

Suditu, Bogdan; Nae, Mariana; Negut, Silviu; Gheorghilas, Aurel

Article

Responsibilities and Limits of Local Government Actions against Users of Public Services of Planning and Sustainable Territorial Development in Romania

Amfiteatru Economic Journal

Provided in Cooperation with:

The Bucharest University of Economic Studies

Suggested Citation: Suditu, Bogdan; Nae, Mariana; Negut, Silviu; Gheorghilas, Aurel (2014) : Responsibilities and Limits of Local Government Actions against Users of Public Services of Planning and Sustainable Territorial Development in Romania, Amfiteatru Economic Journal, ISSN 2247-9104, The Bucharest University of Economic Studies, Bucharest, Vol. 16, Iss. 35, pp. 154-170

This Version is available at:

<https://hdl.handle.net/10419/168819>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<http://creativecommons.org/licenses/by/4.0/>

RESPONSIBILITIES AND LIMITS OF LOCAL GOVERNMENT ACTIONS AGAINST USERS OF PUBLIC SERVICES OF PLANNING AND SUSTAINABLE TERRITORIAL DEVELOPMENT IN ROMANIA

Bogdan Suditu^{1*}, Mariana Nae², Silviu Neguț³ and Aurel Gheorghilaș⁴

^{1) 2) 4)} *University of Bucharest, Romania;*

³⁾ *Bucharest University of Economic Studies, România*

Abstract

In the context of the changes that have occurred in the Romanian society, the public authorities are required to play a coordinating role in providing the framework for a sustainable and balanced development of the national territory, and to ensure the quality of life of the citizens. In order to achieve these goals of social responsibility, the public administration authorities must build and adapt the tools of public territorial action based on their specificity and within the existing legal framework and resources. Thus, the study shows the national and European context that frames the actions of public administration for what concerns the sustainable territorial development. It analyzes the characteristics of administrative-territorial structures of Romania, highlighting their socio-demographic diversity and the territorial forms of institutional cooperation. The approach of these issues is based in the first instance on an analysis of the European strategic documents in the field, as well as on the national regulations concerning the organization and functioning of public administration and territorial planning. The implementation of decentralization and local public autonomy has led to the capitalization of the local potential of some administrative divisions and caused a competition and a difficult cooperation between them. By analogy with the provisions of the quality standards regarding the responsibilities of the organizations towards customers, the study illustrates and analyzes the responsibilities and limits of public administration authorities in promoting sustainable development, territorial equity and the quality of life for the users of public services, i.e. the community members.

Keywords: sustainable development, social responsibilities of the public authorities, users, quality of life, administrative-territorial structures, local budgets

JEL Clasification: H20, H61, H68, H72, J11, R13, R51

Introduction

The sustainable and balanced development of the national territory and the quality of life of its citizens are strategic objectives assumed by Romania. The public institutions, as social

* Corresponding author, **Bogdan Suditu** – b_suditu@yahoo.fr

organizations and legitimate authorities, play an important role in the definition and delivery of social activities or tasks. Starting from this premise, from the perspective of social responsibility and territorial governance, the paper attempts to provide a critical analysis of the manner and limits that public authorities have in managing the administrative-territorial units, in fulfilling their responsibilities and in ensuring a sustainable development framework for a proper life. Public authorities are institutional vehicles for putting into practice the constitutional principles and the international declarations and standards on sustainable development and quality of life. The specific areas of the quality of life concern welfare, living standards, income, social inequalities, environmental protection, housing and neighborhood relations, lifestyle, as well as social and economic costs (Nae, 2009).

The studies on administrative-territorial structures of Romania cover most frequently the analysis of the skills of public administration authorities, of the inter-institutional cooperation in achieving the shared competences, of the effects of decentralization on local development, of the relation between the different levels of administration (Androniceanu, 2008), and of their organization and dynamics (Săgeată, 2011).

This study analyzes the administrative-territorial units (communes, cities and municipalities) in terms of the attributes and resources required to perform their administrative skills concerning territorial planning and development and the social responsibilities they have towards community members. According to the current doctrine, the public administration operates through administrative and legal acts, as well as through material and technical operations (Trăilescu, 2005). The analysis aims, in the first place, at clarifying the context of the European national and local authorities in setting out their responsibilities regarding the local sustainable development and in ensuring high standards of the quality of life. Secondly, based on the assessment of the resources available to them and the possible planning and cooperation practices meant to fulfil their responsibilities, it intends to evaluate their capacity to put them into practice. We should note that although there are numerous studies that analyze the public administration responsibilities, the Romanian scientific literature has neither tackled yet the topic of this study nor intended to correlate the responsibilities of local authorities with the resources at hand.

We emphasize that, without a forced comparison or confusion of terms, in the context of the standard regarding social responsibility one can make a correlation between the public institutions and the citizens (end users of the public services and the results of the sustainable territorial planning), on the one hand, and between organizations and consumers, on the other hand. In this regard, we mention that public institutions, like any other organizations that provide products and services to consumers/end users of products and services, have responsibilities towards them. In accordance with the ISO 26000 standard, the main areas in which the organizations are responsible to the consumers refer to the following: complete and accurate information; the protection of life, health and safety of the consumers; sustainable consumption; access to essential services; education and the raising of consumers' awareness. The principles outlined above apply to all organizations in their role of serving the consumers, even if "their areas of work may have a different relevance depending on the type of organization (such as private organizations, public or other) and the circumstances".

1. Social responsibility of the public administration – national and international context

In order to ensure the implementation of the principles of sustainable development, the quality of life and the actors' responsibility, these have been transposed into the regulatory framework, while the public administration authorities have been designated to play a coordinating role in their implementation. Administrative-territorial structures are complex entities with certain institutional stability, but their socio-demographic and economic components organize themselves, restructure and evolve according to rules similar to hierarchical organizations. As Barnes (2000, pp.6) outlined, we live in a "system of social institutions and social relationships wherein individual persons are accountable to others for what they do or what is done on their authority". The relationship between public institutions and citizens can evolve in two directions: collectively and individually. This relationship is dynamic, evolutionary and based on the principles of social responsibility.

