



**APUSENI MOUNTAINS – GENERAL MANAGERIAL  
POLITICS FOR UNFAVOURABLE REGIONS.  
REGIONAL COMPARISONS**

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**ABSTRACT:**

*Apuseni Mountains region represents by its position in western Romania, between Transylvania Plateau and Tisza Plain, and by its ethnographic, demographic and economical features a well-defined entity.*

*The studied region benefits of large areas with national patrimonial value such as (national park, natural reservations, scientific reservations, nature monuments) of which the most important is Apuseni National Park.*

*The places with historical value are: archaeological monuments, religious monuments, monuments of folk architecture etc.*

*The development represents a hierarchy process so that certain economical activities play the role of the growth engine. For the regional development theory this activities are similar to poles of economical growth.*

*The dimensions of the regional lack of balance do not significantly differ in Romania in comparison with some countries from the European Union that have higher progress level. This means that the spatial distribution of activities and so the dynamics of the regional lack of balance develops following a complex diagram. In this respect, the possible progress directions of the regional lack of balance in the terms of transition between the two global models of economical growth: the model of centralized economy and that of market economy are being analysed.*

**KEYWORDS:**

*Apuseni Mountains, development, regional strategies*

**1. APUSENI MOUNTAINS' CHARACTERISATION**

Apuseni Mountains region represents by its position in western Romania, between Transylvania Plateau and Tisza Plain, and by its ethnographic, demographic and economical features a well-defined entity. This region contains along with the mountains, which represent approximately 76% of the entire surface, some lower territories as well, that makes the transition between plains and mountains and have quite a powerful economy. The mountain region is built up of some central

massifs app. 1850 m high with ramifications in almost every direction having less than 700 m height.

The total surface of the studied area is around 16200 square kilometers (70% of Romania's entire surface) and the population around 674600 (30% of Romania's population) and as a result a 42 inhabitants/square kilometer density. The distribution on the 6 afferent districts looks like presents in table 1.

*Table 1. The Studied Area's Distribution*

| District  | Surface, [km <sup>2</sup> ] | Share, [%] | Population [-] | Share, [%] |
|-----------|-----------------------------|------------|----------------|------------|
| Total     | 16200                       | 100,0      | 674600         | 100,0      |
| Alba      | 2999                        | 18,5       | 109500         | 16,2       |
| Arad      | 4256                        | 26,3       | 138500         | 20,5       |
| Bihor     | 3164                        | 19,5       | 160300         | 23,8       |
| Cluj      | 2391                        | 14,8       | 76100          | 11,3       |
| Hunedoara | 2095                        | 12,9       | 75700          | 11,2       |

The communication network is represented by 4874,3 km of public roads of which 45% have been modernized and 587,4 km of railway of which 30% with double lines. The region has quite a rich water supply network. Unfortunately, the quality of the surface water is greatly damaged due to the dirty water from factories, mining exploitation and population, thrown back into rivers. The number of countryside places that have a centralized water supply is only 47, and of those with proper drainage 24.

The energy supply in the region is provided by a medium tension voltage (20kv), the average consumption per careful management being reduced to app. 700kwh/year in comparison with the country average of 1042kwh/year. There are 104 villages (having 1377 careful managements) that are not electrified, and another 2625 careful managements from the electrified villages are not connected to the electricity network.

The studied region benefits of large areas with national patrimonial value such as (national park, natural reservations, scientific reservations, nature monuments) of which the most important is Apuseni National Park.

The places with historical value are: archaeological monuments, religious monuments, monuments of folk architecture etc. Characteristic for this territory are the wood houses and churches (app. 157 belonging to the 18<sup>th</sup> century).

The development represents a hierarchy process so that certain economical activities play the role of the growth engine. For the regional development theory this activities are similar to poles of economical growth. The main economical activities in the Apuseni Mountains that fit this profile are:

- Extractive industry – it will continue to be the main component of the industrial activity from this region. Though the gold and silver exploiting is old, there still are many unexploited places. Roşia Montana is the central pole of exploiting. According to a study made by Gabriel

Resources Limited there are several exploiting places in Cetate, Cârnic, Ornea and Jig to be opened. 30,5% profitableness and approximately 6000 new work places are estimated for this project. The main shareholder is Gabriel Resources Limited (75%) and the Romanian state holds 25% as well as priority at buying gold and silver.

