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INTRODUCTION

The studies presented in this interdisciplinary issue focus on aspects of legislation, education, economy, and health, complementing the interdisciplinary format that the journal consistently promotes.

Undoubtedly, communication and access to information are essential for creating a safer and well-regulated society. The lack of transparency can lead to distrust and imbalances in the decision-making process. Studies analyzing the impact of communication on security and social cohesion highlight the fact that a well-informed population can actively contribute to community progress and the effective enforcement of laws.

In this regard, the study proposed by **Gheorghe Bunea and Olga Munteanu** represents outstanding research that deepens the relationship between community, information, and communication. Another study by **Ciprian Adrian Păun and Dragoș Păun** explores the "memory" of Romania's modern constitutional texts from the perspective of decentralization. The 1923 Constitution is essential for contemporary debates on centralization versus decentralization within our society.

Constitutional evolution and the principles of decentralization directly influence the capacity of public administration to efficiently manage resources and address local needs. Analyzing historical models and the impact of judicial decisions contributes to the development of legislative frameworks adapted to current realities.

Regarding the justice system, the study conducted by **Patricia Oana Vanca and Flaviu Mureșan** axiomatically argues that ensuring a uniform application of the law and clarifying judicial decisions are essential aspects of maintaining fairness in the legal system.

An interesting study focuses on education, which is a fundamental pillar of any prosperous society. The contribution of **Eva Aquis and Gheorghe Sabău** is particularly relevant in this regard. Additionally, a second study by **Eva Aquis**, dedicated to higher education, its evolution, and its transformations, must also be mentioned.

Education also involves the interaction between religion and legality, which is essential for understanding cultural diversity and the balance between faith and the rule of law. In this context, we recommend the compelling study by **Adrian Sorin Marian**.

Last but not least, we must highlight studies addressing concrete aspects of the economy and trade policies. The examination of economic policy models and the role of chambers of commerce can offer valuable insights into effective business development strategies and investment attraction. Additionally, European fiscal policies influence national strategies for securing external funding, playing a crucial role in supporting local projects. In this regard, we propose the interesting studies by **Ciprian Adrian Păun and Dragoș Păun**, as well as the work of **Alexandru Dorian Bereș**.

Sergiu-Vlad STAN

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A SAFER SOCIETY THROUGH COMMUNICATION AND INFORMATION

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ABSTRACT

The article defines negotiation as the use of information, time, and power to influence outcomes. It underscores the importance of negotiation in both personal and professional settings, highlighting strategies like rhetoric, logic, and non-verbal communication. Various negotiation types, such as distributive (win-lose), integrative (win-win), and rational (objective-based) are discussed. The authors stress the importance of mutual benefit, the psychology of reciprocity, and ethical considerations in negotiations.

Finally, the article outlines negotiation tactics and strategies, such as the "YES...BUT" tactic and stress-inducing techniques, while emphasizing that negotiation should be a deliberate choice based on one's comfort and needs. The ultimate message is that learning to negotiate effectively can significantly improve the quality of life.

KEYWORDS: *effective communication, ethics, manipulation techniques, morality, mutual benefit (WIN-WIN), negotiation, power and influence, social and business relationships.*

J.E.L CLASSIFICATION: E6, E64, E71, F62, G15, H12

1. INTRODUCTION

Human beings are highly interactive socially. Talking to each other gives people an exceptionally quick, clear, and thorough way to get to know and form relationships with each other. The real world is a huge bargaining table, and whether we like it or not, we are all participants. We all come into conflict with others, such as family members, business agents, competitors, or government entities. How we approach these encounters can determine not only whether we will prosper, but whether we will enjoy a satisfying, enjoyable, and fulfilling life. Negotiation is an area of knowledge and effort that focuses on winning the favor of people from whom we want certain things.

Traditionally, it is assumed that those with the greatest talent, dedication and education are rewarded. But life has disappointed those who claim that virtue and hard work will ultimately triumph. The "winners" seem to be the people who are not only competent, but also have the ability to "negotiate" how to get what they want (Vasile Tran, Irina Stănciulescu, 2001).

