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THE CHANGE – AN IMPERATIVE REQUEST FOR THE DURABLE OR SUSTAINABLE DEVELOPMENT

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Abstract:

A credible hypothesis suggests that, in the future the economic growth will not be anymore a general and continuous one, and that the economic agents known from the special literature under the conventional name as organization or company (a group of persons acting conscious and coordinated in order to achieve common objectives), shall survive only if they make sustaining and continuous efforts to assimilate, in due time, the "last moment" technologies, including the ones referring to the organization and management of the performed activity. In this respect the plea in favor of the performance and elaboration of ***provisions or prognosis****, as a premise of durable development, becomes legitimate and credible, contributing to the resolution of problems claimed by the general progress.*

Starting with XXIst century, the chance of survival of the economic and financial-banking units is proportional with the value of the management action, demarche known in the special literature as ***strategic management or management of change****. But in order to be a successful one, the management must be* ***creative****, of prospective type and, as much as possible,* ***non-conflictive****.*

1. Introduction

The term **chance** has the meaning of **transformation or upheaval in the form and content of an object, product, activity or process.** The probability of success to pass from the existing stage to the one you want depends on several variables, and can be expressed, as R. Beckard and R. Harris showed by the following relation:

$$C = \frac{f(A,B,D)}{X}$$

where A is the level of dissatisfactions felt; B – the clarity in the definition of the wanted status; D – the first step made toward the future stage; X – the cost of change.

The construction of prognosis is based on quantitative analysis and studies, starting from the statistical and theoretical data, adjusted and recalculated. Among the statistic parameters (estimators) determined, the most important one is the percentage square average deviation (A_m), calculated using the following formulae:

$$A_m = \sqrt{\frac{\sum_{i=0}^{n}\left(\frac{y_1 - y_1^{'}}{y_1} * 100\right)^2}{n}}$$

where y_1 and $y_1^{'}$ are the real static data for each year of the period considered as conclusive for the retrospective analysis, and n – the number of years from the statistic period.

Passing from the analytic or Cartesian view to another evidently creative one (figure 1), where the decider subjectivism is replaced by the objectivity and efficiency of informative and communication electronic means, more and more complex and performant, as computer, e-mail,

internet or web, marking a new stage in the realism of decisions and projects, constructed and adopted to a certain moment. For the first time, it was amplified both the trust in these methods, but also the degree of social and political acceptance of the risks enclosed by their performance.

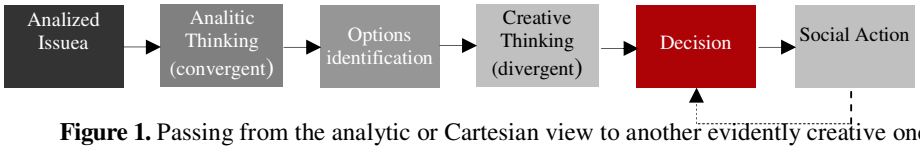

Figure 1. Passing from the analytic or Cartesian view to another evidently creative one

The technical mechanisms mentioned are, in their turn, made by humans, and as soon as they obtained the capacity to reproduce themselves, each time to higher parameters, they determined the considerable reduction of human resources involved in the performance of assets and services, concomitant with the growth of quality and efficiency.

Beyond de human will, **the economy of the future will have another configuration,** where robotism and information science will emphasize an inedited relation between the technical progress and the social-economic one. As **in the informative economy, the value is amplified by knowledge**, we can conclude that **theory of value based on work will give away its place to another one dominated by inedited performance and by prospective attitude**. The specialists in the area are unanimous in sustaining the fact that the transition from the industrial society o the **knowledge society** (or informational) carries a series of transformation in the mentality and collective action, among which the most important ones are:

- The innovations and inventions from the electronics **accelerating the rhythm of changes** in all domains of activity;
- The robotism and information of productivity of assets and services **disposes of a great part of human resources** from the traditional activities, imposing the acute problem of their reconversion and use in other segments of material and spiritual creations, as an alternative to the reduction of dissatisfactions and, implicitly, to the amplification of social stress;
- **The radical transformation of the process of professional formation**, where permanent and at distance training, **provided by the hyper-universities**, will become dominant;
- **The truth, the beauty, the good become induced realities**, facilitating the philosophic-existential questioning and, therefore, the self-training and professional mobility.

It is evident that, in our millennium, the culture and science can not progress outside the interaction with the economy, politics, philosophy and ethics, stressing the dominance of social over the particular, of the synchronism over the historicism, where cognitive constructiveness outstrips the reproduction. But, in order to provide **efficiency of social action**, it is vital that the researchers and deciders motivation to become the self motivation of the people called to perform the objectives foreseen and accepted.

A rational and logical process, which can be operational only if it is based on the depletion of quasigeneral aspirations, interests and options, prefiguring the occurrence and generalization of **society and management of knowledge** (figure 2), centered on the refinement of original intellectual demarche above the globalization or the political, economic, social and cultural competence.

