the region and the game continues, as the process of EU’s policy drawing does. What it is certain, though, is the fact that the region will continue its destiny as a place where interests influence and draw up history, culture and business.

The EU and its policies toward the Western Balkans and the Black Sea region

Once a six countries’ club, lying between the Elbe River and The Pyrenees, the European Union is now embracing 25 member states from the Atlantic to the Aegean and probably soon to the Black Sea; from Africa’s shores to the Arctic Circle. But the vision of Europe is not yet complete: there are some strategic gaps that highlight the two regions that have always been the challenge for the Western powers of the old continent – the Western Balkans and the Black Sea region. Characterized by political and economic instability, sharing experiences of violent conflict and states that struggle to fulfill their core functions, the two regions have recently taken significant strides to-

ward Europe. But this is all happening at a time when the EU's internal problems threaten to postpone future rounds of enlargement indefinitely.

Therefore, both regions, the Black Sea and Balkan states – in different degrees, have a new question of strategic importance: how much will the “pause” last? What exactly is on the EU agenda and what is not? Can the conditionality machine that was and is still working on the Balkans be applied for the Black Sea region? While several Black Sea states are on the way to EU integration, the small sense of regional identity, the specificities of the region, the fact that there are still frozen conflicts waiting to be solved and high potential for state failure, the area is less certain to be anchored on a future path towards Europe.

Both regions occupy geographic areas that are not only in the neighborhood of EU, but also bridge the Old Continent to the critical regions of the Central Asia and the Middle East. So, the geopolitical importance of the regions cannot be overestimated. In addition to this, the Black Sea region has also a great economic importance. If the Balkans has a great importance considering the commercial transport routes from the West to the South of the Continent and the Mediterranean Sea, the Black Sea has a great importance because of the energetic routes that fuel the Western economies.

A comparison between the two could therefore offer the theoretic basis for thinking that the EU could one day soon apply the same conditionality for the Black Sea region's states that it has applied for the Balkans' states. The similarities in terms of risks and challenges could be more than appropriate to compare the chances for both regions to become parts of the EU in the future.

All states in the regions are transitional states where economic and political transformations are still incomplete. If fragile states are to become more stable in the Western Balkans where the independence and constitutional status of national states are the main problems, in the

Black Sea region these problems are more acute. In Moldova and several other states of South Caucasus for example, the weak governance is most of the times accompanied by threats to territorial integrity and conflicts' escalations. Even in states like Ukraine where direct threat to territorial integrity is absent, the economic underdevelopment and unconsolidated democracy are threats to state's stability.

Throughout both Western Balkans and the Black Sea region, the inadequate rule of law mechanisms have allowed corruption and organized crime to flourish while ethnic tensions threat to escalate into conflicts, raising in some cases fundamental questions of national security. Of course, seen from a different perspective, the glass could be considered half full as states in both regions have made progress toward the establishment of market oriented institutions and of democratic states.

A condition to join the Euro-Atlantic organizations is the cooperation between states in the same region or the same situation at a moment in time. Cooperation in both cases is difficult if a regional identity is not developed. While in Balkans, even if the national entities rejected at first the "Balkan" identity they have focused later on the "Southeast European" identity and have managed to create a cooperative environment in the region, the regional identity in the Black Sea is less developed and has only recently gained some support and dynamism. The Black Sea Economic Cooperation established in 1992 to promote trade and economic integration among the Black Sea national states highlight some of the problems in the regions: first, the member states have different relations from each other with the World Trade Organization and there is no possibility for a free trade area zone to be formed in the near future; second, some of the member states in BSEC are either already member states or accession states to the EU. Some positive changes could nevertheless be observed in the dynamics of the BSEC recently as it has expanded its field of activity to tackle issues such as organized crime, security, visa facilitation and transportation networks. Also, the Community of Democratic Choice

established in December 2005 upon the initiative of the Georgian and Ukrainian presidents, Mikhail Saakashvili and Viktor Yushchenko, focuses on the promotion of region stability, economic prosperity and democratic values. Romania and Bulgaria are also promoting the Black Sea regional integration and they promise to carry this foreign policy interest into the EU when they become members. All these attempts in the Black Sea and the frameworks of cooperation already in place and active in the Western Balkans have the power to strengthen the linkages between the Western institutions and the regions, creating the chance for the Euro-Atlantic to create positive strategies for both geopolitically important regions.