- Light industry – leather goods, shoes, wool and hemp processing in Ineu, Pancota, Ştei, Sebiş, Beiuş, Zalău etc. With the view to creating natural clothing products, there are serious perspectives of development in this area.
- Agriculture – 820023 hectares of which 61,4% are pastures and 60% private properties, the rest being in the state's patrimony. The farming production is quite low: 1470 kg/he potatoes, 1678 kg/he corn, 10660 kg/he potatoes etc. The most well-known places for animal raising are: Hălmagiu, Păuliş, Horea, Avram Iancu, Vaţa de Jos etc. We believe that the basis of agricultural development is represented by the live-stock farms on the condition that the farms are equipped with many animals. The fruit growing has limited its surface on behalf of the grazing. The fruit trees are represented by: apple tree, pear tree, plum tree, but unfortunately the quantity productions are quite low. There also are raspberry, currant bush, bilberry bush, service tree productions but they are low as well. Still, we truly believe that there is a very good basis of wild fruits export in the European Union, which would definitely make the building up of plantations much more profitable.
- Silviculture – is supported by the 6685550 hectares of woods of which 26% is represented by resinous trees. The exploiting of wood is not balanced and the forestry roads insufficient. The most important centers of wood processing are in: Pancota, Sebiş, Bârzava, Gurahonţ(Arad), Vaţa de Jos (Hunedoara), Arieşeni, Câmpeni, Albac (Alba), Huedin, Ciucea (Cluj) etc. Taking into account the fact that the furniture industry in Romania is following a rising course, we consider this a good opportunity for forestry activities on the condition of a rational exploiting development of wood resources. The foundation of a wood market could prevent the degradation of the environment through uncontrolled clearings.
- Construction materials – clay, chalky stone, marl, gravel, quartz, marble are exploited in many parts of the region and the specialized factories are to be found in: Aştileu, Lungaşu de Jos, Pădurea Neagră (glass)(Bihor District), Huedin, Gilău (Cluj District), Chişcădaga, Crişcior (Hunedoara), Vinţu de Jos (Alba) etc. Modernizing the cement factory from Chişcădaga would definitely help the industry in this area.
- Tourism – it can be seen as a very significant factor for the economical re-launching. One can find here important resources of mineral water and mud as well as a balanced environment. Added to all this, the ethnographic and historical background is impressive. When talking about position we find that the region has a big potential both from internal and external point of view. Timişoara, Arad, Cluj, Oradea are only some of the nearby big towns that can provide us with a great

number of tourists. Airports in Timișoara and Cluj can become the main access gates into Apuseni Mountains for tourists all over the world. In this respect there are a lot of spas like Geoagiu, Lipova, Vața de Jos, Moneasa, Stâna de Vale, Padiș-Scărișoara etc. Accommodation areas are also important as there are 3323 places in hotels, 1633 in villas and 907 in cottages.

The global level of development and economical dynamics constitutes the main explanations of the regional distribution and concentration of all activities. Also, the state and evolution of some factors that belong to the specific of each region (historical, social, cultural, political, environmental) can support or, even the opposite, can obstruct the repartition of activities.

The dimensions of the regional lack of balance do not significantly differ in Romania in comparison with some countries from the European Union that have higher progress level. This means that the spatial distribution of activities and so the dynamics of the regional lack of balance develops following a complex diagram. In this respect, the possible progress directions of the regional lack of balance in the terms of transition between the two global models of economical growth: the model of centralized economy and that of market economy are being analysed.

## **2. THE VALUATION OF REGIONAL LACK OF BALANCE**

One of the most common methods for the measurement of regional lack of balance consists of calculation and analysis of the concentration degree of activity in the territory.

In specialized studies (Bailly, A.S., Guesnier, B., Paelnick, J.H.P., Sallez, A. - 1988) it is considered that the global level of national economic activity can build up the first explanation of the distribution and the multiregional concentration of activities, to be more exact the higher the level of economic growth is, the more chances that the economic activity locates in any region. So, in this way the probability of a more unvarying distribution grows and the degree of concentration reduces. Another factor with similar effect on the evolution course of the concentration degree is the rhythm of economic growth.