The concept of social responsibility, extracted from the social responsibility theory, was mentioned in the Hutchins Commission report in 1947 as a commitment to social responsibility in the media. In all areas of social life, the social responsibility theory has both its supporters and opponents. Seen as an ideological construct or a "sterile intellectual exercise" (Nerone, 1995), it is still regarded as a normative theory that directs the media organizations, being often considered "an ideology that legitimizes and rationalizes the status quo" (Altschull, 1990). Based on the four items in the construction of a responsibility (Williams, 1993) "cause, intention, state and response", we try to offer an analysis of the social responsibility of the public authorities on sustainable development and the quality of life in terms of two main elements: intent / legal powers and status / capacity.

In November 2010, the International Organization for Standardization (ISO) passed the ISO guide 26000 as "voluntary guidelines, not a certification standard" (Altschuller et. al, 2011, pp. 2), which applies to all public and private sector organizations. The ISO guide 26000 defines Social Responsibility as "The responsibility of an organization for the impacts of its decisions and activities on society and the environment through transparent and ethical behavior that contributes to sustainable development, including health and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behavior". This is a credible and globally accepted definition, which focuses on the integration of environment features and social activities of an organization.

The concept of social responsibility, with its version, the corporate social responsibility, is better known in theory than in practice. The emergence of this standard marks the moment when the concept of corporate social responsibility (CSR) was converted in social responsibility (SR), which involves the applying of the concept to the public and private sector, regardless of the type of organization. As originator and promoter of public policy, the State, through the competent public authorities, has the responsibility to create favorable conditions for the development of the concept of social responsibility.

In this respect, the Romanian Government developed on September 14, 2011 the National Strategy for Promoting Social Responsibility. Thus, the responsibility of public administration authorities is, on the one hand, to demonstrate openness to dialogue with social entrepreneurs and social partners, and on the other hand, to create the necessary legal framework to promote a socially responsible approach in order to prevent the negative

effects that organizations activities might have on communities and society in general. According to the National Strategy for Promoting Social Responsibility, the aim of the public authorities is to support the development of the conditions for the application of social responsibilities in companies, "the increased involvement of the public sector, of the Romanian and multinational companies, and the civil society" (Romanian Government, 201, pp.14). The involvement of public authorities, under the conditions presented in the strategy, does not replace or affect in any way the responsibility of public authorities to act in accordance with the public interest, which are responsibilities incumbent upon the public authorities under the Romanian Constitution. Public institutions aim at serving the public interest, and from this perspective, they must apply the concept of social responsibility and act as promoters of social dialogue and cooperation in this area (Romanian Government, 2011, pp.21).

2. Administrative competence, governance and sustainable territorial development

Social responsibility was rather understood within the framework of the concept of corporate social responsibility, whence its reputation, but also its ambiguities. Social responsibility was linked in academic studies and public policies with the concept of sustainable development. The concept of sustainable development was studied by all social sciences. In geography, for example, the research was based on specific approaches, like the environmentalist determinism or, more recently, the (neo) environmentalist determinism (Sluyter, 2003). Geography, as a social science, along with its sub-branches (for instance, political ecology) had an important role in explaining and interpreting the effects of human activity on the environment. "Political ecology aims to examine social, political and environmental processes and to take into account the way in which different scales (the local, regional, national and global) interrelate" (Watson, 2010, pp.105).

Organizations and companies, in the spirit of the (neo) liberal approach, were not seen as profit entities, but as organizations that have some moral obligations to society, resulting in philanthropy. In the context of globalization, many factors have contributed to the emergence of some forms of voluntary corporate responsibility „the globalization of corporations and their supply networks, anti-corporate activism, rise in the power of corporate brands and reputation, increase in public awareness of corporate activity and its impacts" (Hugh and Wray, 2009, pp.292). The delicate relationships between the anti-corporate campaigns and social responsibility on the one hand, and the influence of investors, on the other hand, have been the favorite topic of radical geography in recent years (Gouldson, 2006, Oglesby, 2004, Clark and Hebbs, 2005). However, in other disciplines (economics, business ethics, etc.), the concept of corporate social responsibility takes different connotations, which insist on human rights and sustainable development. Given the complexity and effects that sustainable development involves, some authors (Peyser and Filutowski, 2010:9) advocate the concept of "Business Responsibility"; „it might then be better to think of CSR as BR, or business responsibility, meaning a set of best practices and policies, which, if followed, will lead to sustainability". The complexity of the relationship between sustainable development and other areas of economic subjects was (re)discussed by specialists, being considered "both positive and negative" (Dinu, 2010, pp.5). Likewise, many researches that discuss economics interfere with recurring themes of social responsibility, such as policies and consumer rights (Dinu, et.al, 2010), standardization and certification of products and services (Dinu, 2006), and their

competitive potential (Dinu, 2008; Dinu and Andrei, 2007). Several studies have highlighted the importance of business activities from the perspective of sustainable development in general (Săvoiu, 2013), and the services, in particular (Coca et al., 2013; Lupu et al., 2013). At the same time, the multiple and complex connections between social responsibility and business environment, on the one hand, and human resource sustainability, on the other hand, are debated and called into question (Sitnikov and Bocean, 2013; Čudanov et al., 2012; Cimpoeru, 2012).