Figure 2. Occurrence and generalization of society and management of knowledge

In an organizational economy – interconnected and integrated – weather **transactional** or **relational**, the activity of private or public economic agents are not anymore in conflict with the society.

On the contrary, the later is forced to implicate in the elimination of possible signs of hostility by consolidating and applying the law capable to make a more friendly business environment, internally and internationally. The persuasive role in this direction comes to the institutional department, more precisely to the appurtenance to multilateral organisms and organizations having rights and consensual obligations.

In consequence, it is expected that the classical demarche unanimously accepted: deduction – forecasting (modeling and simulation) planning – results to break down definitively in favor of **proactive demarche** having the following form **intuition → objectives → modeling and simulation → planning → reaction.**

2. "Spontaneous" change, by generalized knowledge and action.

It is considered to be the most momentous "miracle of human universe", the knowledge induces an complex training effect, theoretical and practical in the same time, allowing the best exploitation of available resources with the population fundamental and real needs, with the criteria of economic, technologic and ecologic efficiency. From the strictly semantic point of view, **the knowledge** represents the process where the observer or the researcher shapes certain images, conceptions and theories concerning the surrounding reality, but also about himself, using certain specific instruments of practical action. This is about a complex and ample demarche performed gradually, from the perception of phenomenon until its essence, giving an approximate "radiography" for the reality explored from nature or from the society.

Depending on the concordance or non-concordance with empirical facts (reality), the searched truth can be false or not, where also results the need to call to a **system of principles and methodological norms**, rigorous and concrete, being able to provide the conversion of the theoretical system, respectively the set of laws, theories and concepts found in relations of interdependence, using a methodology appropriate to the explored domain.

So, while the **theory** supposes the abstraction and isolation of the aspects studied, as internal component parts of the real phenomena (processes), **the methodology** aims to the entire demarche of knowledge, emphasizing the direction and the routes to be followed in order to reach the truth or new, relevant, knowledge. Evaluated from the perspective of general theory of systems, the method and methodology show their composition on *three distinct levels*, namely: of **maximum generality**, applicable in all domains of activity; of **border**, commune to more particular sciences (experimental method, statistic calculation etc.); **specific**, distinct from one discipline to another.

Of course that between the **scientific knowledge** and **common knowledge** there are certain differences, observable on various plans. First of all on the plan of the **form**, according to which the scientific research is characterized and occurs mainly under the form of theories that explain the phenomena analyzed, allowing their provision, and the common research opens an heterogeneous filed of applicative and practical knowledge developed spontaneously under the working process in the form of needs or necessities.

Secondly in the form of **methodology**, out of which results that the research has a methodological perspective so that it emphasizes the qualitative properties of phenomena and of the connections between them, likely to be registered, classified and measured, and that the common research does no reach to rigorous and controllable truths.

Thirdly in the form of **hypothesis checking proceedings**, from which we conclude that the scientific research owns complex criteria and tests to verify the truths, having a highly predictive capacity, and that the common research is based only on assays, as the only way to verify the hypothesizes.

Fourthly in the form of **language**, which emphasize that the scientific knowledge uses a specialized and symbolic language, with a highly abstraction degree distinct from one science to another, different from the common language of the common research.

In the end of general considerations, it is appropriate to make the mentioning that, usually, the scientific knowledge is realized on two levels having a direct connection, respectively **the empiric knowledge**, namely **the reflection of objects and phenomena (processes) studied as observations**, the observation and description of facts and data observed, organized in sensations, perceptions and representations, and also the **theoretical knowledge**, superior form of abstract mind which facilitates the discovering of truth using the analysis and synthesis, induction and deduction.

In other words, the theory must satisfy certain requirements among which *logical coherence* (theoretical statements to be mutually compatible), *deductibility* (statement to follow logically one after another), *completeness* or saturation (the statement to cover the entire domain studied, identifying the essential relations between the phenomena or processes) and to be *verifiable*, meaning that the theory to find a correspondence in practice (figure 3).

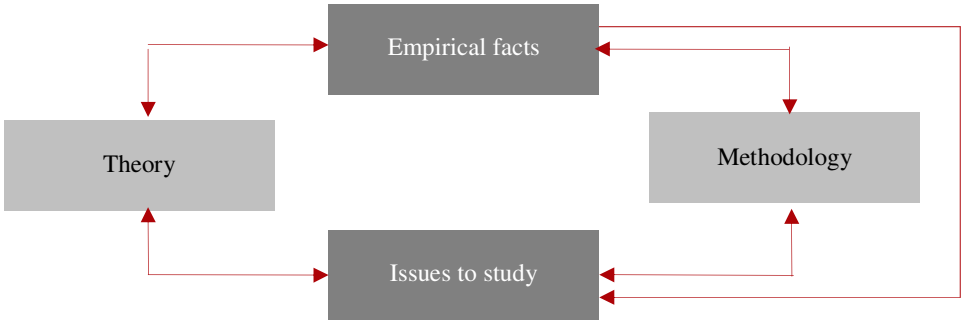

Figure 3. Requirements of the knowledge theory

In our opinion, and not only, the scientific knowledge includes the learning and systematic assimilation by modern forms beginning with school and continuing with permanent preparation, contributing to the realization and promotion of general progress (figure 4).