Also, a high specialization might lead to a rise of the concentration degree due to specialized activities that need special locating conditions and so they tend to compress in certain areas, avoiding others that cannot offer similar conditions.

Consequently, one other element that influences the distribution way of the activities in the territory depends on the particularities of each and every region, on local traditions, on the duration of certain social, economical and political courses.

The territory's geographical structure must also be taken into account. There can be, as a matter of fact, closed areas, isolated or difficult of access that stops the location of activities. Along with the above mentioned factors, it is considered that the dimension of resources, the nature of measures and the experience of public administrations (national,

but most of all local) in what concerns the politics of the territory's arrangement cause, to a great extent, the development of regional lack of balance.

In conclusion, the hypothesis states the fact that a high level and a marked dynamics of national economic activities tend to reduce the concentration degree, while the specialization and the other natural and socio-cultural factors encourage the discriminating spatial repartition.

A pattern that starts from the mentioned hypothesis was developed and tested in some of the European Union countries. The obtained results verify the hypothesis of a close correlation between the spatial concentration of activity and the progress level, meaning the geographical characteristics of the analyzed countries. The economical pattern promoted in Romania during the postwar period has greatly influenced the economic development and, without any doubt, has determined regional lack of balance.

### **3. THE DEVELOPMENT OF REGIONAL UNBALANCE – HISTORICAL PERSPECTIVE**

On the background of a low global economic development, Romania has known a significant lack of balance in regional development before The Second World War as well. During the postwar period, Romania has pushed for industrializing politics. In this context, by trying to assure a balanced growth of all areas and the full use of human potential, there have been oriented investments in industry and infrastructure in every region especially in the less developed ones. The effect of such politics has been on the one hand the growth of industry mostly in the poor areas (in north-east and south-east) and on the other hand the redistribution that led to the slowing down of the economical growth rhythm and eventually to the weariness of internal factors that supported this growth. After 1989, the areas that were first to be affected by the economical reorganization, were the ones that had suffered a artificial industrial development. Following this background, the more developed districts were less affected than the poor developed ones. A rise was registered in the social domain as well (education, medical assistance, local public services etc). The less developed areas in Romania are to be found in northern Moldavia, in the southeast of Romanian Plain and the developed ones around Bucharest, Constanța and Transylvania.

The economic development of a region seems to be a process with a consensual basis because it is supposed that from this growth benefit all the inhabitants of the region. If things were really like this, there will definitely be no need for special programmes, for measures of supporting the less developed areas or for funds. The identification of opportunities of economic and social growth would be more than enough. The basis of this process is often hard to build because individuals usually pursue their own dreams and ideals. Moreover, the economic competition often places enterprises on enemy positions.

Consequently, we are dealing with two different levels: the market level-that offers the basis of society organization (market economy), but in which is are dominant the individual's interests- and regional level, where cooperation is dominant and where the general interest is pursued.

The regional growth needs the harmonization of traders' individual interests with the people's general interests from a certain region. This means that people who want to support the development of a particular area have to cooperate and take collective decisions. The issue of collective decision is dealt through two main approaches that point out the principal tendencies mentioned above: the public interest approach and the personal interest one. The cooperation of two persons may assure Pareto's efficacy criterion:

- the improvement of one's utility must not diminish the other one's utility.
- competition assures the efficacy of goods producing and services. It is the engine of economic progress and technological development and implicitly it creates better social conditions.

For the goals of our analysis we consider very important to bare in mind the two opposite approaches: public interest versus individual interest. The motivation of this work hypothesis results from the conceptual closeness of the two approaches, meaning their similarity with the transition period to the market economy.

If we take into account the dominant conflicting relation between the members of Romanian society, it means that the handling of the projection and implementation for the regional development must be strategic. And this is because the concept of strategy is proper to conflicting relations.

#### 4. RECONSIDERING THE CONCEPT OF ECONOMIC STRATEGY

The concept of economic strategy has entered the economic science through *The Games Theory*. So, traditionally, **strategy** means "any rule that prescribes certain actions when taking a decision. Formally, the strategy is a function of information existing at a certain moment, a function that has certain values for the multitude of accessible alternatives in that moment."