It is worth noting that this paper will address the issue of sustainable development only in terms of the operational capacity of the local authorities to ensure the fulfillment of their responsibilities towards the customers of the public services, as members of the local communities. Given their pluridimensionality, the principles of corporate social responsibility should be linked with the principles of governance or territorial governance. Territorial governance is often understood as a "process of interaction between the public sector and the various actors or groups of actors in civil society" (Paproski, 1993), among them being an "action space". This exercises control or authority through a set of regulations. It is what Dean (1999, pp. 29-30) broadly understands by urban governance, valid for the (post) modern society: "specific techniques, mechanisms, procedures and vocabularies that constitute ruling authority; strategies and rationalities employed in governmental practices". Thus, in order to fulfill the above mentioned responsibilities in conformity with the Romanian Constitution (articles 35 and 47), the State recognizes the right of every person to a healthy and ecologically balanced environment, ensuring the legislative framework for exercising that right. At the same time, the state is obliged to take measures of economic development and social protection, so that to ensure the citizens a decent living. In order to achieve these goals, the State - through its institutions and within the legal framework and existing resources - must build and adapt the tools of territorial public action.

3. Territorial planning and administrative capacity - European principles and national practices

The UN Guidelines for Consumer Protection (1985) express the principles that should guide the practices related to the legitimate needs of consumers. These include the basic needs, the rights to an adequate standard of living and to the continuous improvement of the living conditions, as well as the availability of products and essential services, including financial. We should recall that the UN Guidelines for Consumer Protection were expanded in 1999, so that to include provisions on sustainable consumption. By this document, the states were required to protect the consumers from the risks to their health and safety, to promote and protect the economic interests of consumers, enabling them to make informed choices, to educate consumers and to promote more sustainable consumption patterns. We should also note that these strategic documents assumed by the signatory states, including Romania, mention the necessity to promote a fair, equitable and sustainable economic and social development, and to protect the environment (Dinu, 2006).

Sustainable territorial development is achieved through spatial and urban planning, which are sets of complex activities of general interest that contribute to a balanced regional development, the protection of natural and built-up heritage, the improvement of the living

conditions in urban and rural areas, as well as to territorial cohesion at regional, national and European level.

Since Spatial Planning (urban and territorial planning) is not a field of *acquis communautaire* there is no common EU legislation on these measures. Based on the principle of subsidiarity, the planning policies and urban development fall within the scope of the national and local authorities alone, as the European Union has no direct responsibilities in spatial planning. The European Union has its own or shared powers with spatial impact, such as environmental policy, as well as structural and regional policies (cohesion policy, transport networks etc.).

Due to its membership of the Council of the European Union, Romania has assumed and must implement a number of goals listed in different European spatial planning policy documents (from the European Charter for Regional Planning, Torremolinos, 1983, to the Territorial Agenda of the European Union 2020, 2011). Thus, territorial planning is an activity of interest with continuous character, which is conducted, as appropriate, at the domestic, interregional, regional or district level.

The objectives of territorial planning are the following: promoting a balanced economic and social development of regions and areas in accordance with their specific features; improving the quality of human life and human collectivities; managing responsibly the natural resources, so that to safeguard environmental and cultural landscapes; a rational land use etc.

In Romania, the adverse application of the principles of renewal of historic inner-city areas during the communist period shed negative light on territorial planning in general, which made this field acquire a bad reputation. Consequently, the restructuring of the national legislation and the new Romanian Constitution (1991), did not deem it a priority area, and hence a subject of organic law. These limitations imposed by the hierarchy of normative acts adversely influence the implementation of the principles of territorial planning. The most relevant example is the difficulty of imposing stricter rules for the new urban residential complexes developing on lands newly included in the built-up area. Unlike other European countries and in contradiction with the provisions of the Romanian interwar legislation, at present is impossible to set aside some land in order to design quality public spaces for parks, playgrounds or public institutions (schools, health and social services etc.). This happens because the settlements keep spreading on new farmland and the specific legal regulations are absent (Suditu, 2011).

The Law no. 350/2001 on regional and town planning regulates a number of aspects relating to the management of the national territory, the principles of sustainable development and the role of local government in these activities. As a general principle, it is stated that the Romanian territory is part of the national wealth enjoyed by all citizens, while the public authorities manage and safeguard this wealth, within the limits of the law. Furthermore, in order to ensure a balanced, coherent and sustainable development of the national territory, the local authorities harmonize their land use decisions under the principles of decentralization, local autonomy and devolution of public services. The state, through the public authorities, has the right and duty to ensure a sustainable development, through urban and land use planning, and to respect the general interest, according to the law.

The law of land and urban planning states that the spatial management of the territory aims at ensuring individuals and communities fair rights and responsibilities for the efficient use of land. At the same time, it intends to provide adequate living and working conditions and transport services that meet the diversity of needs and population resources, to foster low energy consumption, to protect the natural and built-up landscapes, as well as the architectural and cultural identity of urban and rural areas.

Although in theory, the state assumes and implements the European principles of social responsibility, in practice, in the context of administrative decentralization and administrative autonomy of the local authorities, one can note an institutional and regulatory failure. Even if the state, through its Ministers and other Government representatives, assumes the principles, these cannot always be put into practice in the absence of the institutional mechanisms for distributing the assumed legislative responsibilities between the central and local authorities.

As mentioned previously, the implementation in Romania of the principles of limiting the wastage of agricultural land and of reducing the uncontrolled urban sprawl highlights the interests and the limits of the public authorities in carrying their social responsibilities. Even if Romania is part of the agreement stating that sustainable development also requires the restriction of uncontrolled urban sprawl, there is no rule or method by which local authorities can be forced to obey this provision! The reasons are related to the financial resources these lands provide for the public authorities, as the built-up expansion is a method for increasing local budgets. Thus, the Law no. 273 of June 29, 2006, on local public finances, subsequently amended and supplemented, has established the system for allocating money from the state budget to the local budgets. Thus, in order to balance the local budgets of the administrative-territorial units, the Government approves certain amounts of money from the state budget, according to the following criteria: population, percentage of the built-up area in the administrative-territorial unit, and the financial capacity of the local government. Based on the analysis performed by the counties' department of public finance, and after the verification of the financial capacity of the administrative-territorial units, the first two criteria help determine the budget allocations as follows: 75% is granted depending on the population of the ATUs, and 25% in accordance with their share of built-up area. Normally, the extension of the buildable areas is proportional to the need for land necessary for housing or economic activities. The expansion of urban perimeters suggests an economic dynamics, which imposes additional costs on local authorities to equip them. In this sense, in the context of the spatial development inequalities in Romania, the Government intends to support the local authorities in the less developed areas; this is done by introducing a coefficient referring to the built-up area in the formula that balances the local budgets through contributions from the state budget. However, studies have shown that legislative provisions were used in an inappropriate manner by the local authorities, which continued to allow the abusive sprawl of the settlements, so that to get additional amounts of money from the state budget. (Suditu B., 2012).