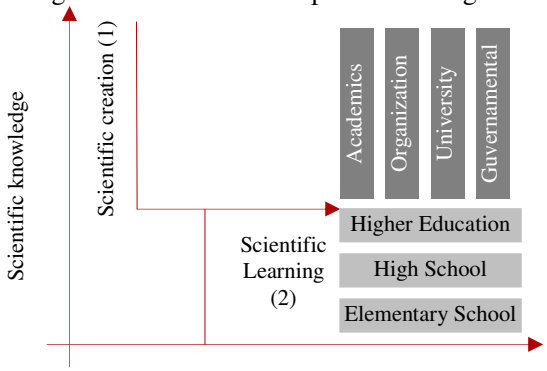

Figure 4. The realization and promotion of general progress

Even if we accepted it or not, the world has changed so much in the last decades that the present and future generations need relevant information, capable to provide the professional and social integrity without major shocks, so traumatizing. In this context significant are the conclusions of studies recently elaborated in countries with old and remarkable traditions and performances in the area, for example in England, France, Germany, Japan, S.U.A., etc., where is evidently emphasized that the teaching style – too scholastic and encyclopaedic – and the classical evaluation and examination method, as indicator of the level of knowledge, are overdue, convincingly pleading in favor of the statement that the youngsters, in general, and university graduates, in particular, must be supported to develop their imagination and practical sense.

Moreover, most of the youngsters study domains as business, law, accounting, design, environment, tourism and management, where prospective research holds an extremely important percentage. In the same time, more and more specialists in sociology reached the conclusion that, in the present, the school

has the duty to surmount the decay of spiritual and moral values which are responsible of the transition periods and family. In our country, the regeneration and progress can become effective – as analysts state – through church and school, institutions which still enjoy of a high prestige, where from the explicit conclusion that prospective research must contribute to the formation and development of human personality.

Inside a integrated and competitive Europe, ready to face the more and more acerb external competition, the chance of Romania and, generally, the chance of small and middle countries, is **in knowledge and competence based on culture and values**, on calculated **risks** taken by the political class and civil society to consolidate and project the **durable development** or sustainable, not only depending on the ecological criterion, but also on the one of equity and of social ethics, of same importance.

From what we can see, knowledge, the most important miracle of human universe [16, pag.265], changes the society from the grounds. In the sense that it becomes the most efficient economic resource in the production of assets and products requested on the market, but also a sui-generis merchandise which can be made available independently, in the form of results from the research-development (knowledge, experience, market information), of assistance and professional formation. But, in order to reach this goal, it is necessary of a **continuous learning** and of **multiple careers**, as the production and use of the new knowledge supposes permanent reconversion and observance of cultural plurality.

The researches show that the information without education can not have a significant value, reason for which the middle term national economic development strategy of Romania, a result of a larger consensus of the political spectrum, aims "the attenuation and gradual elimination of gaps between us and advanced countries, the modernization of Romania, in step with the transition exigencies to a cultural-informative economy where the educational capital is the keystone of the economic and social development".

Actually, we are not in front of an option, but of a surviving condition as a nation into a global world, which imposes the redefinition of the relations between the countries, organizations and technologies, as the transit from the quantitative approach to another qualitative new one, facilitated by the informational technology which transforms significantly the economic and social environment.

The memorandum concerning the learning on the whole life period, adopted by the European Union in 2000, mentions the organization of the adults professional forming system, as follows: *initiation* (acquire knowledge, minimum skills and customs necessary for the progress of activity explicitly defined), *qualification* (the group of professional competences capable to provide to persons the performance of activities specific to a job), *development* (development of professional competences inside the same qualification), *specialization* (acquire knowledge and skills in a restricted area from the occupational sphere) and *requalification or conversion* (obtaining competences specific to another occupation or profession, absolutely different from the ones previously acquired).

As Al. King and B. Schneider noted in the Relatively recent report of the Club in Rome, suggestively named "The first global revolution", published also in Romanian language, into an open society, subjected to transformation rhythms without precedent, the educative-formative dimension is attested by *the members open view toward change*, by their conscious and direct participation to the consolidation, adoption and performance of worldly change, based on the operational and structural interdependence between the continuous and discontinuous processes.

In the opinion of the two mentioned before, shared by more and more well-known researchers in the area, behavioral formation and professional education accompany and accelerate the development of the other society subsystems, under the pressure of science and technological discoveries.

