

THE IMPORTANCE OF COMMUNICATION IN THE PROCESS OF LOCAL ECONOMICAL DEVELOPMENT (L.E.D.)

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Abstract

The local economical development requires rising the level of economical competition of an area in order to make its economical status better. The participants (actors) of the process of local economical development are the representatives of the economical sector, the public sector and the associative sector (NGO). Building a reliable network between local participants at the economical development process imposes new relational abilities. Now communication technologies may represent precious tools for building communication networks between the factors that lead to the development of local/regional communities. Every one of the 3 main participants of the process of economical development must fulfill their clearly stated purposes. Therefore, the public administrations must assure a good environment for the development of businesses, needing an infrastructure and quality public services, reduced bureaucracy, legislative and political stability, and involvement in releasing relevant information. The associative sector can be consisted as a bridge between the public and private sector or as a support factor regarding some activities conducted by the public or private sector. The NGO's identify the prior needs of the community and together with the representatives of the public administration and of business environment try to fulfill them on short, medium or long term. In this framework, Volume and accuracy of communication undoubtedly stands up as a main element for defining the level of performance of the three entities involved in local economical development.

Keywords: Competition, communication networks, local economical development

Introduction

„There are 2 main communication definitions. The first regards communication as a process in which A sends a message to B, a message that has an effect on him. The seconds sees communication as negotiation and exchange of meaning, a process in which the messages , the culturally determined people and ‘reality’ interact so that understanding is produced and a deal emerges.”²

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² O'Sullivan, T., Hartley, J., Saunders, D., Montgomery, M., Fiske, J., 2001, *Concepte Fundamentale din științele comunicării și studiile culturale*, Editura Polirom, p.74.

The above definition shows that the process of communication implies the existence of at least two entities (beings, sides) that interact with the purpose of sending and receiving information

“There are 3 dangers that lurk exchanges between the individuals: excessive talking for some, that inhibit expressing for other group members; the non-realism of debates that drive towards foreign considerations from the concrete reality, preventing the achievement of stabile conclusions; the absence of an adequate framework or some instructions that would organize and channel the exchanges, leading to their retrogression into confuse and unending conversations.”³

In order to avoid the mentioned dangers, the process of communication between the individuals must be organized, logical and to follow a certain pre-established purpose. Realizing a good communication between the factors that influence the local economical development implies that specialized services with clear attributes in this case exist within the public institutions.

The local economical development can be interpreted as a process that considers 2 aspects, regarding: quantity (economic) and quality (socially). The economic growth will be associated with development, only in the case of generating a structural modification in the social-economic system, that would lead to the improvement of the quality of life and environment, will preserve the cultural heritage, would drive the community into solving the problems and harnessing the benefits.

This article has the intention of showing the importance that must be given to communication between the participants of the process of local economic development, the importance that must be given to the human factor within this process and showing examples of results (effects) of using different forms of communication as tools for achieving the purpose: the economical development of communities/regions.

Thought initially for helping Europe become until 2010 “the most dynamic and competitive economy in the world, based on knowledge, capable of a durable economic growth, generating new, better work places and characterized on a larger social cohesion”, The Lisbon Agenda suffered in march 2005, while halve way there, a revision that shifted the main course of action towards economical growth based on technological progress and work force occupation.

³ Andre´ de Paretto, Jean - Andre´ Legrand, Jean Boniface, 2007, *Tehnici de Comunicare*, Editura Polirom, p. 73.

The low results during the 2000-2004 period were especially due to the member states that had not had enough political will for applying the reforms necessary to achieve the objectives of the Lisbon Agenda

“The new form of the Lisbon Agenda is currently following 3 main objectives:

- To promote the economical growth based on knowledge and innovation;
- To make Europe a more attractive place for investments and work;
- To offer more and better work places.”⁴

Fulfilling those 3 objectives of the Lisbon Agenda will assure a durable economical growth and a better work force cover level. The main measure that supports achieving the objectives mentioned above is the development of regional competitiveness.

The revised Lisbon Agenda asks that “the European Union should mobilize all its national and community resources corresponding-including the social cohesion policy”, and this is possible only by involving the local and regional actors, as well as the social partners (European Commission, 2005)

The main participants at the process of local economical development are the representatives of the economical sector, the public sector and the associative sector (Non-Governmental-Organizations)

Building a trust network between the local actors, participants at the development process imposes new relational authorities.

Local economical development principles

European experience has demonstrated that for achieving strategic objectives and directions there were used different means and methods, depending on the period they were applied. After the 90s, the local public institutions and authorities (including the public learning institutions and the ones for research-development) were focused on:

- elaborating and implementing some integrated strategies of forming a competitive environment at a local level;
- creating conditions for cooperation between the economical agents, forming local horizontal bonds by promoting the idea of economical cluster, corresponding to the local trend.
- rising the level of work force training;
- developing the productive and service sector;

⁴ Grupul de Economie Aplicată (GEA), 2007, Manual de evaluare a competitivității regionale, București, p. 5.