We insist in examining these issues, not only because Romania has assumed the European strategic documents stating that sustainable development requires the limiting of uncontrolled expansion and fertile farmland savings, but also because these lands have to be made viable in order to ensure good living conditions. Thus, the responsibility and most of the viability costs are incumbent upon the local authorities. But locally, the buildable

land has strong financial meanings! And financial resources are necessary to fulfill the responsibilities of public authorities, including those of ensuring the sustainable territorial development and the quality of life of the community members.

4. Territorial disparities in the distribution of public financial resources

The local wealth, translated as various indicators, often suggests the idea of the existence of quality public services and high living standards. In order to illustrate the disparities in the distribution of financial resources, and hence the ability of administrative territorial units to discharge their responsibilities for ensuring a sustainable territorial development and a quality living environment for the residents, a number of representative indicators regarding the socio-demographic characteristics and the resources of local communities were analyzed. As regards, the analysis of statistical information on local budgets (1999-2012) presented on the ministry sites, one should note that the annual values of the analyzed indicators are very close. Nevertheless, our cartographic representation relies on the indicators for 2009, as the dynamics of this year's budget was less affected by the economic crisis and political changes that took place in Romania. The map showing the share of local incomes in the total revenues (Fig. 1) shows some disparities both at the regional level, and at the level of the living environments (urban and rural areas). These disparities are determined by a number of factors, among which economic underdevelopment and unemployment rate play a key role. In this regard, one can see that poorly developed areas have the smallest income share of the total revenue; such situation is recorded in Moldavia, in particular in Vaslui County, where in many communes the values of this indicator range from 0-15%. Similar values, but for fewer administrative units, are recorded in Botoșani, Iași and Vrancea. For the rest of the territory these values appear completely isolated. But there are also areas having a high economic development potential. These surround the large cities like Timișoara, Cluj-Napoca, Brașov, Ploiești, Galați and Constanța, centers that still polarize much of the active population at regional and even national level. Somewhat proportional to the potential of their economic development, these urban areas and their proximate neighborhoods record high values (over 50%) of their income share of the total revenue. It is the case of the communes lying in the metropolitan area of Cluj-Napoca; the localities in the metropolitan area of Timișoara; a chain of small towns lying north of Ploiești, the economy of which is based on mining and oil processing; and the coastal zone, together with the adjacent settlements included in the Constanța – Mangalia urban area.

The rural areas in the south of the country, belonging to the Teleorman, Olt, Dolj, Călărași and Ialomița counties, which experience active phenomena related to aging and depopulation, encompass many settlements with modest share of people's incomes in the total revenue (with values less than 30%). The situation is the same for some districts positioned in the highland areas of Banat, Apuseni Mountains and Petroșani Depression. With an economy based on ore or coal mining, they thrived under the communist regime, but now are nearly bankrupt. These economic issues, coupled here and there with aging and depopulation (Apuseni), show why those communities are on the level of subsistence, which explains the low share of the people's incomes in the total revenues.

The cartographic representation of the distribution of the revenues from the state budget towards the urban and rural areas in Romania reveals a number of differences and regional disparities. Thus, one can see several nuclei with a small share of revenues from the state

budget (under 50%), which are spread around the areas with economic development higher than the national average. According to this criterion, Bucharest City and Ilfov County stand out, followed by Ploiești – Brașov axis, which follows the Prahova Valley. Other nuclei with low shares of state budget revenues are found in the western part of the country, around Timișoara City, and in Transylvania, around Cluj-Napoca (Fig. 2).

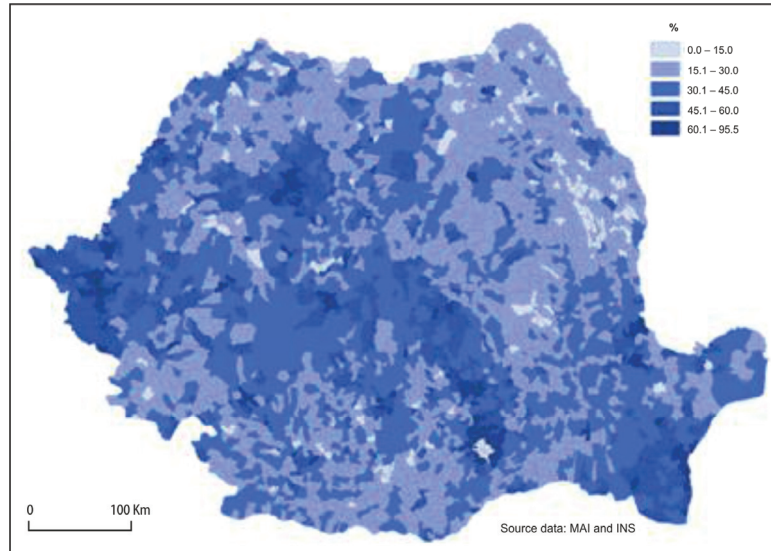


Figure no. 1: The map of the share of local incomes in the total revenues (2009)
Source: developed by the authors based on the data of INS and www.dpfbf.mdrap.ro