In this respect, one's attention is also attracted by the study of the university professor ph.D, I. Avram, published in *The economist*, under the name *Contributions to the conceptualization of globalization and its implications*, according to, the modern education studies the cooperation between the teacher and student, the later becoming conscious of his role in the learning process and of self education. Besides, the ideas suggested by the two actions performed in our country last year, under the motto *Informed educational system – a chance for Romania*, go toward the conclusion that beyond the positive effects registered in the plan of content and efficiency of modern training processes, it is

also registered a significant reduction of the expenses and purchasing period concerning the documentary material and attribution of actual knowledge.

3. Directed or oriented change by strategic management.

The adaptation to concrete conditions of economic-social and physical environment, but, especially, of present and future requirements and exigencies actually suppose a sequence of changes in the plan of methodology and attitude, under the stress of strategic factors as information, knowledge and creativity specific to scientific and professional management, by excellence of prospective type (figure 5).

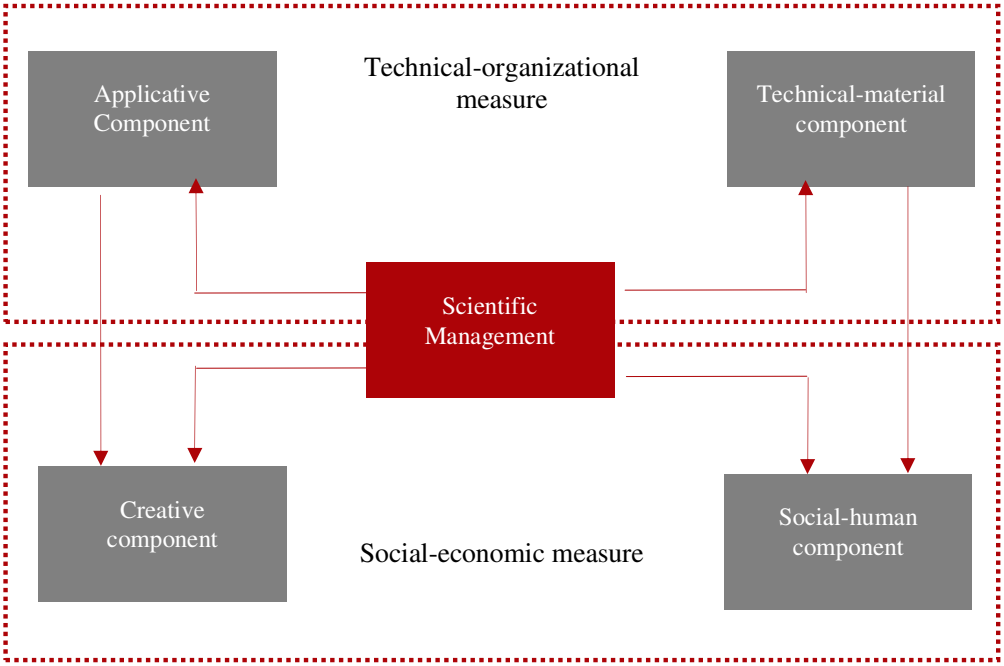

Figure 5. Scientific Management components

By means of communication these value concepts become instruments of the competition on the internal and international level, placing the economic agents and the respective country in a favorable position inside the acerb competition.

Besides, the communication is vital for each of the management functions or attributes in order to use the English term already naturalized in special literature and courses around the world:

- The provision or planning defines the scopes which are to be performed, as the resources necessary for the respective demarche, using relevant and actual information concerning the internal and international evolutions. In this respect, after the organization of assistances and debates where are taking part employees and experts, including persons outside the institutions of the analyzed domain, one passes to the consolidation and adoption of decisions concerning the development strategy;
- The organization establishes the priority in performing the scopes foreseen, in assigning and grouping the tasks on departments, in allocating and determining the organizational structure, therefore, providing the premises for building the relational, informational and motivational environment, performed by means of communication;
- Training or control consisting in directed the employees' actions from the direction of fulfilling the planned objectives by clear and precise decisions, dispositions and instructions;
- Coordination of performed activities and of available resources in order to obtain, in good terms and in time, the established objectives.

- Training and coordination depend decisively by the performance of an appropriate communication and responsibility delegation, by creating an appropriate cooperation climate and by the employees' motivation;
- The control and evaluation of the way in which are fulfilled the objectives, performing, if needed, the imposing corrections. Also for this case, the communication is the one providing the transmission of information, ideas and sentiments between different employees' structures.

Generally, the manager's activity is materialized by certain roles: interpersonal (representative and connection leader with the insurants or with persons and institutions abroad, for promoting the interests and needs of the respective human collectivity), informational (monitoring the information and opinions referring to the human collectivity he represents) and decisional aiming the resolution of disfunctionalities and applying the changing strategy. In other words, the scope of the managerial activity is to generate the informational and material resources in order to pass from results to performances, a process emphasizing a certain sequence of the mental conditions characteristic to quick and efficient changes (figure 6).