Defining strategy as any rule that prescribes modalities of action for taking a decision is somehow restrained due to the variety of stages when talking about environment. The definition of strategy as a set of rules is more precise because solving some decision problems supposes a chain of logical actions.

Given this hypothesis of the conflicting social environment, an examination of the original meaning of the strategy concept would be more appropriate: a component of the military art which deals with training, planning and carrying on with the war and the military operations. The use of this military concept of strategy in economics is very suitable taking into account the important role of competition in balancing the market. A supplementary argument in this respect is given

by Benjamin Franklin as well: "The war means theft and the commerce fraud".

A well-known Chinese strategist Sun Tzî said in the first modern treaty of military strategy: "The war means fraud". According to the rule of transitivity it results in: **The commerce means war**. This result is perfectly logical if we take into account the harshness of confrontations in the modern world of business, which are called **commercial wars**. In this terms the concept of strategy can be defined as follows:

Economical strategy – a multitude of plans, methods, stratagems and objectives that describe a manner of handling a conflicting situation in the economical domain. The "strategy" term was borrowed from the military domain and it refers to a sequence of events during a long or a medium period of time. From this point of view it is opposed to the tactics term, which refers to certain methods used in order to reach an objective (a set of objectives) in a short term. So, the term "economical strategy" is very often used in describing the behavior of economic agents, due to the fact that competition supposes a conflict of interests.

Having this kind of definition for the term, it can be also used in the area of economical development because the meaning is much wider. Although it represents the key factor of growth, the economical part is only a component of this process.

The economical theory of development, with a greater extent than the neoclassic economics and even than the economic politics, has to cope with all the economical, political and cultural demands that are imposed in order to quickly transform the society so as to obtain a progress for large parts of population. From this point of view, a greater involvement from the government's part and a certain degree of coordination when taking economical decisions for a change in economy, are basic elements for the politics of economical growth.

## 5. THE ANALYSIS OF THE REGIONAL PROBLEMS IN DEVELOPMENT

According to Sun Tzî any strategy has to be analyzed by taking into account five fundamental factors:

**The way** – the moral influence: "what determines the harmony between people and their leaders, making them follow their leaders through life and death without any doubt or any fear that they shall be killed".

This means that the first aspect that must be taken into account when projecting the strategy of regional development is the moral aspect, which represents the bond among groups of people in the development process. Having this perspective, we believe that Romania's top priority when talking about the economical growth is: **Rebuilding people's trust in themselves and in others**.

The moral sanitation of Romanian society has been a very debated subject in the 90s and it is still actual when thinking about the serious problems of corruption in our country. The important problems of regional

growth cannot be solved only with economical stimulants. Without credible leaders in the economical (true businessmen), political, religious or civic domain, the necessary consensus regarding some programmes of regional development will never be reached. Where there are serious conflicts between people who have to decide, there is absolutely no chance of ever getting to an agreement in what concerns our goals and the suitable actions in order to attain them.

**The sky** – the weather forecast: “the game of the nature forces, light and darkness, the effects of the winter cold and of the summer heat, and of course leading the military troops according to the seasons”.

Although it is said that the areas with temperate continental climate is typical to medium heights (934m), the average temperature being 6 degrees (in winter around -4 degrees and in summer +15 degrees), the extreme temperatures should not be forgotten. Even so, the Apuseni Mountains region is constantly submitted to droughts and serious floods and sometimes the roads are so snowed up that many places are isolated for a long period of time. The placement of the new economical objectives must be aware of those climate restrictions.

A very good example, in this respect, is given by the Roşia Montana project, where Gabriel Resources Ltd intends to widen the mining workings by surface exploiting. The frequency of the floods and of abundant snowfalls in the area creates conditions for natural disasters. An ecological accident of this kind, on a smaller scale, took place in year 2000 in Zlatna due to the abundant rainfalls.