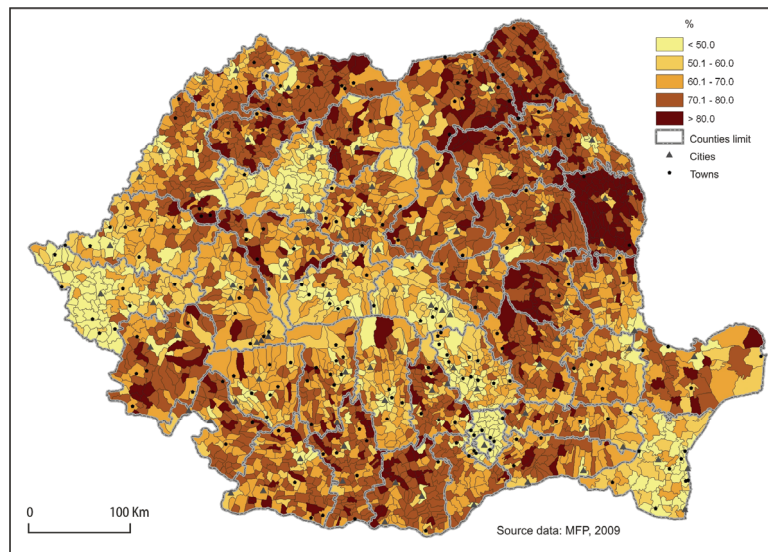


Figure no. 2: The share of revenue from the state budget in the total local revenue (2009)
Source: developed by the authors based on the data of INS and www.dpfbf.mdrap.ro/

The average values of the income share in the total state budget revenues (between 50-70%) are recorded on large areas in the northern half of Oltenia, in the western part of Wallachia and Crișana, in southern Transylvania, southern Dobruja and the Romanian Black Sea coast. The presence in these regions of some municipalities, generally county seats, which to some extent have adapted to the rigors of the market economy, is felt in the total income, as there is a steady trend in maintaining the balance between the people's income and the state budget revenues.

Dramatic is the fact that on this indicator a large part of the country shows high values (over 70%), which puts additional pressure on the state budget. In this category fall most of Moldavia, Wallachia and Oltenia, as well as Mehedinți and Caraș-Severin. These regions are often considered as highly rural, which leads to economic underdevelopment and other serious social phenomena. The eastern part of Moldavia shows the highest values, many of the rural settlements belonging to Vaslui and Botoșani counties having shares of incomes exceeding 80% of the state budget revenues. The situation is the same for more than half of the rural settlements in the Vrancea and Suceava counties. Similarly, in the south and southwest of the country most rural settlements show high values of this indicator, which outline some important core areas in the perimeter of Teleorman and Caraș-Severin counties.

The indicator for 2009 regarding the shares deducted from the income tax relative to the number of inhabitants in the rural areas shows major differences in terms of its distribution both at inter-regional and intra-regional level. Thus, some communes in the north of the Ilfov County (Ciolpani, Snagov, Balotești, Tunari etc.) show very high values (over 500). It is also the case of a number of communes, which form core areas in the vicinity of the big cities: Girov, Pădureni, Sanandrei and Satchinez – in the vicinity of Timișoara; Apahida, Jucu, Up, Floresti Savadisla – near Cluj-Napoca; Robănești, Cârcea, Podari – in the neighborhood of Craiova; Bradu, Oarja and Moșoaia - concentrated in the southern part of Pitești City (Fig. 3).

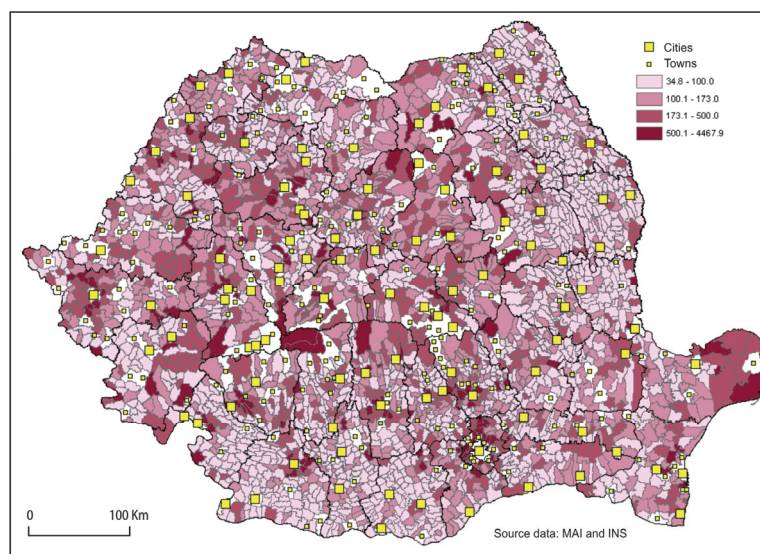


Figure no. 3: The sums deducted from the income tax rates by number of inhabitants in rural areas (2009)

Source: developed by the authors based on the data of INS and www.dpfb1.mdrap.ro/

In addition to these groupings lying in the hinterland of the large cities, there are often communes showing high levels of this indicator in the mountain area, as follows: Siriu (Buzău), Arefu (Argeş County) Voineasa and Mala (Vâlcea County), Clopotiva (Hunedoara County), Mehadia (Caraş-Severin County), Răstoliţa and Stânceni (Mures County), Dorna Căndrenilor (Suceava County), and Oituz (Bacău County). Similarly, in Tulcea County, in the Danube Delta, the values of this index are high, and even very high in the case of Sfântu Gheorghe and Pardina communes.

The lowest values of this indicator include the rural areas of Moldavia. Most of the communes in this area, and especially those lying in the poorest counties (Botoşani, Iaşi, Vaslui and Galaţi), show frequently low values at this indicator. A similar situation is recorded in the southern part of Wallachia and Oltenia, the lowest values occurring in the communes belonging to the Teleroman, Olt and Dolj counties.

The cartographic representation of the indicator regarding the shares deducted from the income tax relative to the number of inhabitants in the urban environment for the year 2009, has revealed several inter and intra-regional differences. At national level, several nuclei with high values for this indicator stand out, lying around the urban areas with economic development higher than the national average, such as Bucharest, Cluj-Napoca, Timişoara, Iaşi, Bacău, Buzău, Craiova, Râmnicu Vâlcea, Piteşti, and Constanţa. As one can see, the high values are common for the large cities (with population exceeding 100 000 inhabitants), which are important from the administrative point of view, both at the level of development region and at the county level (Fig. 4).

