

THE GROUNDING OF THE REGIONAL DEVELOPMENT STRATEGIES

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Abstract

The paper reveals some issues that may be taken into account when grounding the regional strategy for development starting with the negative results from the post-socialist period. The study is a speech for the use at regional level of the triple bottom line principle in the management process. Formulating the strategic objectives, be they general or specific, observing the 3 aspects of the triple bottom line may contribute to surpass some managers' vision who are only interested in making short-term profit. The study has to take into consideration the real problems that have appeared in the grounding of the regional strategy. Neglecting the social and ecological efficiency has become a real problem with respect to maintaining a positive image of the Romanian integration process and in fulfilling the obligations assumed that refer to the social and life standards. One of the objectives of this paper is also to analyse the regional discrepancy and to offer some criteria and strategic marks for the grounding of the regional strategy.

Key words: regional strategy for development, triple bottom line, strategic marks for the grounding of the regional strategy, sustainable development.

Starting from the study of the regional development strategies and of the negative outcomes recorded during the post-socialist period, which resulted from their implementation, the paper intends to warn about the necessity of taking into account certain aspects that might contribute to the correction of the recorded malfunctions: 1) the essential landmarks that must be taken into account when grounding the regional and territorial development strategies; 2) the use of the scientific methodological tools when grounding the strategies for the regional tourist development; 3) the involvement in the business environment of the main regional actors for the validation of the development priorities; 4) stimulating the citizens to get involved in the working out of the regional development strategies.

The analysis of the results of the strategies designed for the regional tourist development reveals a series of negative trends: a) the aggravation of the economic interregional gaps (the disparity index of the GDP/inhabitant in comparison to the national average =100, varying between 0.678 in the North-east region and 2.008 in Bucharest in 2006); the increase of the structural gaps (thus the North east region is centred on agriculture- with a contribution of 15% of the regional GDP in comparison with Bucharest where the agricultural sector holds more than 60%); c) the increase of the gaps concerning the net income level. Except for Bucharest – where wages are more above the national average, the gap between the average net income in the most developed

region (the South-West region) against the one with the minimum level (the North-East region) in 2006, was 1.10; d) the aggravation of the gaps regarding employment, both as a whole, and on sectors or activity branches. The North-East Region holds 15.1% of the whole employment percentage, holding at the same time the highest employment rate in agriculture- 42.7%, followed by services 33.6% (18.8% commercial services and 14.9% social services) industrial and civil engineering sectors with 23.6%; The region around Bucharest is the only region of the country where the service sector, which on a national level hold 39.1% of the total, generates the most important jobs, reaching 64.0% (44.2% commercial services and 19.8% social services) of the whole employment percentage in the region. The industrial and the civil engineering sectors hold 31.5% while the agriculture holds 4.5%; e) the increase of the discrepancies with respect to unemployment. The regions with the highest unemployment rate were the North-East (in 2004) and the South- West (in 2003, 2005 and 2006), the lowest rate being recorded in the region of Bucharest for the period 2003-2006.

MATERIAL AND METHOD

The paper has used the descriptive analysis, the SWOT analysis, empirical and scientific documentation methods. The descriptive analysis has used the following as data source for the exemplified outcomes: The National Prognosis Commission, The National Statistics Institute. The

analysis revealed the fact that the regional gaps amplified during the post-socialist period both with respect to the economic side, and to the social one. Under the circumstances of the crisis that broke out in 2007 we believe that these gaps will continue to amplify. The North-East region remains a poverty pole while Bucharest is at the opposite end.

Using the results of the survey drawn up by means of the project Know-How Reg financed by the Ministry of Education, Youth and Sports through PN CDI II Ideas, a different investigation direction has been represented by the analysis of the citizens' perception with reference to the drawing up of the regional development strategies. The questionnaire included a section which evaluated the participatory character of the process; the section that evaluated the opportunity to use the web when drawing up the regional development strategy and was applied in the North-East region on a sample of 150 people. The results of the survey have shown that only 6.7% of the questioned persons were involved in the achievement of the regional development strategy, although 84.7% of the people involved in the survey declared that they were interested in the regional development strategy. 84.7% declared that neither the process of elaborating the regional development strategy, nor the strategy adopted for the region they belonged to, were known, while 64% of the people declared that they would like to get involved in the process of working out the regional development strategy. As well as this, the appreciations concerning the question that referred to the perception upon the collaboration between the institutions during the process of working out the regional development strategy were the following: 23.3% of the subjects stated that the collaboration was "good and very good"; 16.7% evaluated the collaboration as "good enough"; 33.3% believed that the collaboration was 'not too good'; 16.6% found the collaboration "deficient"; 10.7% appreciated the collaboration as "inadequate". The survey revealed that the majority felt the need of a portal that should provide constant information upon the way of achieving and implementing the regional development strategy that might also work as a permanent online reference source on issues of interest for the regional development. 82% of the answers were clearly in favour of this approach, being appreciated as "very useful" (47.3% or "useful" (34.7%). 84% believed that the use of such a regional portal where both the regional actors and the citizens could interact is a way of improving the processes of working out the regional development strategy.