2. WHAT IS NEGOTIATION?

In every negotiation we are involved in, in every negotiation in the world, from a geopolitical diplomatic negotiation to buying a house, three crucial elements are always present: information, time and power. Everyone's ability to negotiate determines whether we can influence the environment or not. It's about analyzing information, time and power to influence behaviour, satisfy needs and make things happen the way we want them to.

What is negotiation? It is the use of information and power to affect behavior in a "warp of tension". If we think about this broad definition, we realize that we actually negotiate all the time, both at work and in our personal lives. Against whom do we use information and power to affect their behavior outside of the job? Husbands negotiate with wives and wives with husbands. We use information and power in addition to friends and relatives. Negotiations can take place with a traffic policeman ready to give us a fine, with a store that does not want to accept our personal check, with a landlord who does not provide essential services or wants to double the rent, with a merchant who wants to cheat us. We can negotiate with customers, bankers, vendors, suppliers. We negotiate more often than we realize. That's why it's important to learn to do it better, more efficiently and thus improve the quality of our lives, at work or outside of it.

Regardless of where and between whom they are conducted, negotiations call on rhetoric, logic, and elements of argumentation theory. Sometimes effective communication and manipulation techniques are used. Notions such as offer, request, position, claim, objection, compromise, concession, argument, transaction, argumentation, evidence, etc., can frequently intervene in the negotiation process. At the same time, non-verbal communication elements, such

as physiognomy, facial expressions, gestures, posture, clothing, general appearance can have an importance that should not be neglected. The culture of the partners and the bargaining power of the negotiating parties are other elements that must be taken into account. Elements of tactics and strategy, rhetorical traps and tricks, as well as knowledge of the psychology of perception, can play a decisive role in obtaining large advantages in exchange for small concessions. In the contemporary business world, negotiation and the negotiator acquire considerable importance. Never in history have commercial transactions been more numerous and conducted at higher values. For the manufacturer, importer or wholesale distributor, a good negotiator can do in three hours what ten or a hundred contractors do in a few weeks or months. A weak negotiator can lose just as much. A margin of a few percent on the price, the warranty period, the delivery conditions and shipping, at the payment term or a margin of a few percent on commission or interest, always remain negotiable. In large transactions, in the industrial market, where contracts worth billions are negotiated, this negotiable margin can amount to tens or hundreds of millions. From the position of each of the parties, they can be lost or won. Negotiation is a talent, an innate grace, but also a skill acquired through experience, training and learning. The job of negotiator is an elite one, in business, in diplomacy, in politics. Broadly speaking, negotiation appears as a focused and interactive form of interpersonal communication in which two or more disagreeing parties seek to reach an agreement that solves a common problem or achieves a common goal. The understanding of the parties may be a simple verbal agreement. Consolidated by a handshake, it may be a tacit consent or a letter of intent or a protocol, convention or contract, drawn up following common procedures and usages; it can also mean an armistice, an international pact or treaty, drawn up in compliance with special procedures and customs.

In relation to the area of interest in which negotiations are carried out, we can distinguish between several specific forms of negotiation.

By negotiation we understand any form of unarmed confrontation, through which two or more parties with contradictory but complementary interests and positions aim to reach a mutually beneficial commitment whose terms are not known from the beginning (Ștefan Prutianu, Communication and negotiation in business). In this confrontation, mainly and loyally, arguments and proofs are brought, claims and objections are formulated, concessions and compromises are made to avoid both the breakdown of relations and open conflict. Negotiation enables the creation, maintenance or development of an interpersonal or social relationship in general, as well as a business, work or diplomatic relationship in particular. It should also be mentioned that negotiations do not necessarily always aim at results manifested in the direction of an agreement. Often they are carried for their collateral effects such as: maintaining the contract, buying time, preventing the deterioration of the conflict situation. Apart from these, negotiators' meetings can be seen as a potential channel for urgent communications in crisis situations.