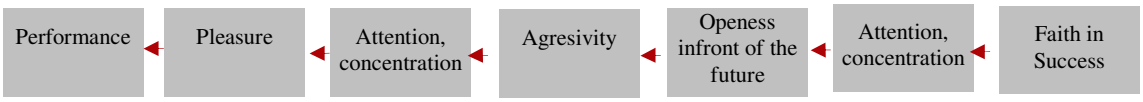

Figure 6. The sequence of the mental conditions characteristic to quick and efficient changes

To the micro level of the economic agent or of the homogenous human collectivities, the interdependence between change and development (figure 7) emphasizes the following significant aspects:

a. the development line (D curve) is determined by the rhythm of changes in time, graphically represented by the C_i mudding curves; for longer periods of time, the development curve develops exponentially;

b. the C_i mudding or changing curves characterize the environment where is acting the examined economic agent and have a asymptotic fall, because a series of elements which influence the change (traditions, customs, resources, etc.) have a long existence;

c. the change performed in t_i period enters in operation in the next period t_{i+1}, after which is followed by a maturity period, when they manifest their entire side, afterwards they gradually decrease once the aging process occurs.

In the economic plan, the change represents the replacement, modification, transformation or upheaval in the form and/ or content of the activities, products and services. In a recent paper [1], is emphasized the relation between the change and organizational development at the level of the economic agent (figure 7), between which there are informative and decisional flows and connections:

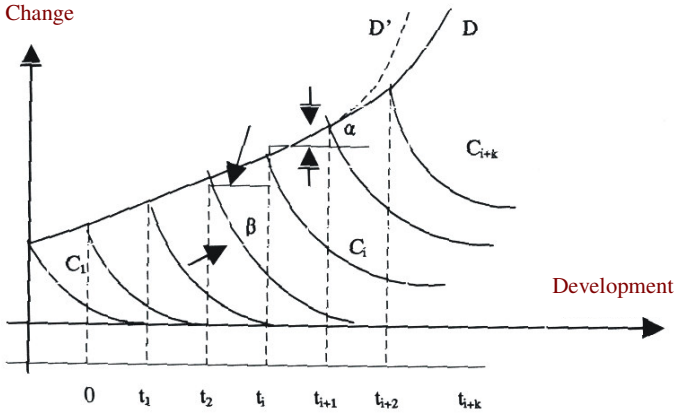

Figure 7. The interdependence between change and development

[1] Howard A.R., The Fondation of Decision Analysis, Stanford University, SUA, 1968.

- Development curve (D) is determined by the rhythm of changes in time (Ci), for longer periods of time, and develops exponentially;
- The mudding or changing curves (Ci) characterize the environment where is acting the economic agent, having a decreasing asymptotic evolution, as certain elements which influence the change, as traditions, customs, resources, etc., are maintained for a longer period of time;
- The change which takes place in ti time period becomes operational into the next moment ti+1, after which is taking place a favorable maturity period and, then, another one of aging reducing the economic potential and the competitive capacity.

When changes are frequent, the renewals become profound, materialized in a bigger angle (α), while the products, technologies, methods and techniques life time is reducing. The development angle is determined with the following formulae:

$$\alpha = d\int(\beta)$$

where β is the rhythm of renewals, while d – the correlation factor which differ from one country to another, one domain to another depending on their level of technological development. Among the factors which support a high level of chance we can mention: acceleration of creative process, individual and collective; practicing a flexible, dynamic and efficient management, materialized into the decisional, informational and organizational subsystems; susceptibility to new of all managerial structures.

Shortly, once the products life time is reduced, the economic agents have to become more flexible, meaning to shorten the cycle of their technologic production and the designing period. Of course, that there is also a certain resistance to change which decision factors must take into consideration. An explicit or open form of resistance is manifested by strikes, reduction of works productivity, inadvertence in operation and even sabotages. Another one, implicit or hidden, is expressed by raise of absenteeism and delays, resignations and loss of motivation in work, equaling with moral dropping. There is also the individuals' resistance (figure 8) and the resistance of economic agent or organization to change (figure 9).

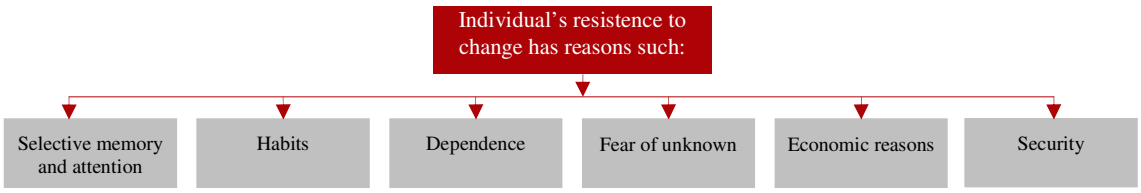

Figure 8. Individuals' resistance to change

Analyzing the "field of forces", K. Lewin considers the change not as a common event, but as a dynamic equilibrium acting in opposite way.