The sovereignty of some of the states in the Western Balkans and the Black Sea region remain in dispute even after these states have achieved independence and international recognition. The not yet established status of Kosovo is a critical issue for stability in the Balkans now, after the independence of Montenegro from Serbia. Actually the Montenegrin independence could set new trends in both regions, as frozen conflict is not absent in the Black Sea region, too. Relations between Armenia and Azerbaijan remain in tension over the unresolved conflict in Nagorno-Karabakh where armed conflict lasted from 1990 until 1994. Nearly 18% of Georgian territory can't be controlled by the Tbilisi authorities while secessionist movements in Abkhazia and South Ossetia are still very much present. The territorial integrity of Moldova continues to be threatened by the unsettled conflict over the self-proclaimed Transnistrian Republic.

As in the Western Balkans case, the international community always wanted to contribute to the resolution of frozen conflicts in the Black Sea region. The OSCE has played a central role into trying to solve the Nagorno-Karabakh and the Transnistrian conflicts and the European Union role has increased both in South Caucasus and Moldova's cases. Russia is the global power that has had a major role into stabilizing the conflicts in its Near-Abroad and therefore, its influence over the Black Sea region must not be forgotten. However, all the Black Sea conflicts

are neither active nor resolved – they stay “frozen” – and threaten to reescalate into violence.

That is why it is important to look into the trends that the Montenegrin independence might set both in Western Balkans and the Black Sea. The most obvious beneficiary of Montenegrin independence would be Kosovo who is already in talks to win its own independence, a certainty with only specific time and terms to be worked out. But Nagorno-Karabakh, Abkhazia and South Ossetia, claiming political independence and enjoying de facto independence for over a decade, could seek to use international institutions to formalize this claim. Nagorno-Karabakh is the most likely to move in this direction, with its easily defensive mountainous territory affording direct access to its important ally – Armenia. Abkhazia that has defeated Georgia on multiple occasions is the second most-likely to succeed in gaining independence. The South Ossetia is unlikely to prove successful as it lacks the military power of Abkhazia and the geography of Nagorno-Karabakh and the only support is the North Ossetia and ultimately Russia – both not so willing to help for the South Ossetian struggle. Transnistria, another potential to independence, is also unlikely to get it as its position and its neighbors don't favor its independence at all. Back into the Balkans, Serbs in Bosnia and Macedonia, although willing to gain some independence, have even more obstacles as the European forces and UN staff is stationed on their territory tasked with preventing any secessionist moves. So, not only the Western Balkans influences the Black Sea region, but the future of both regions is highly important for the Euro-Atlantic states as influences their security.

Conditionality in the Western Balkans has always been more exigent than any other cases and it has brought a new idea, not yet born but seeable at the beginning of the EU's enlargement: the regional cooperation as a precondition to EU accession along with a differentiated treatment of each national state, taking into account each candidate's economic and democratic progress. It has therefore developed what I

call a *regional policy approach with a bilateral flavor*. The moment the Western Balkans accession was into question was the moment that the EU started its internal struggle developing the monetary market to be able then to develop a political union. Although Europe has passed some difficult times, it hasn't renounced to its political declarations envisaging that all the Balkans will become full members in the long run, even if the time perspective is still beyond the horizon. The Western Balkans, upon the incentives given by the EU, has made some progress in terms of democracy and market oriented economy and has followed the framework of regional cooperation, even if ethnical groups and entities interests have most of the time advocated for independence.

As stated above, the Western Balkans and the Black Sea region are comparable, but the challenges, the risks and also the benefits differ for the EU, and for the others international external powers, from one region to another. Let's not forget that Iraq, Afghanistan and Iran are now topping the list of challenges the West is facing these days. Let's also remember that terrorism is the highest risk the world is facing today. It is also important to stress that with the new movements into the Middle East, the West – not only the EU, but also America – needs to seek to diversify energy supplies away from Saudi Arabia and Persian Gulf oil. Therefore, even if EU would approve an Eastern enlargement to the benefit of the countries that are most prepared to start the accession process, it could not put bilateral relations above regional interests at this moment in history. A regional view not only serves best the EU economic and non-economic interests, but it also cuts the possibility of future internal problems due to a too large enlargement, considering the current problems of the Europeans.