The absence of communication can be considered as an alarming sign of the impossibility of carrying out the negotiation; its presence is an indication of the chances that negotiation will occur. At the same time, we must pay sufficient attention to the climate of discretion and thorough gradual construction.

As long as the negotiation is conducted with the conscious and deliberate participation of the parties who seek together a solution to a common problem, the approach involves a certain ethics and principle.

Mutual benefit (WIN-WIN)

In principle, in negotiations, each side adjusts its claims and revises the initial objectives. Thus, in one or more successive rounds, the final agreement is built, which represents a satisfactory compromise for all parties: the negotiation therefore works according to the principle of mutual advantage.

According to this principle, the agreement is good when all negotiating parties have something to gain and none to lose. Everyone can achieve victory, without anyone being defeated. The important thing is that when all parties win, they all support the chosen solution and abide by the agreement. The principle of mutual advantage (WIN-WIN) does not exclude, however, the fact that the advantages obtained by one of the parties may be greater or smaller than the advantages obtained by the other or the other parties in negotiations.

I use it often

In the psychology of communication, there is a so-called psychological law of reciprocity, a law according to which if someone gives or takes something, the partner will automatically feel the desire to give or take something else in return. Even if we don't actually give something in return, we are still left with the feeling that we owe, that we should give.

Following the subtle action of this psychological law, any form of negotiation is governed by the principle of compensatory actions. The consequence is reciprocity of concessions, objections, threats, reprisals, etc. The Latin expressions of this principle are: "Do ut des" and "Facio ut facio". In Romanian, the principle can be found in expressions like: "I give if you give", "I do if you do", "If you give more, you leave me too" or "If you make concessions, I will do it too", "If you raise demands , I will also pick up" etc.

3. MORALITY AND LEGALITY

The law is the law and most respect it even beyond the principles. To avoid unpleasantness, the morality of commercial deals, where the law does not appear, often remains a matter of principle, of deontology. Strict adherence to this principle is not really possible. The control of communication ethics is relative. The legal aspects of transactions are an exception, but also from this point of view, in international negotiations, the parties must agree from the start on the rules of commercial law that they will respect. When these differ from one country to another, each party tries to remain under the legal rules of its country. This fact can generate conflicting situations, which can be overcome by adopting the norms of commercial law and international customs.

The fine art of negotiation is actually not new. Two of the greatest negotiators in history lived about two thousand years ago. Neither was part of any institution of their time, neither had official authority. However, they both exercised their power. Both men dressed poorly and went about asking questions, and thereby gathering information, the one in the form of syllogisms, the

other in the form of parables. They had goals and standards. They wanted to take risks, but with a sense of mastery over their situation. Each of them chose their place and manner of death. Yet by death they both gained the devotion of disciples on the face of the earth. In fact, many of us try to live our daily lives according to our values. It is about Jesus and Socrates. They were ethical negotiators, followers of the win-win theory, and they were people of power.

There are several fundamental types of negotiation. The real world is a huge bargaining table, and whether we like it or not, we are all participants. Analyzing the type of negotiation we are engaging in is always important. To know and evaluate him already means to predict in broad terms the behavior that the partner will adopt and to prepare his own behavior in response. In this way, the risk of a rupture to conclude a disadvantageous agreement decreases.

The specialized literature distinguishes between three fundamental types of negotiation:

Distributive negotiation is either/or type, which opts between victory/defeat. It corresponds to a zero-sum game and takes the form of a transaction in which it is not possible for one party to win without the other party losing. Every concession made to the partner is detrimental to the grantor and to each other. In this perspective, negotiation pits two adversaries with opposing interests against each other and becomes a confrontation of forces, in which one of the parties must win. Any concession appears as a sign of weakness. Any successful attack appears as a token of strength. The object of the negotiation will be an agreement that will not take into account the interests of the partner and which will be all the better the harder it hits the opposing party. The negotiation tactics and techniques used in distributive negotiation are typical for resolving conflict situations. They are hard and tense.