Figure 9. The resistance of economic agent or organization to change

- The model for planning the changes or K. Lewin model based on the change of forces maintaining the system to a stable behavior; despite the fact that is disposes of resources (natural, various and human with a reasonable level of professional qualification) considered as a good support

for the optimum development, Romania registered, not so drastically, a "deficit of performance" with negative effects over the life and work quality, over the population state of mind. There occurs inevitably the request of strict and correct evolution of the fifth production factors – human resources, work, time, capital and information, where the state is the warrantor of keeping the economic and social order.

- The model of research action which considers the changes planning as a cyclic process, where the initial research action of an activity provides information which will stand at the basis of the future research action;
- The model of contemporary adaptations to the research action, characterized by increasing the number of participants to the changing processes and by promoting the positive concepts and methods specific to changes;
- The model of systemic approach, according to which there are five variables inducing the change, being in inter-conditioning relations (fig.ure 10): employees, tasks to be fulfilled, used technology, structure of the activity performed and pursued strategy.

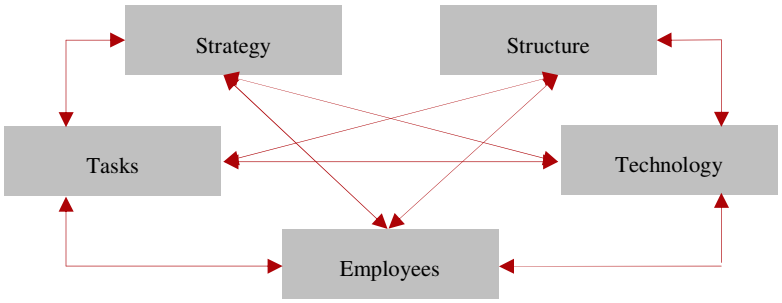

Figure 10. The five variables inducing the change: employees, tasks to be fulfilled, used technology, structure of the activity performed and pursued strategy

As resulting from the drawing, the alteration of a variable carries changes at the level of another one or for all the other ones. For example, the modification of strategy determines changes of organizational structure which, in their turn, impose o reconsideration for the task to be fulfilled; the alterations mentioned can also determine changes at the level of technology, affecting the behavior and even the human resources structure (employees' structure).

Except the first three models described, which present explicitly the stages of planning and realization of changes inside the economic agent examined, the model of systematic approach does not have such provisions, emphasizing the importance which must be granted to the interdependences between the five variables. From the comparative analysis of the fourth models, we note that the transition from a certain (real) situation to the desired one has a series of particularities, but also common features, leaving the possibility to conceive a general model for planning and realizing the organizational changes. As R. Beckhard stated, the probability of success for any change depends on several variable (figure 11):

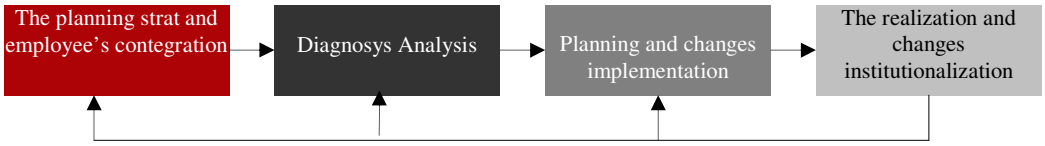

Figure 11. Variables on which depend the probability of success for any change

$$P = \frac{f(A, B, D)}{C},$$

where P is the probability of success of the change; A – the level of dissatisfactions inside the organization; B – clarity of the definition for the desired or future situation; D – first step toward the future stage and C – the cost of change.

Usually, the specialists involved in improving the performances or in planning the change come from outside the organization and only a small part inside it, respectively the ones who perform the diagnosis of activity or supervise the performance of the proposed solutions. A rational working hypothesis which claims the systemic approach in the dynamic perspective of any problem, in order to make the differentiation between the values of objective j in the moment t_p corresponds to its consolidation and establishment, expressed by means of the following formulae:

$yt_p = f(t_p)$

and its value in the forecasted t_v moment of the prevision horizon (performing the respective object).

$yt_v = f(t_v)$

4. Change under the "pressure" of public opinion, by means of revolt started spontaneously or premeditated (organized systematically, parallel with the political exercise in operation).

Between the social problem and the economical one, between this one and the political one there is a biunique connection, thus the changes occurred in the evolution of one of the components is inevitably manifested over the status of the other two components. The demarche is more complex in case there take place any changes in the structure of society, concomitantly with the ones referring to attitude, mentality of human communities, as the attitudes integrate three components and namely: cognitive referring to knowledge and convictions, emotional or affective and behavioral, which imply the delimitation of persons, objects and situations. Hence, the extremely important role of communication as a mean to transmit the ideas, feelings, convictions and knowledge, in the building, adoption and realization process of the decisions pursuing the edification of the desired society. In consequence, by content and form, the communication must be subordinated to the performance of the afore established objectives, observing certain specific ethical norms, not fund in the culture and organizational structure, or in the managers individual ethics. As one can foresee, the manager does not communicate randomly, as he wishes, but accordingly to some requirements and strategies capable to provide the change where the manager or the leader of opinion fulfills a plurality of values: of representation and negotiator, as moderator and disseminator of information, of resource assignation.