The experience the EU had in Western Balkans could help Bruxelles think more strategically about the region, for which it has developed until now three different policies, grouping the countries taking into account mostly the existing bilateral relationships: the enlargement process towards South-Eastern Europe and Turkey, the European Neighborhood Policy – embracing Ukraine, Moldova, Georgia, Azer-

baijan and Armenia, and the EU-Russia relationship which aims now at a 'strategic partnership'. It is suggested that EU should focus on promoting a comprehensive regional synergy plan for the Black Sea, basing it on the priority sectors for the region and the Union.

The policy of the EU that is clearly suggesting a regional engagement on cooperation should focus on the key sectors for the countries in the region but also for the Union itself. This way Europe could encourage cooperation while sustaining its own security interests in the region. Yet, the EU itself has talked about a regional synergy that ought to be implemented in the Black Sea, this remained only a plan, with not much done in that direction. But as the moment demands, this plan could be further developed and, avoiding an engagement for a new enlargement, it could promote European democratic and market oriented values into the states long affected by communism.

I will further refer to the "priorities" set by the EU, so that I may show the actual possibility of a cooperative plan to be implemented. The first key sector is the environment. Even if a high degree of institutionalization has been achieved by the Black Sea states that started their cooperation on the matter, the various programs and mechanisms developed under different commissions lacks a precise and effective coordination. The Black Sea Strategic Action Plan and the DABLAS Taskforce launched by the European Commission in 2001, the main 'instruments' in the environment sector, have to be translated into a workable, unified agenda for implementation. In other words, the DABLAS has to provide the way to translate the Black Sea Strategic Action Plan into actual projects. While the general framework has been set, with the EU's help, the fishery sector that poses some important environmental but also economic challenges lacks a common view – even on paper. While Romania and Bulgaria accepted the Common Fishery Policy *acquis*, the other states should soon start their cooperation on the matter, being supported somehow by the EU.

Probably one of the most important sectors in the Black Sea region is transportation. Very important for the economic development, transportation in the Black Sea states is hindered by factors like road low safety, blockages, low security in conflict-ridden zones. There are few initiatives to make things better in this sector: the first, the Transport Corridor Europe-Caucasus-Asia (TRACECA), then the Baku Process initiated by the European Commission that acknowledged the importance of TRACECA back in 2004 and the third, the High Level Group of Experts of the EU 25 working on the extension of the Trans-European Networks to the neighborhood states. All these initiatives have highlighted three regional priorities: infrastructures, interoperability (lowering the non-physical barriers to transports) and intermodality (multimodal logistics – transport facilitation from a mode of transport to another).

But commercial transport is, in the Black Sea region, also equivalent with the energy routes. This is the sector the EU is most interested in, as its geo-strategic implications are most visible here. While the United States, has long been involved in projects to secure energy routes via the Black Sea region, the EU is starting to realize the importance of developing an external energy strategy that incorporates a stronger focus on transport corridors involving Black Sea states and a proof of that is the fact that a Green Paper on Energy has been issued this year and is containing statements confirming this objective. But this adds little on the role of the Black Sea Region in the EU energy strategy, INOGATE – the Interstate Oil and gas to Europe, remaining the only instrument to coordinate the cooperation in this sector. The will to diversify gas and oil transit from Russia dominated routes is evident. The Baku-Tbilisi-Ceyhan oil pipeline, that transports oil from Azerbaijan via Georgia and Turkey to the Mediterranean Sea, was officially opened in 2005. Some other projects have been proposed and those would involve transportation via Black Sea and Balkan states. An implementation agreement for a proposed Constanta-Adriatic pipeline was signed in February 2006. As far as gas transportation is concerned,

the EU supports Nabucco pipeline project that is designed to transport gas from Caspian Sea through Turkey, Bulgaria and Romania reaching Austria and probably other countries in the Central Europe.

The Black Sea region as an energy supply route has numerous advantages for the states in the area. Revenues from pipeline projects, if managed correctly and transparently, can spur economic development and cooperation between the countries in the Black Sea region and in the Caucasus. If certain projects involve building pipelines in the Balkans, then the cooperation and economic development would spread in this area as well. It is expected that the cooperation between the Euro-Atlantic powers and Russia be intensified, given the interests that the Western countries have in the region and the fact that effective projects can only be conducted with the EU's or US help in the near future.

Another key issue for the EU in the region, and for the countries themselves, is the **internal security sector**. Including migration, trafficking, border management, crime, terrorism and all others on the matter, the sector is highly important for the EU, as now Europe needs its borders to be secured more than ever. It is clear that cooperation between countries is always best when we talk about international security. Even so, at the moment there are only few initiatives in the region and most of them consisting in bilateral agreements and action plans (e.g. Ukraine – Moldova; Armenia-Azerbaijan-Georgia). It is therefore clear that the European Union needs to give a higher attention to this 'sector' that would not only serve its own border interests but also would give a new impulse on regional cooperation.