- sustaining the activities that are concerned with rising the quality of life and protecting the environment.

The local economic development must take into account the problem of preserving the surrounding environment, that is today one of the global problems of mankind, because not applying measures in this case endangers even the human species.

“The apocalyptic theory of economic growth stagnation due to limitations of atural conditions, released by Malthus nearly two centuries ago, brought with it severe criticism”⁵

The Brundtland Report made by the World Commission on Environment and development (created by the UN in the year 1983), suggests respecting a series of principles with juridical, economical and political character within the process of economical development:

- The principle of prudency (explained in The Maastricht Treaty)
- The principle of demand management;
- The principle of solidarity;
- The principle of ambient-efficiency;
- The principle of social-economical efficiency;
- The principle of honesty;
- The principle of equity;
- The principle of eco-systematic approach;
- The principle of global way of thinking- local action;

Communication – connection in the Local Economic Development (L.E.D.)

The new communication technologies may prove to be valuable tools for building a communication network between the factors that lead to the local/regional economic development.

Electronic communication is used as a tool for passing information, frequently used by the factors that can be involved in local economic development.

Another type of communication between the local authorities is implementing together projects that are concerned with local economic development.

Affiliation to international promoting networks with the purpose of promoting regional/local business opportunities can support the local economic development process in a significant proportion. Therefore, we

⁵ Stoica, M., 2005, *Investițiile și Dezvoltarea Durabilă*, Editura Universitară, București, p.17.

can identify potential investors for investments that are specific for certain areas/regions.

The exchange of good practices, observing different examples of regional development might also prove to be useful tools in the process of local economic development.

The actors that aim at local economic development must efficiently use the (local) business opportunities, material, human and technological resources in order to create new work places, stabilizing the economic situation of the community, generating a larger local taxing pool in order to improve the quality of the services aimed at the population and finally for improving the quality of the life of the community members.

Each of the 3 main participants of the process of local economic development must fulfill its clearly stated responsibilities.

Therefore, the public administrations must assure the favorable business environment, which requires an infrastructure and quality public services, reduced bureaucracy, legislative and political stability, constant fiscal level and possibly granting some benefits (grace period, gradual increase), involvement in disseminating relevant information.

The associative sector may be a bridge between the private and public sector or a factor of support within actions that are ran by the public or private sector.

Regarding some studies that took place in the north-eastern part of Romania and the Romania-The Republic of Moldavia bordering area, it was noticed that many of the economic initiatives were not linked together, thus not contributing like in a puzzle game towards achieving a whole. This happened precisely because of a weak communication between the local authorities that could have involved in the process of local economic development.

In practice, two cases often meet: first, when the public administrations from the same county/region do not collaborate with the purpose of developing together some projects that are concerned with the interest of the community, wasting each of the human and material resources for obtaining some studies of strategies for local/regional development. And secondly, within the associative framework, a series of individual projects that are not complementary to other projects that were implemented before are being put into practice.

In order to attract foreign or local investments, the public administrations from the European Union have specialized services in this field that promote local business opportunities and offer professional advice to potential investors.

A region where the human resource tacitly "inherits" the idea the "leave it like this, this works fine too" has all chances of being left behind the

regions that profoundly acknowledges the significance of the concept of competitiveness. In this case, changing the mentalities of those that oppose change is demanded, either through the positive motivational system, based on financial rewards, acknowledging of the competences, the "revolution" in the career; or, through the system of negative motivation, based on punishments. Another method that is applied in the private domain is the periodic "refreshment" of the human resource by hiring base personnel of specific competences to every post and firing the people that have bad results

"Regional competitiveness may be defined as the ability of a region and, thus, of its public authorities to maintain its local pool of companies and qualified work force and to attract foreign investments"⁶

The neo-classic theory shows the importance of physical and human capital in the process of economic growth, requiring the technological influences to be exogenous.

Investment done in the material resources lead in the end to the forming and development, and investment done in improving the level of professional training of the natural resources generate the human capital. The human capital is represented by the professional knowledge, experiences and abilities that can lead a person to improve its creative capacity and his capacity to efficiently produce goods and services.

Effects of communication, illustrated through examples of good practices

A. "A positive action for the North-Eastern region in the domain of research-development-innovation was the ongoing project PARTNER Thematic Network, its purpose being supporting the regions that make projects of regional innovation strategies. Through this project in which the Agency for Regional Development (ARD) North East was a partner, the following results for the region were desired:

- methodological support for the regions in the candidate states for EU integration that make projects of regional innovation strategies;
- information, experience and good practices exchanges;
- rising the level of acknowledgement over the regional innovation strategies;
- cooperation relations between the Member States of the European Union, the Candidate states and the New Independent States and Regions from The Mediterranean Countries.