5. The particularities of changes in our country.

The careful analysis of the evolutions in Romania during the 14 years of transition reveals a few fundamental conclusions referring to the subject expressed, especially the decisional crisis at the macro social level and the managerial crisis at micro social level, of economic agents and of financial-banking institutions, generated of the hesitation and inconsistencies in performing the transformations compatible with the progress and general competition, with the entities structures toward we tend to.

Unfortunately, being too long under the tyranny of the chaos of the transition to the democratic rule of the law state and to the exchange economy, Romania passes through an extremely difficult period, dramatic under the ration of the standard of living. Actually, starting with the century which has just begun, the change becomes, in the modern society, a continuous process affecting both the political, social, economical, cultural and educational structure, but also the attitude and humans mentality. Such a postulate acquires a consistence and significance during the period of transitions, from the ideological ones to the reorganizational ones, as the case of our country, being under the incidence of certain imminent major objectives of power and political class, of civil and academic society, of population, in general.

A. Stopping the decline of the gross domestic product (GDP) and immediate start of the real economic growth. The analysis of the GDP and investments dynamics, of exports reported to imports can lead to edificatory conclusions. Contrary to the fact that it has resources considered as a good support for the social and economic development, unfortunately, Romania registers, for a long time, a "deficit of performance". To the constrains of worldly economic growth generated by the amplification of pressures over the natural world, of which we are still depending on, there are also

added severe errors in building and establishing the strategy (clear image over what must be performed in a certain time period, implying the organization of resources in order to achieve certain afore established objectives) in aiming to overcome the transition period, facts which let to the liquidation of over five million jobs and to the considerable reduction of productive units economic substance concerning the goods and services, and implicitly their competitive capacity. As far as we know, the disbanded units had been "realized" by selling the recoverable materials, meaning scarp iron.

B. Investments stimulation, namely in production factors – the motor of durable development. The estimation of investments at the level of a decade (table 1), emphasize **the existence of a periodicity**, respectively in the development period takes place an explosion of investments and during the recession period a drastic restriction of expenses in the area.

Table 1. The estimation of investments at the level of a decade

Years / Sector	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	100	100	100	100	100	100	100	100	100	100
Services	34,08	30,8	40,6	39,0	42,5	38,6	40,6	40,9	42,1	42,2
Constructions	2,0	2,5	2,8	5,4	5,2	6,3	8,3	7,0	6,9	6,7
Industry	54,5	56,5	50,0	36,9	41,6	43,9	44,8	45,6	44,3	44,5
Agriculture	9,55	10,2	6,6	18,7	10,7	11,2	6,3	6,5	6,7	6,6

Source: Data taken out of the Statistical Annual of Romania 1990-2000 and from the Romanian Centre of Foreign Trade (Internet).

The analytical measure indicates significant changes and flagrant disproportions having an impact over the social-economic evolutions, and not only, among which we mention:

b_1 – Radical modification of the investments directions in the main domains of activity – the constant development of investment efforts in the services area (from 34% in 1991 to 42,2% in 2000), concomitantly with the reductions for the ones in industry (from 54,5% to 44,5%) and in agriculture (9,55% to 6,6%) – concordantly with the international tendencies and with modern economy exigencies where services contribute to GDP with over 50%. It still has to noted that the restriction of the investment effort in agriculture affected to a certain degree the safety of food in our country and the equilibrium of the balance of foreign trade;

b_2 – The emphatic evolution and modernization of activities technical-material basis in area like: financial-banking institutions, insurances, post, telecommunication, although in some cases the efficiency and utility criteria had been ignored, by building up luxurious offices, but less operational;

b_3 – The extension of investment process in trading and tourism was accompanied by the reduction of the activity performed, diminishing severely the economic efficiency;

b_4 – The constant reduction of investments in agriculture and industry generated an accentuated deterioration process of the technical-material basis and, implicitly, of the competitive capacity on the internal and international market.

Of course, the restriction of investments at the level of national economy, in comparison with the previous period, represented one of the main causes of the economic collapse, perpetuated along the decade, having negative effects over the level of GDP and of human resources occupation, of the Romanian economy competitiveness, in general. In the analysts opinion, the prolongation of the inflation for the whole period and the adverse monetary policy promoted reduced substantially the economic agents possibility to invest, fact which reflects the lack of coherent strategies aiming privatization, transformation and modernization of national economy, the noninvolvement of political power, in the limits of the legal attributions for stimulating the investments by using the arms and instruments used by the prosperous states: credits, interest rate, tolls, taxes, building the infrastructure, etc.