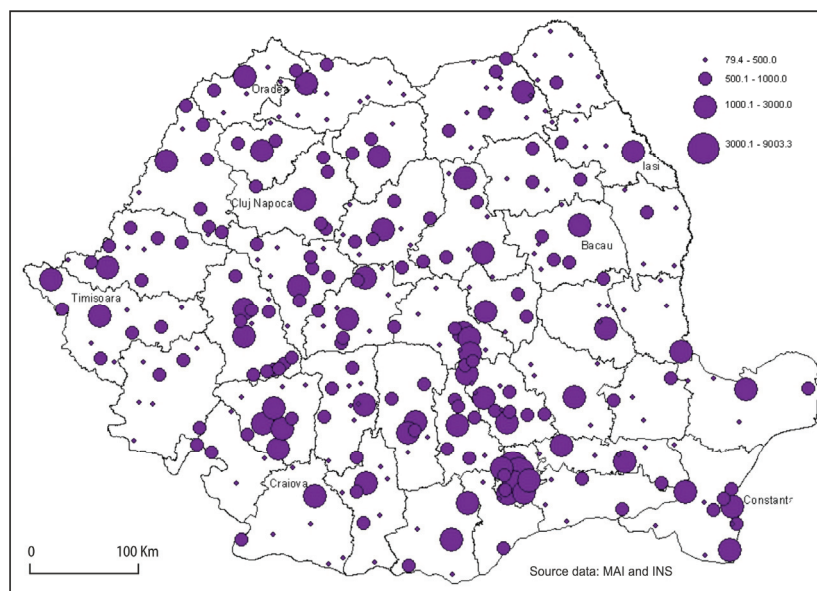


Figure no. 4: The sums deducted from the income tax rates by the number of inhabitants in urban areas (2009)

Source: developed by the authors based on the data of INS and www.dpfb1.mdrap.ro/

At regional level, the cities showing high values (over 3000) are concentrated in the south and southeast of the country, followed by the western territories and Transylvania. In the case of Wallachia, one can note high values on the territory of the Ilfov County, as well as along the axis following the Prahova Valley, between Ploiești and Brașov. In addition to the county seats, which record high values at this indicator (Pitești, Ploiești, Buzău, Slobozia), one can also note a number of smaller cities (Pitești, Băicoi, Urziceni). Dobruđa records high values for the county seats (Constanța and Tulcea), as well as for Mangalia. Likewise, Oltenia has significant values both in the case of the urban centers that are county seats (Râmnicu Vâlcea, Craiova, Târgu Jiu), and in the case of the Gorj County (Rovinari, Țicleni, Turceni).

In the west of the country, the high values of this indicator are also specific for the county seats - Timișoara, Arad, Oradea and Satu Mare, while the rest of the urban settlements are predominantly characterized by mean values (less than 1000). It is the case of Lugoj, Jimbolia, Deta (Timiș County), Nădlac, Chișinău-Criș, Ineu, Sebiș (Arad County), Vașcău, Beiuș, Aleșd (Bihar County), Carei and Seini (Satu Mare County). The situation is similar in Transylvania, where municipalities and county seats record the highest rates, while the other cities like Turda, Câmpia Turzii, Gherla, Dej (Cluj County), Năsăud, Beclean (Bistrița County), Aiud, Blaj (Alba), Sighișoara and Reghin (Mureș), have average values.

In Moldavia, the cities with small and medium population in the Botoșani, Iași and Galați counties generally have low values (mostly below 500). The average shares are recorded by some cities in the Suceava County (Rădăuți, Câmpulung Moldovenesc, Vatra Dornei), Neamț County (Târgu Neamț, Roman), Bacău County (Moinești, Târgu Ocna, Onești) and Vrancea County (Adjud).

5. Forms of territorial cooperation necessary to fulfill social responsibilities for the users of public services

The diversity of the distribution of financial resources should be analyzed in correlation with the specific features of the settlements. The results of the 2011 population and housing census revealed the demographic diversity of the administrative-territorial units (ATU) of Romania. Thus, of the 3181 ATU - including 320 cities and towns, and 2861 communes -, 1176 ATU (i.e. 36.96% of the total number of ATU) had a population less than 2500 inhabitants. Moreover, 88 ATU (2.76%) had a population of less than 1000 inhabitants, of which 12 ATU had less than 500 people (National Institute of Statistics, 2013).

As far as the socio-demographic characteristics are concerned, recent studies indicate that the number of administrative-territorial units in Romania in which the share of young people was very low (below 10% of the total population) increased from 25 (representing 0.85% of the total villages, towns and municipalities) in 1995 to 60 (1.89% of the total) in 2010. In 1995, the proportion of the young people was above a quarter of the total population in 38 ATU (1.29% of the total number of ATU), while in 2010 it dropped to 14 (0.44% of the total). Geodemographic analyses confirm the general trend of demographic aging in some areas of Romania, inasmuch as the number of administrative-territorial units in which the share of the elders in the total population exceeds 30% increased from 67 (2.27% of the total number of communes, cities and municipalities) in 1995 to 216 (6.79% of the total) in 2010. In this context, the decrease in the number of administrative-territorial units in which the share of population over 65 years is less than 10% of the total population

becomes relevant: a drop from 357 ATU (12.1% of the total) in 1995 to 115 (3.62% of the total) in 2010. At the same time, due to the changes of the share of the age groups in the population structure of Romania, cartographic representations of demographic dependency highlight the worsening of the demographic problems in specific areas, especially rural. Thus, one can note an increase in territorial demographic dependency between the two moments of the analysis, but also a demographic specialization of the country, which highlights the isolation and the decline of the population of the rural areas of Moldavia (Botoșani and Vaslui counties), central eastern areas (Buzău, Brăila and Ialomița counties), southwestern Wallachia (Teleorman County), southwestern Oltenia (Dolj and Mehedinți counties) and northeastern Transylvania (Cluj and Sălaj counties) (Ministry of Regional Development and Tourism, 2011) .