**The earth** - the ground: „distance and nearness, easiness or difficulty of covering them, uniformity and irregularity, high and deep, wideness and narrowness of the action field, the chances of life and death they offer”

The region is situated at a height of 934 m with abrupt slopes, deep valleys and curved surfaces. The ground is suitable for zootechny and silviculture and some of the areas are good for growing crops as well. The potential of the ground consist of its mineral resources that can still be exploited. The great dispersion of the places as well as of the careful managements makes it harder on the development of activities, the transportation expenses being really significant. In addition to this, the poor state of the ways of communicating aggravates the situation. This problem brings about another-that is tourism. The distance between the big towns and the Apuseni region is covered with difficulty, so the chances of economic life are not too high, but the variety of the ground could be rendered profitable in order to compensate the lack of large economical activities.

**The head** - the commandment: „the leader’s wisdom, his sense of justice, kindness, courage and his exigency”

Friedrich Hayek noticed that the system of the market economy replaces an absolute dictator with a multitude of smaller dictators, each and every one of those imposing his power on their property domain. The valuation of this commandment represents the analysis of the local

leaders' managerial qualities. The problem that appears here as well as throughout the country is the rarity of economical and political leaders with calling and with a suitable schooling. Many people have a business, but few of them really have a calling for this. Most lack economical and managerial knowledge and business experience.

The commandment's qualities will depend on the selection way of the enterprisers who will be helped by finance from SAPARD and PSAL II programmes, on the qualities of the coordinators handling these programmes in the Apuseni Mountains. Until then we must remark the fact that during this period of capital rising, the sense of justice, the kindness and the exigency of the businessmen are far from being realities.

**The standard** – the doctrine: „the discipline, the organization, the art of troops display, the authority, the promotion of officers in the deserved rank, the safety of the supply ways and the concern to cope with the essential needs of the army”.

The discipline has never been Romanians' strong point. Still, Transylvanians are more disciplined and calmer, understanding the necessity of order in the sequence of economical and social activities. The problem is that in a social and economical environment that is eaten by corruption, the leaders' moral authority is quite a rare feature. In this respect, the promotion of real values remains still a dream.

The certainty of the supply of economical activity concentration is weak due to the poor state of the roads and the unfavourable climate. Floods and snowfalls sometimes cause the shutting off of all economical and social activities in the area.

Maybe the most unfavourable factor in the region is represented by the high rate of poverty. There definitely is a condition of underdevelopment even if this is not valid for the entire area. It is really hard to build something big concerning the regional needs with people that are discouraged and full of unending problems and sorrows.

A very important issue in elaborating the regional development strategies is spotting the enemy. Without doing that, everything is just a sequence of actions in order to attain certain objectives, but not strategies. The strategy necessarily supposes an enemy, a person against whom to fight. The characteristics that follow are very important in forming strategies of economical growth: *„To always take into account the fact that there are people and groups of interests which will not ever agree with the designed actions, which will resist or even act against”.*

This will happen when the individual feels more free than ever in the system of market economy. Without being partisans of some conspiring attitudes, we shall try to identify the factors that undermine the implementation of the growth strategies.

A part of these factors are particular to countries in course of development. The first category of factors is represented by the weakness of our own forces that should be used in this process:

The sluggishness – the people have got used to poverty and needs so much that they became normal. It is not necessarily about the absolute

poverty, but mostly about the relative poverty in comparison with the modern standards of living in Western Europe.

The impact of traditions in the development of economic activities. Doing zootechny or exploiting wood as in times long gone is not a reason to be proud. Keeping our traditions and folk elements is indeed a positive thing, but we should take into account the fact that this means art and we cannot have an area populated entirely by artists.

Self-content - having had many troubles, the Romanian has learned to be satisfied with little. He does not want perfection; he just wants to live the way he pleases and that is all.

The attitude of the church towards economic activities and civic life. Contrary to the western churches that are greatly involved in the daily life of its' parishioners, the orthodox church is relatively less present in the Romanians' daily life. Without actually pointing it out, the church tends to agree with the Middle Ages attitudes which condemned the pursuit for money, though its' representants hallow large enterprises as well.

The passivity towards dangerous social attitudes. The public opinion represents a desideratum in Romanian society.

Generalised corruption, officially admitted, but in front of which the authorities are not able to do anything, and the population seems not to care. The persons who are afraid of losing certain privileges and who obstruct the progressive initiatives from the economic and social domain. The people, who adopt the „clandestine passenger” behaviour, to be more exact the politicians and the local leaders who make use of the „rent seeker” behaviour.

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