The SWOT analysis with respect to the grounding of the regional development strategies has revealed the following:

The Strengths mainly refer to:

- being aware of the experience in the field of regional planning in Romania and other European countries;
- the existence of some specialists and of the possibility to co-opt them from different environments: academic, administrative, private business environment, etc.
- being aware of the perception the citizens, the experts and the representatives of the different entities have with respect to the process of working out the regional development strategy;
- identifying the information needed for the working out of the regional development strategy;
- the chance that all the main actors involved in the process use all the information technologies;
- the existence of some studies that deal with the models of indicators used in other countries with respect to the sustainable development.

The weaknesses are:

- not using the triple bottom line principle when grounding the regional strategies;
- the incomplete or efficient statement of the objectives and of the strategic options without taking into account neither the triple bottom line nor the available resources;
- the lack of prioritizing with respect to regional development;
- not using the methodological tools, the knowledge and the good practices in the field;
- the inconsistency of the data and of the materials available as sources of information;
- limited capacity of managing the data bases at the level of the local public administration authorities;
- the lack of transparency;
- the lack of some landmarks and criteria clearly defined on a national level on which the regional decision-makers might rely when grounding their own strategies;
- the lack of social cohesion and solidarity.

The opportunities refer to:

- the need and the social pressure exercised upon the regional authorities to prepare their own development strategies;
- the need of a regional information base that might be accessed interactively in the process of consultation and achievement of the regional development strategy;
- the interest of the authorities to access important European funds;
- re-awaking the interest towards the objectives set at Rio de Janeiro, Lisbon, etc.
- the need of permanent information on the means of achievement and implementation of the regional development strategies;

- increased requirements due to the media or online study of some issues of interest for the regional development;
- the need of a virtual interaction environment on a regional level, and sharing the experience specific for the processes of grounding the regional development strategies

The threats mainly refer to:

- The difficulty to attract, different partners in the process of strategic planning: citizens, universities, people belonging to the business environment, because of the preponderant interest of the groups in relation to the of the regional communities;
- Social conflicts also generated by the current context of the economic crisis;
- the lack of social consensus;

RESULTS AND DISCUSSIONS

Following the analysis of the various regional strategies we have noticed that the fundamental landmarks to be taken into account when grounding the strategies for regional tourist development are:

1. Assimilating the triple bottom line principle as fundamental principle in grounding and implementing the regional strategies for tourism. One should state the general and derived strategic objectives, since observing the three bottom lines might help to overcome the mindset some managers have with respect to making only short-term profit. Neglecting the social and ecological efficiency is detrimental to the image which is favourable to the integration and runs counter to the obligations assumed, which refer to the observance of the minimum social and ecologic standards and requirements when trading tourist services.

2. Adjusting the investments on the capitalization of the regional identity. Each region has its own identity proved by its history, traditions and culture. This traditional, cultural and economic mark should be highly valued. For example although the North-East region holds an important cultural-religious and human potential, it has not been turned to enough good value yet.

3. Using the research and knowledge potential provided by the public and private academic environment. The process of grounding the regional development strategies might be accelerated efficiently and substantially by the involvement of the academic environment. The city of Iași- a university and cultural center by tradition, provides a rich educational and research offer both in notorious public Universities and in the private environment, which is characterized by an accentuated dynamics of the offer.

4. Co-opting and turning to good value the innovative human factor. It would be necessary to find the innovative ways to stimulate the involvement of the highest number of people who have formal or latent interests in the process of analysis, prioritizing, decision-making and implementation of the regional development strategy.