⁶ Idem 3, p.10.

Also in the domain of innovative development, but of academic cooperation with the industrial environment as well, The North-East Agency for Development has been partner in another program. This program named SAIL (Strengthening Academic and Industrial Links) NETWORK had the purpose of facilitating the exchange of knowledge and experience at a transnational level, regarding the academic and industrial cooperation between regions. The program is ran in the Development Regions of the following countries: Germany, Crete, Iceland, Spain, United Kingdom, Sweden, Romania, Northern Ireland, Cyprus, Poland and Israel. Throughout this program at the level of the North-Eastern Region, the following results were obtained:

- promoting the innovative development and providing information over the opportunities for improving the transnational partnership by offering some experience exchange activities, including public workers exchanges and study visits;
- including academic and industrial cooperation on the political agenda of the regions represented in the network;
- sharing information throughout the use of a website, a news teller and 2 conferences.”⁷

B. A good example of good practices applied in the economic domain for the purpose of stimulating the trans-bordering economic cooperation between Romania and The Republic of Moldavia was the event (The Round Table) organized on the 24th of July 2009, within the project named ”The Office of resources for trans-bordering economic cooperation”, implemented by Iasi City, in partnership with the NGOs that represented the interests of business men from Iasi county and Ungheni and Chisinau counties from the Republic of Moldavia.

The representatives of the business environment and of the public administration from Iasi County and Ungheni and Chisinau counties (The Republic of Moldavia) participated at this round table, talking about aspects related to “Business Communications” and ”Trans-bordering communication”.

An adequate institutional framework must be assured for durable development of the society. The corresponding institutional framework for durable development can be assured through legal measures and adequate policies that would integrate the social, economic and ecological factors. Positive results in this domain are obtained if high-level institutional capacity exists. The institutional capacity can be measured through the

⁷ The Project RIS, DISCOVER NORTH-EAST ROMANIA, *Analiza Tendințelor economice ale Regiunii Nord-Est*

existing facilities in a country/community (infrastructure), human, scientific, technological, organizational resources etc. The defining element for the performance level of public and private institutions and organizations involved in the local/regional economical development is no doubt the volume and accuracy of communication between the particular entities.

C. Communication Plan (proposition)-for the durable economic development in the North-Eastern Development Region, conducted by the Office of Communication within Iasi City Hall, in collaboration with the North-Eastern Regional Association of the of Entrepreneurs.

1. The necessity of a communication plan

Iasi City is a Growth Pole within the North-Eastern Development Region, with a purpose determined in the durable economic development of the region.

The North-Eastern Regional Association of Entrepreneurs, as a representative of the business environment in the North-Eastern Development Region has asked Iasi City its support for conducting activities whose purpose is sustainable economic development of Iasi City, with positive effects over the North-Eastern Developing Region. In this matter, The North-Eastern Regional Association of Entrepreneurs has made Iasi City a proposition to sign a collaboration protocol for achieving the purpose mentioned above.

2. Main Message

Sustainable/Durable economic development of a community can be achieved only by focusing the efforts of all local actors/players: business environment representatives; local administration representatives and representatives of the non-governmental sector, whose interests focus towards one common goal.

3. Stages of the Communication Program

3.1. Signing the collaboration protocol between The North-Eastern Regional Association of Entrepreneurs and Iasi City;

3.2. Setting the plan of action that will be implemented by both sides that are signing the collaboration protocol;

3.3. Implementing the plan of action.

4. The purpose of the communication program

The local economic development by acknowledging the business environment from the level of Iasi town over the importance of conducting correlated projects between the administration and the business environment, for the purpose of obtaining a sustainable growth of both individual businesses and local economy in general, as an aggregation effect.

5. Target Groups

Economic agents from the North-Eastern Region of Development, the local public Iasi administration, NGOs that represent the interests of the community and the local business environment.

6.Objectives of communication

6.1. Creating a viable partnership between Iasi City (growth pole in the North-Eastern region) as public administration and the local business environment for sustainable development of the region on short and medium term;

6.2. Elaborating a Business Guide under the coordination of Iasi City, which will be made based on the expertise and with the support of the partners in the non-governmental sector;

6.3. Elaborating the Strategy for creating a city of European business.

7.Communication tools/instruments

Logo/Image; Face to face discussions; Phone-calls; Business cards; E-mails/Electronic mail; Banners; Meetings/Round Tables; Seminars; Conferences; Brochures; Posters; Magazines or News tellers; Press releases; Paid Advertisement; Sponsored television or radio programs; Other.

8.Monitoring the implementation of the communication program

This stage consists in monitoring the activities imposed by the communication plan, especially the implementation of the action plan.

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