Among the usual tactics, we can mention: the polemic carried out by permanent counters and by systematic deviation from the subject; assault by force; intimidation; rhetorical maneuvers based on dissimulation, masking intentions, hiding intentions, hiding the truth and blaming the opponent; disqualification for bad faith, personal attack and disparagement. This type of negotiation is possible when the opposition of interests is strong and the imbalance of forces is significant.

Another negotiation tactic is the integrative (win/win) one in which the partner's aspirations and interests are respected, even if they go against their own. It is based on mutual respect and tolerance of differences in aspirations and opinions. The advantages of this type of negotiation are that it leads to better, more sustainable solutions, the parties feel better, and the relations between the parties are strengthened. Both win and both support the settlement and agreement reached. Integrative negotiation creates, saves and strengthens long-term human and business relationships. It causes each of the negotiating parties to modify their objectives and adjust their demands in order to resolve their common interests. This approach to negotiation circumvents and avoids conflict situations. The climate of the negotiations is characterized by trust and optimism, and the agreement, once reached, has every chance of being respected. Specific tactics are based on reciprocity of concessions (shorter delivery times against immediate parties, for example).

Another negotiation tactic is the rational one, in which the parties do not only aim to make or obtain concessions, consents from subjective negotiating positions, but try to resolve substantive disputes from an objective position, other than the position of one or the other among

them. For this, mutual interests must be clearly defined within a framework of total transparency and sincerity, without resorting to the slightest dissimulation or suspicion. It starts with formulating the problems that need to be solved, with answers to questions like: What's not working? Where is the evil? How does this manifest itself? What are the facts that contradict the desired situation? It continues with a diagnosis of the existing situation, insisting on the causes that prevent solving the problems. Then, the theoretical solutions are sought and the measures by which at least some of them can be put into practice are determined by common agreement. The algorithm of rationality therefore means: defining problems; diagnosis of causes; searching for solutions. The negotiator seeks to understand the partner's stake, to know his feelings, motivations and concerns. Divergences that remain unresolved are regulated by recourse to objective criteria, as well as scientific references, legal norms, moral norms or by recourse to the offices of a neutral arbitrator.

Anticipating the margin of negotiation is essential. Any start of negotiation requires the definition of objectives. They give us a sense of direction, a definition of what we plan to achieve, and a sense of accomplishment once they have been achieved.

In principle, the negotiator comes to the negotiating table when he already has something in mind three negotiation positions, realized more or less precisely.

Position declared open (PD), also called starting position. This position is formulated in such a way as to ensure a margin of maneuver in relation to the partner's claims. As a general rule, for example in a commercial negotiation, the seller will declare more and the buyer less than they each hope to get. The advice of experienced negotiators is that when you buy, start from the bottom, and when you sell, start from the top. The order in which the statements are made almost always matters. As a rule, the one who declares first is at a disadvantage compared to the one who declares later.

The break position (PR), also called the minimum/maximum limit position. Below, or as the case may be, above its level, the negotiator is no longer willing to engage in any discussion. The breaking position is not uncovered by the partners (adversaries), but each of them must intuit and carefully and delicately evaluate the secret position of the other. Beyond the strictly technical and financial interests, any statement made outside of the partner's breaking position usually involves a certain amount of arrogance and frustration.

The objective position (PO), also called the expected position. It is the realistic position at which the contradictory claims of the partners (adversaries) can be met and balanced. It represents what the negotiator hopes to be able to obtain or extract from the partner without unacceptably harming his or her interests.

By overlapping the three negotiating positions of both partners, an area in which they can understand each other will result. This area of possible agreement is called the negotiation margin and is delimited by the breaking position of the negotiating parties. The key to success is the correct estimation of the break position (Herb Cohen,1995).