5. The use of the democratic principles and the harmonization of the various points of view used in the grounding and drawing up of the regional development strategies. The data of the questionnaire prove that, although there is interest for the involvement in the process of achievement of the regional development strategy, its grounding did not have an extensive participatory framework, since the transitory interests of the political class and clientele prevailed. This is why, it is necessary to take into account all the points of view and to expand the partnership to achieve the regional development strategy. It would be desirable to use a generic model of partnership that might allow the integration of the existent knowledge potential that the various social actors and the citizens may apply. To conceive such a model one might use the tools of the software engineering (archetypes used in object modelling).

6. The connection, within the process of strategic grounding, to the criteria used by the economies of the developed countries. If we take a look at the sustainable development models used by the European developed countries, we notice that many of them have a very accurate methodology for the drawing up of the regional development strategies. For example, Great Britain shows constant interest in achieving a model of indicators of regional development, the system with 68 indicators grouped on four dimensions, as a matrix, being published in 2007. Therefore, what should be done in our country is to identify and test certain variants of indicators that might match to an integrated vision upon the development of one region and ensure sustainable development; the drawing up of a forecast model of the alternatives (pessimistic, average, optimistic) for the regional social-economic development on the grounds of the integration of the tendencies measured according to the identified indicators. At the same time, creating a virtual portal connected to the international knowledge bases, managed by the public administration might turn into an efficient integration way of the models and knowledge coming from different countries.

The requirements and the criteria needed for sustainable development must be applied when grounding the regional development. Sustainable development is a desideratum that may be reached

at in different ways, using one or several models, each with its own action tools. Within the chosen model, the taking into account and the use of the triple bottom line principle should be found in the statement of the objectives and of the strategic options. The statement of these options must have in view the need of continuity in the strategic action at a regional level as well as the need to adopt some fundamental strategic options, according to the regional specificity. As far as the main long-term general objectives are concerned, they should aim at:

a) The design of a competitive structure of the regional economy based on services and innovations;

b) The connection of the region to the flows of international merchandise, tourists, investments, information and cultural values;

c) The increase of the investments in the human and social capital of the region, with a view to ensuring the innovative capital as a support for the sustainable development;

d) The increase of the efficiency of the rural economy, preserving at the same time the quality of the environment of the extremely rich folk assets of the regions.

e) Turning the urban centres into culture poles- by the capitalization of the specific cultural potential or regional and trans-regional attraction- by the development of a favourable business environment.

Three sets of important options should be taken into account when grounding the regional development strategies and outlining a development model of the Region:

1. Horizontal options: the focus upon the economic increase and the orientation towards the working out of the social and environment problems. The economic increase should be the essential criterion in directing the investments. It is desirable that priority investments be the ones that sustain the development of the regional business infrastructure, while the investments in human resources must be oriented towards the qualifying of the manpower;

2. Territorial options: adopting a polycentric territorial development model. The polycentric development, as regional strategic option refers to sustaining the development around a network of development poles, which means: identifying the influence poles, which will act as development poles also for the neighbouring areas; directing the resources with priority towards the development poles, first of all towards the competitive branches and toward those that support the population. Thus we also have in view the development of those activities that enable the development of the

connection rural-urban, so that the areas might mutually support each other in the development process.

3. Sectorial options: the orientation towards the functional specialization in the most competitive branches and which creates strategic advantages. The identification of the priority development sectors should start from the requirement of creating comparative advantages to the region in comparison with other regions and from the needs of the private sector, which controls most of the sectors in the regional economy. Identifying the priority sectors at a regional level must be achieved by consulting and involving both the partners in the region, and the citizens. The priority sectors should be evaluated then according to a rigorous methodology which should take into account the following criteria: the importance of the sector for the regional development; the competitive potential, the innovative potential; the potential of attracting the development into the regional economy.

CONCLUSIONS

The main conclusions that have come out following our research on the grounding of the development strategies are:

Our country did not use an accurate system set on strong criteria, principles and landmarks for the strategic grounding;

In our country we cannot talk about cooperation between the academic environment, the public sector and the socio-economic environment with respect to the grounding of the sustainable regional development strategy;

The scientific methodological tools are not used in the strategic grounding;

The human factor is still neglected, and especially the intellectual capital that generates knowledge an innovation and that might have been attracted into this process;

As far as the system of indicators used in characterizing the regional development is concerned, we cannot talk about either integrating the indicators (economic-social-personal environment) or keeping up with the cycles that correspond to the socio-economic processes.

The lack of transparency imposes the creation of a regional knowledge base permanently updated with the results of the research in the field, administered by the public authorities responsible with the achievement of the regional development that should be accessed by all the social actors.

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