Statistical information confirms the great demographic diversity and the fragmentation of administrative-territorial units in Romania. Likewise, the analysis shows that regardless of the size and the available financial and human resources, in the context of local autonomy the public authorities have the same social responsibilities to the community. And the statement of the principle of local autonomy, according to the Law on local public administration no. 215/2001 republished, which broadly borrows the definition in the European Charter of Local Self-Government adopted in Strasbourg in 1985, points out that "Local autonomy means the right and the effective capacity of local authorities to address and manage, on behalf and in the interest of the local communities they represent, the public affairs, under the law" (Apostol, 2008, pp.259). The limited human and financial resources available to the public administration units do not exempt them from fulfilling their responsibilities, but require the adaptation of the practices and administrative cooperation according to the socio-demographic and economic characteristics of the administrative-territorial units, so that to fulfill their legal duties.

In order to support cooperation between the administrative-territorial units for the fulfillment of their responsibilities, the Law on local public administration established the legal partnership mechanisms. Thus, according to the law, two or more administrative-territorial units have the right, within the limits of their deliberative and executive powers, to associate and cooperate by establishing intercommunity development associations, with legal personality, of private law and public utility. It is worth mentioning that the association is voluntary and does not diminish the autonomy of the public authorities involved. Moreover, it leads to reduced administrative costs, gives consistency to the joint administrative practices and improves them continuously.

The forms of association and cooperation can be: a) Metropolitan areas - intercommunity development associations established based on the partnership between Bucharest - the capital of Romania - or the first rank cities (with population over 200 thousand inhabitants) and the administrative-territorial units lying nearby; b) Urban agglomerations - intercommunity development associations formed on the basis of a partnership between municipalities and cities (with population less than 200thousand inhabitants), including also the urban and rural areas in their hinterland; c) Intercommunity development structures - cooperation structures with legal personality, set up by the administrative-territorial units for the joint development of regional or local interest projects or for the joint provision of public services.

The European cooperation practices between the administrative-territorial units offered the setting for the capitalization of their economic potential and for ensuring territorial equity.

Note that, in accordance with the European strategic documents and the national legislation, the institutions and the public administration authorities have the responsibility for identifying and implementing solutions for ensuring optimal living conditions, better exploitation of resources and sustainable development of all regions.

Conclusions

Based on the specialty literature, on the European strategic territorial planning documents, on the national legislation regarding the public administration responsibilities for the development and territorial cooperation, as well as on the analysis of statistical information on the socio-demographic and budgetary resources of the administrative-territorial units in Romania, we have highlighted the institutional principles and mechanisms that govern the actions of public institutions to ensure a decent life and a sustainable territorial development. In this regard, in accordance with international standards and constitutional principles, the actions of the public institutions for the support and in the interest of local communities must rely on social responsibility principles. However, although the public institutions' responsibilities are highlighted by the standard ISO 26000, which stipulates that the State should satisfy the basic needs of the population (health care, the right to services related to utilities such as electricity gas, water, sewage disposal, drainage, sewerage and telephone), within the context of its available resources the State does not guarantee that these rights are protected everywhere.

In order to mitigate the economic disparities between the different areas or regions of the country, to capitalize the existing human and economic resources and to ensure territorial equity, the authorities need to adapt and tailor their public policies and measures according to local features. "The relationship between national and urban governance entails many of the debates about decentralization. These debates focus on the administrative and political dimensions of devolving power to individuals and groups in civil society" (Harpham and Boateng, 1997, p.68). The practices of corporate social responsibility and public intervention may support each other and involve "mutual supportiveness" (De Schutter, 2008, p.15). However, non-intervention or the uniform application of public policies in the context of socio-demographic and territorial diversity will not allow the successful achievement of the objectives of sustainable development and the improving of the living conditions of the citizens. More often than not, public action limits are imposed by the scant budgetary resources. In this respect, we consider that the development of intercommunity cooperation and the sharing of professional human resources are solutions by which the planning and sustainable development objectives can be met. Attracting financial resources from the state budget by extending the built-up areas is an unsustainable practice, which will lead, on medium and long term, to increased expenditures in order to provide the basic needs of the community members, end users of the public services.

This study presents the regional disparities from the point of view of the budgetary resources available to the public authorities, while taking also into account the institutional framework under which authorities can cooperate to carry out their responsibilities. Within the context of extending the measures of administrative decentralization, the study findings open the prospect of detailed analyses of the way in which community development associations or metropolitan areas and urban agglomerations work. At the same time, they can show the effects of sharing the competences and the professional human resources in

the field of sustainable territorial planning and development. At the same time, they allow the assessment of costs and the extent to which the responsibilities of administrative territorial units are fulfilled. It is worth mentioning that the results can support the assessment of the financial and economic viability of administrative-territorial units, within the context of the emergence of the regulations regarding insolvency and the appearance of the first case of insolvency, namely the Aninoasa town (Hunedoara County).

We therefore consider that in order to ensure decent living conditions and an effective and sustainable management of the territory, the public institutions should assume the social responsibility principles and diversify their intervention tools in order to achieve their objectives.