The first one and the hardest phenomenon occurred after the appliance of measures aiming the change of economic system was the alarming drop of production, and the resulting effect determined unwanted effects in all domains of the economic and social life. In this context, our country foreign

trade took over this sock manifested mainly in its drastic reduction, but on the difference between the two components – export and import. Also, the geographical orientation of our foreign relation had been significantly changed and, first of all, the foreign trade. The transition to the new economic system also meant new regulations in the domain of economic policy, their direct effects being induced in interactional areas or which have an impact over the foreign trade, and which most of the time had negative consequences.

C. Speeding raise of exports in comparison with imports – method of preventing the endogenous or exogenous stresses. During the period of the 10 years which had been examined, the Romanian export registered a speeding regress, followed by a slow growth (see table 2).

Table 2. Romanian Foreign Trade volume during 1991 – 2000

Years / Volume	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Foreign Trade										
- mild. lei	771,8	3250,90	8471,90	21275,30	34757,60	57895,30	136127,60	171241,20	283046,40	-
- mil USD	9648	10147	10912	12713	17397	18603	18842	19228	18231	22417
Export										
- mild. lei	341,6	1397,90	3775,90	10272,80	16214,00	24961,90	60681,50	73702,60	131664,20	-
- mil USD	4266	4363	4892	6151	7910	8084	8431	8302	8487	10367
Import										
- mild. lei	30,2	853	696	1002,50	9543,60	2933,40	5446,10	7538,60	51382,20	-
mil USD	5372	5784	6020	6562	9487	10555	10411	10926	9744	12050

Source: data taken out of the Statistical Annual of Romania 1990-2000 and from the Romanian Centre of Foreign Trade (Internet)

6. Conclusions

From the data analysis we note the following important conclusions: the value of foreign given in lei to the current market price grows momentously, while the same index given in dollars drops in the first two years reaching almost the half of the value registered in 1989, then it starts to raise, reaching the respective level almost in 1998; the reduction of export is quicker than that of the import, given in USD (for example, the export reached 40,7% in 1992, while the import was 63,7%); the export reached the level from 1989 hardly in 2001, while the import exceeded this threshold since 1995. This situation was caused by internal and external factors among which the most important are:

c_1 – **Production collapse of goods and services** in the first two years of the examined period, together with an extremely slow rhythm of the process of economic growth followed by another accentuated drop;

c_2 **– The sudden deregulation of foreign trade** by liquidating the state monopoly and the occurrence of certain economic agents which perform import-export activities without a theoretical preparation and, especially, a practice in the area;

c_3 **–The customs tariff adopted could not become the main instrument for the trading policy**, capable to simulate the exports and to direct the imports in order to raise and develop the economy and then the population consume;

c_4 **– The measures for the economic-financial policy had been elaborated without an appropriate strategy,** coherent and articulated providing to assure the growth of real economy;

c_5 **– The disappearance of company with tradition in the Romanian economy** by decentralization and the setting out of new ones, causing the loss of business partners on the external market;

c_6 **– The disorganization of CAER market** reduced drastically the volume of the foreign trade, including the turnover of Romanian goods, among others also because of the lack of bilateral or areal agreements;

c_7 **– The loss of certain partners pursuant to the dismemberment of the Soviet Union**, both for imports and especially for exports; gradual disappearance of foreign trade based on clearing in rubles affected severely its structure especially in the relation with Russia, from a ratio of 0,94 for export/ import in 1991, we reached at 0,07 in 1999 and 0,08 in 2000;

c_8 – The wars in Romanian business partner countries, which caused the reduction and even the total cease of trading relations, as also to the difficult performance of trading actions in the respective areas;

c_9 – The conclusion of agreements with UE, AES and CEFTA determined the invasion of foreign products on our internal market, and the advantages received for the Romanian exporters could not be materialized due to the severe reduction of internal production, especially the industrial one;

c_{10} – The external financial assistance granted to Romania, as credits or investments, by the developed countries or by international financial organisms, was not significant in comparison with the one grated to other countries;

c_{11} – The extended recession from the world economy, and also the financial crisis burst during this period, in various parts of the world, affected severely the evolution of Romanian foreign trade.

Given the importance of foreign trade in the economic development of a country, it was calculated the percentage of import and export from the Gross Domestic Product (table 3).

Table 3. the percentage of import and export from the Gross Domestic Product

Years / Percentages %	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
PIB percentages in:										
- export	15,5	23,2	18,8	20,6	22,5	22,9	24,0	19,9	24,4	29,3
- import	19,5	30,7	23,4	22,1	27,1	30,2	29,8	26,3	27,1	33,5

Source: data taken out of the Statistical Annual of Romania 1990-2000 and from the Romanian Centre of Foreign Trade (Internet).

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