The last but not the least key domain I bring to your attention is **democracy**. Human rights protection laws, media freedom, transparent economic environment, rule of law are the stake of a future democracy. Few steps have been made, as the 'rose' and 'orange' revolutions show. A more philosophic term, democracy involves maturity of the persons living inside the borders of a country and it involves a culture

of freedom that the peoples that lived so much under communism regimes don't have. Given the situation of the frozen conflicts in the region, and effective conflict management in the area would help a lot the development of not only democracy but also economy of the countries involved.

The sectors I highlighted here have also been viewed as key sectors for the development of the Western Balkans for the last decade. There is of course, a big difference between the two regions, but, even if the results were not so wonderful in all cases in the Western Balkans, the model is sketched and it can be considered as such for the Black Sea region, too. The European Union should draw its policy for the region and start acting instead of reacting to other's activities it really wants to effectively serve its members.

Conclusions

For more than ten years, the Black Sea region has been characterized by various attempts to create an effective regional cooperation. This has not happened yet as there were some powerful factors pushing into a different direction than cooperation: first the low level of interest of the countries in the area for regional affairs, second the prickly bilateral relations between some of the states and third the Russia's affairs and involvement in the region.

The more recent developments such as the "colored revolutions" in Georgia and Ukraine, the 2004 NATO and EU enlargement, the European Neighborhood policy being established and last but not the least the trends on the energetic market, have made the need of cooperation evident. Both United States and European Union having a strategic interest into the region can not ignore the need for these countries to cooperate regionally. Once the EU is growing geographically with the accession of Bulgaria and Romania, it will have even more geo-strategic interests in securing and better cooperating with the states in the Black Sea and Caucasus regions.

The similarities found between the Western Balkans and the Black Sea region advocate for a comprehensive and synergic EU initiative, having the model of conditionality applied by the Union in Balkans. Nevertheless, adjustments and improvements of the model have to be done, taking into account the specificities of the Black Sea region and the European strategic policy for the region. That is why the Union has to look deep into the problems of countries bordering the Black Sea and then design an appropriate plan to create a cooperative environment in the region. Key sectors have to be examined and analyzed in each country in order to create or enhance cooperation between states in the region.

Frozen conflicts in the region need to be a top priority for outside actors like United States and Europe as these conflicts incite instability and breed corruption and organized crime. It is certain that a long term peace and stability needed to advance reform in the region will require either a reduction of Russian influence or a change in Russia behavior. The past experience suggests that a policy of engaging Russia intensely and protecting the Western interests may be the best way to proceed.

One fact is sure: there must be developed an Euro-Atlantic strategy for the Black Sea region to ensure not only Western interests but to also help reforms in the area. Projecting stability and security in these countries is the next step in building an Europe “whole and free” and securing the West eastern frontier with the Middle and Far East and the internal European energetic market.

References:

Asmus, Ronald D.; Jackson, Bruce P.; The Black Sea and the Frontiers of Freedom, Policy Review, June 2004

Emerson, Michael; Noutcheva, Gergana; Popescu, Nicu; "European Neighbourhood Policy Two Years on: Time indeed for an 'ENP Plus'", CEPS Policy Brief 126, 21 March 2007, Brussels .

Le Billon, Philippe, The Geopolitics of Resource Wars: Resource Dependence, Governance and Violence, Columbia University Press, 2005

Mungiu Pippidi, Alina, Black Sea Dilemmas, SAR Policy Brief, No 20, 2006

Pero Tafur, Travels and Adventures (1435-1439), translated and edited with an introduction by Malcolm Letts (New York, London: Harper & brothers, 1926) Digitized from The Broadway Travellers series, edited by Sir E. Denison Ross and Eileen Power

http://shop.ceps.be/BookDetail.php?item_id=1388

<http://www.iss.europa.eu/occasion/occ60e.html>

http://www.caucaz.com/home/breve_contenu.php?id=418

Anca Gabriela ILIE, Senior Lecturer, PhD., Department of International Business and Economics, Academy of Economic Studies, Bucharest, Romania.

Oana Antonia COLIBĂȘANU, PhD candidate, Faculty of International Business and Economics, Academy of Economic Studies, Bucharest, Romania.