4. NEGOTIATION TECHNIQUES AND TACTICS

In the specialized literature, it is often presented that, in any form of human interaction, a certain strategy and tactic is put into play. Any form of negotiation involves a confrontation of wills, feelings and interests. At the same time, mastering the interaction of the wills involved in the negotiation means not falling prey to spontaneous reactions, without a logical and rational determination. It often happens that a spontaneous action, an impulsive reaction of the opponent leads to the "choice" of the negotiation tactic. That is quite something other than a rational course of action (Rita Carter).

The premeditated tactic can be an effective communication technique, a rhetorical trap or a psychological trick. It helps us to stay in control, to take the initiative.

The YES...BUT tactic is the kind of tactic that makes us more likable to the negotiating partner. It's free. Diplomats never say NO. Like good negotiators everywhere, they learned this from the Asians. Returning from his long Asian journey, Marco Polo, one of the best negotiators, wrote that he met real schools where the messengers and spokesmen of the Mongolian and Tibetan chiefs were trained. They received, in the evening, as many lashes on their soles as they did NOT get off their lips during the day. People hate being denied, challenged, contradicted. "NO" is a direct and categorical negation that cuts, tears and hits. It runs the risk of offending the partner and blocking the discussion. "NO" irritates and infuriates. It lacks delicacy.

Tactful people carefully avoid it. Expressed simply, clearly and unequivocally, the negation "NO" remains without further options. It leaves no room for turning. Break off the negotiation. Conversely, a wording like "YES...BUT" can be used with the meaning of negation, retaining two other options. It has three possible shades: one meaning "YES", one meaning "maybe" and one more which really means "NO". At any time you can continue on the desired option. The secret of "yes...but" is that it allows the formulation of one's own opinion as a continuation of what the partner said and not as a direct contradiction of his opinion.

The tactic of the fake offer, in short, can be characterized as "a negotiation trick with...a little drama". Price negotiation is always a zero-sum game, where one cannot win without the other losing. As much as possible, the adversaries manipulate each other, at least to the limit of loyalty and morality. One of the somewhat disloyal tactics, rarely found in textbooks and often in practice, is that in which the buyer makes an attractive price offer to the seller to eliminate the competition and to motivate him in the course of the transaction. Once he has obtained this, he finds a reason to modify his original offer. Then begins the "bargaining" by which he convinces the seller to accept the new offer, usually much more moderate. As much as possible, the seller is put in the position of having little choice.

The tactic of stressing and harassing, in a word, weakens the opponent's physical and mental resistance. As an exception and as rarely as possible, when we negotiate with a difficult, unprincipled and disagreeable opponent, willing to unnecessarily engage in tough and prolonged negotiations, it is recommended to use tricks and tactics to stress and harass. Within them, an insistent and vicious counter-crowding is recommended. All kinds of side maneuvers can be used,

which, although not directly offensive and humiliating, have the role of annoying and disturbing the opponent, putting him in a position to hasten the end of the negotiations. The opponent can be persistently carried through the manufacturing halls and warehouses of the company. He can be accommodated in a room exposed to hellish noises that prevent him from sleeping. At the negotiating table, he can be placed with his eyes in the sun or another source of irritating light. He may be sitting with his back to a creaking door that someone is closing and opening insistently, as if by accident. He can be seated in a seemingly luxurious, but uncomfortable, creaking armchair, the only one available, unfortunately. He will sit stiffly and tire quickly. It can be placed near a strong heat source or in a cool, damp draft. He may be invited to a meal where he is generously offered exactly what he does not like or cannot eat. Strong drinks may be offered beyond the limit of his mental endurance. When the long-term relationship is not in our interest and we propose to use such means of pressure, we must do so under the guise of the most perfect innocence and kindness, apologizing and pretending to be victims alongside the opponent. These are some of the negotiation tactics.