References

- Altschull, J.H., 1995. *Agents of power: the media and public policy*. Longman Publishers, U.S.A.
- Altschuller, S., Lehr, A. and Orsmond, A., 2011. Corporate Social Responsibility, *The International Lawyer*, 45. 1, pp.179-189.
- Androniceanu, A. 2008. *Management public. Studii de caz din instituții și autorități ale administrației publice*, Bucharest: Editura Universitară.
- Apostol Tofan, D., 2008. *Drept administrativ*, Bucharest: Editura C.H. Beck.
- Barry, B. .2000. *Understanding Agency: Social Theory and Responsible Action*, London: Sage.
- Cimpoeru, V.M., 2012. An empirical study on key indicators of environmental quality: green budgeting – a catalyst for sustainable economy and a factor for institutional change. *Amfiteatru Economic*, XIV (32), pp. 485-500.
- Clark, G.L. and Hebb, T., 2005. Why should they care? The role of institutional investors in the market for corporate global responsibility, *Environment and Planning A*, 37(11), pp. 2015-2031.
- Coca, V., Dobrea, M. and Vasiliu, C. 2013. Towards a sustainable development of retailing in Romania. *Amfiteatru Economic*, XV (Special Number 7), pp. 583-602.
- Čudanov, M., Jaško, O., Săvoiu, G., 2012. Public and public utility enterprises restructuring: statistical and quantitative aid for ensuring human resource sustainability. *Amfiteatru Economic*, XIV (32), pp. 307-322.
- De Schutter, O., 2008. Corporate Social Responsibility European Style. *European Law Journal*, 14 (2), pp. 203-236.
- Dean, M., 1999. *Governmentality: Power and Rule in Modern Society*. London: Sage
- Dinu, V., 2006. *Standardizarea și certificarea produselor și serviciilor*. Bucharest: Editura ASE.
- Dinu, V., 2008. Policies concerning SQAM services development in Romania. *Amfiteatru Economic*, X(Special Number 2), pp. 33-39.
- Dinu, V. 2010. Commercial Activity and the Sustainable Development. *Amfiteatru Economic*, XII (27), pp. 5-7.

- Dinu, V. and Andrei V., 2007. Priorities of the Romanian organizations providing SQAM services. *Amfiteatru Economic*, IX (Special Number 1), pp. 71-75.
- Dinu, V., Marchevski, I., Dobrescu, E. and Petrescu, R.M., 2010. Education and training needs in the field of consumer protection in the Lower Danube region. *Amfiteatru Economic*, XII (Special Issue No. 4), pp. 709-734.
- Gouldson, A., 2006. Do firms adopt lower standards in poorer areas? Corporate social responsibility and environmental justices in the EU and US. *Area* 38, pp. 402-412.
- Guvernul României. 2011. *Perspective asupra coeziunii teritoriale. Reprezentări cartografice*, Conferința "Coeziune și competitivitate teritorială în contextul Strategiei Europa 2020", decembrie 2011, Direcția Generală Dezvoltare Teritorială, Ministerul Dezvoltării Regionale și Turismului, Bucharest.
- Guvernul României, 2011. *Strategia Națională de promovare a responsabilității sociale 2011-2016*, Bucharest.
- Harpham, T. and Boateng, K., 1997. Urban Governance in Relation to the Operation of Urban Services in Developing Countries, *Habitat International*, 21 (1), pp. 65-77.
- Hugh, A. and Wray F., 2009. Corporate Responsibilities, pp.292-297, In: *International Encyclopedia of Human Geography*, Kichin R. and Thrift N. eds. Amsterdam: Elsevier.
- Institutul Național de Statistică, 2013. *Rezultatele recensământului populației și locuințelor din anul 2011*, Bucharest.
- Lupu, N., Tănase, O. M. and Tontoroiu, A.R., 2013. A straight forward X-ray on applying the ecolabel to the hotel business area. *Amfiteatru Economic*, XV (Special Number 7), pp. 634-644.
- Ministry of Regional Development and Public Administration, Fiscal Policies and Local Budget Department, 2013. [online] Available at: <<http://www.dpfb1.mdrap.ro>> [Accessed 15 July 2013].
- Nae, M., 2009. *București-dezvoltare urbană și calitatea vieții*, Bucharest: Editura Universitară.
- Nerone, J., 1995. *Last Rights: Revisiting Four Theories of the Press*, University Illinois Press.
- Oglesby, E., 2004. Corporate citizenship? Elites, labor and the geographies of work in Guatemala, *Environment and Planning D: Society and Space* 22, pp. 553-572.
- Paproski, P., 1993. Urban governance systems - another unanalysed abstraction?, *Development Planning Unit No.28*, London: University College,
- Peyser R. and Filutowski, A., 2010. What is corporate social responsibility and how can I incorporate it into my practice? *International Law News*, 39 (1), p. 8.
- Radcliffe S., Watson, E., Simmons, I., Armesto, F.F.A. and Sluyter, A., 2010. Environmentalist thinking and/in geography. *Progress in Human Geography*, 34(1), pp. 98-116.
- Săgeată R., 2011. The administrative – political function of human settlements and the role it plays in organizing geographical space. Case study – Romania. *Human Geographies. Journal of Study and Research in Human Geography*, 5(1), pp.77-94, Bucharest: Editura Universității București.

- Săvoiu, G., 2013. Responsible and sustainable business in the context of sustainable development. *Amfiteatru Economic*, XV (Special Number 7), pp. 569-572.
- Sitnikov, C.S. and Bocean, G.C., 2013. Relationships among social and environmental responsibility and business. *Amfiteatru Economic*, XV (Special Number 7), pp. 759-768.
- Sluyter, A., 2003. Neo-environmental determinism, intellectual damage control, and nature/society science. *Antipode*, 35, pp. 813-817.
- Suditu, B., 2012. Urban Sprawl – The Legal Context and Territorial Practices in Romania, *Human Geographies. Journal of Studies and Research in Human Geography*, 6.1, pp. 73-77, Bucharest: Editura Universității București.
- Suditu, B., Ginavar, A., Muică, A., Iordăchescu, C., Vârdol, A. and Ghinea, B., 2010. Urban sprawl characteristics and typologies in Romania. *Human Geographies. Journal of Studies and Research in Human Geography*, 4(2), pp. 79-87.
- Trăilescu A., 2005, *Drept administrativ*, Bucharest: Editura All Beck.
- Williams, B., 1993. *Shame and Necessity*, Sather Classical Lectures, 57, Berkeley: University of California Press.