Human development under the Effects of the Current Lack of Resources

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Abstract

In the contemporary society, people consider that the lack of economic resources or the limited access to them, generated by the unequal or unfair distribution of revenues, is the main cause of the precarious human development. In this paper, it is our purpose to identify the causes that generate and enforce the penury of economic resources in highly economic developed areas. At the same time, we highlight the difference between the factors supporting human development process and the ones assuring human sustainability, as precept of sustainable economic development. Basically, the phase of development, either human or economic, is tightly connected with the process of distribution of the fortune resulting from rational use of incomes produced in the economic process of a nation.

Keywords: human development, sustainability, economic resource, economic efficiency;

1. Introduction

To be endowed with economic resources is a gift. Romania is rich in natural resources, with a numerous population that could capitalize the existing resources and develop economically due to economic potential exploration. In spite of these, there are numerous sideslip in terms of economic development which results into an inefficient process of exploration and capitalization of resources. We intend to identify the factors that harm the mechanism of creation and distribution of fortune regarding the economy of Romania, considering particularly the domestic factors (natural resources, labour force, incorporation of technology in the process of production, capacity of labour force innovation, education) and the measure in which the latter ones could be stimulated to generate fortune- the surplus, which could generate the possibility of sustainable development of economy, with direct effect on human development.

2. Body

The binding element between the capitalization of economic resources and human development is the act of governance. In the last decades, there has been a wide gap between the governors’ expectations and their possibilities to set up reforms that should lead to the sustainable development of society. Trying to diminish this gap gas caused a compounded effort from the part of experts to find new satisfying answers regarding the identification

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and the application of forms, methods and techniques meant to reach the expected outputs. One of the approached methods was the orientation towards a model of governance—institutional governance.

As for the public policies, the concept of governance assumes the existence of a participative and deliberative system of public policies according to which stakeholders interact and influence each other.

Why governance and not government? Because governance implies an array of rules, procedures, institutions and practices meant to support the way in which executive power is organized at the level of the State, region and location avoiding responsibility or positive goal achievement for the whole community. Governance is a concept that includes a solid and efficient supervision of the way in which something is achieved, controlled or managed to protect the interests of certain areas, organizations or institutions (Stoker G, (2006)).

The term of governance assigns the decision making process, as well as the process through which the decision is implemented, starting from the premises or reality that the decision making process involves numerous formal and informal factors (Stoker G, (2004)). Formal factors are legal and act in accordance with different onerous interests and informal factors are either unequal or at the limit of legality creating pressures to be involved in the decision making process, or interfere with the decision act through certain behavioural norms, norms and customs, religion etc. Within the decision making process, the government is one of the main factors of influence.

Considering the rural-urban-national territorial structure, governance may be influenced by a series of factors, such as:

✓ dimension and structure of property, entrepreneurship structure: partnership or thrift farms, cooperatives, NGOs, research institutions, religion, financial institutions, army (rural governance)
✓ media, lobby, international donors, multinational corporations, army.
✓ besides these factors that might belong to civil society, there is a series of factors that influence negatively the process of governance, such as: organized crime, pressure groups, corruption, mafia.

Transition from a sustainable society claims not only a change of the way of administrating resources, but also a change in attitude from “me, now”, specific to traditional economy, to considerations such as “others, now and later” (Suciu, M. (2007)).

Basically, the concept of sustainability denotes the tight connection between natural environment and rational use of natural resources to support economic efficiency on short and long term. The durable economic growth generates sustainability and durable development involves more than economic increase. It is needed a change regarding the concept of economic growth which implies lower consumption of natural resources with a significant impact on the output necessary to sustain economy. These changes are necessary at the global level, as part of measure package to maintain the stock of ecologic capital, in order to improve the process of distribution and diminishment of vulnerability degree of economy in the crisis circumstances.

Thus, through actions centred on human development and entrepreneurial spirit, society will assure a potential of generating some rational economic behaviours, based on efficient use of resources, awareness of resources waste and, as a result, market opportunities. Thus, the economic process must focus of the capacity of reproduction of some pre-existing factors, with limited duration, which implies the use of a limited ecologic capital stock (Dinga, E., Apostol, D., (2009)).

The problem of economy is the way in which this ecologic capital stock will be generated. From this point of view, we focus on the process of producing and distributing incomes to sustain any type of activity meant to achieve economic welfare. We are taking into consideration the following ones:

- generating economic incomes that should assure premises of a decent living standard;
- defining the term “decent” and identifying certain limits meant to maintain some levels of economic utility at different income fluctuations;
- imposing certain institutional income level generated by taxation level;
- degree of support for real economy, generating taxable revenues of passive beneficiaries as component of nominal economy as a whole. It is considered that the sustainable use of economic resources involves the
process of generating economic activity of all labour resources, generating an active, creative and participative behaviour.

- Transferability of economic resources, inclusively at the level of local economy which implies economic approach considering the relative advantages, efficient capitalization of productive potential, the increase of complementarities between the economic areas as well as setting up market relations on competitiveness criteria.

Thus, durable development means ethical and economical rationality that assure the preservation of conditions of human society, on a undefined time horizon at the level of the whole natural economic and social space accessed in the future (Dinga, E. (2009)).

Basically we make reference to a new vision on the State, its role while generating stimuli to create and preserve fortune. Why fortune? How fortune will be used for human development and welfare at individual and community level?

The initial issue is to define correctly fortune and factors that support fortune preservation and growth, respectively the concept of sustainability. What exactly contributes to the transformation of wealth in sustainable development? What is necessary and sufficient to assure a level of compatibility between human synergies to generate models or schemes of human development? Is it possible to deal with a certain model of human development without bringing about any harm to individuality and free will?

All these questions will find an answer or some solutions with a certain degree of probability under the circumstances of creating a model of sustainable development based on existing and potential economic resources, elitist support, entrepreneurial motivation, business environment functionality based on market functionality, ethical principles and social responsibility.

Conclusion

This paper highlights the importance of the State configuration on the institutional market considering as being valid the hypothesis according to which the State and the market are two institutions that do not exclude each other and they are competitive and complementary. From this point of view, one should analyse the concept of State as institution while losing its credibility from the part of economic agents, consumers and employees, assisted individuals as well, due to the higher degree of failure given by purchase power, unemployment, reduction in pensions and other forms of social assistance.

Another aspect of the "State as institution" is the record of some limits in accordance with some possibilities of stimulating fortune, mastering economic policies respectively, in order to assure sustainability on medium and long term. Keeping under control the most important social problems, namely the social costs resulted from implementing unhealthy and unsustainable public policies is no longer a defence stance. The modern state must be aware of the limits of economic growth, social problems generated by aging population, globally speaking, conventional resources rarity, changes on the map of Resource Geopolitics and appearance of some new poles of economic power, limits of globalization process with pervert effects at the social level.

"This work was supported by the project "Post-Doctoral Studies in Economics: training program for elite researchers - SPODE" co-funded from the European Social Fund through the Development of Human Resources Operațional Programme 2007-2013, contract no. POSDRU/89/1.5/S/61755".

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