5. CONCLUSIONS

In conclusion, just because so many things are negotiable, doesn't mean we always have to negotiate. But whether or not we negotiate something must be entirely our choice, based on the answers to the following questions: *Do I feel comfortable in the position to negotiate in this particular situation? Will the negotiation meet my needs? Are the benefits I can get as a result of this meeting worth the energy and time on my part?* If the answer is yes to these questions, only then should the negotiation begin. We should feel that we are masters of the situation, choose our occasions according to our needs. We have the freedom to choose our attitude towards certain circumstances and data and the ability to influence the outcome. In other words, we can play a much bigger role than we realize in shaping our lives and improving our lifestyles.

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REFLECTIONS ON THE 1923 CONSTITUTION. ON THE PRINCIPLE OF DECENTRALIZATION

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ABSTRACT

This paper explores the principle of decentralization within the context of the 1923 Romanian Constitution and the subsequent challenges posed by the 1925 Administrative Unification Law. It examines the tension between centralization and decentralization, highlighting the evolving roles of prefects, sub-prefects, and notaries as representatives of central authority in local administration. The study argues that despite the constitutional emphasis on decentralization, the 1925 law reinforced centralization, leading to significant political and administrative controversies. Key debates from the period reveal how historical, cultural, and political factors influenced legislative decisions, particularly the preservation of Romania's unitary state character. The article also discusses the implications of these administrative reforms on local governance, autonomy, and the efficiency of public administration. By analyzing parliamentary debates and legislative texts, the paper sheds light on the interplay between political power and administrative organization, emphasizing the need for a balanced approach to decentralization that accommodates local needs while maintaining national coherence.

KEYWORDS: *administrative reform, decentralization, local governance, Romanian Constitution (1923)*

J.E.L CLASSIFICATION: H11, H83, N44

1. INTRODUCTION

The principle of decentralization has been a pivotal theme in public administration, serving as a mechanism for balancing local autonomy with national cohesion. The 1923 Romanian Constitution marked a significant step in embedding decentralization within the legal framework, emphasizing the need for administrative organization laws at county and communal levels to uphold this principle. However, the implementation of the 1925 Administrative Unification Law posed considerable challenges, as it leaned heavily towards centralization, undermining the spirit of decentralization envisioned in the Constitution.

This paper delves into the historical and political context of these reforms, analyzing the roles of key administrative actors such as prefects, sub-prefects, and notaries. It explores the legislative debates and societal implications of these changes, highlighting the centralist tendencies that dominated the period. By examining the intersection of political power and administrative organization, this study provides insights into the complexities of governance in interwar Romania, raising questions about the efficacy and sustainability of centralization as a model for state administration.

2. THE PRINCIPLE OF DECENTRALIZATION IN THE 1923 CONSTITUTION

Decentralization was perceived by the legislator "not as an autonomous administrative body like in the Middle Ages, disconnected from other administrative bodies, but in close and continuous collaboration."

The 1923 Constitution stipulated in Article 108, paragraph (2), that the administrative organization laws of county and communal institutions would be "based on administrative decentralization," as opposed to centralization (1923 Constitution of Romania).

A decentralized administrative organization can be identified when "… administrative organizations are recognized as having legal personality and assets (the commune and the county had legal personality), when these organizations have authorities that are not part of the central hierarchy, when they are subject to a specific form of control called administrative supervision, and when certain public services are detached from the competence of central authorities (Tarangul, 1944).

Administrative decentralization can be broader or narrower depending on how its defining components are regulated by law. The degree of administrative decentralization essentially depends on the number of public services entrusted to decentralized authorities (territorial decentralization) and the manner of organizing and exercising administrative supervision." (*ibidem*)

Under the new Constitution, which was based on "preserving the national and unitary character of the country in the application of administrative decentralization," the draft law and subsequently the law established the county and the commune as administrative units, endowed with legal personality (Articles 1 and 2), while the territorial subdivision, without legal personality (Article 7), included several communes "to facilitate supervision, ensure the enforcement of laws, and provide proper administrative guidance." (*ibidem*)

Decentralization was not easy to achieve politically, as it had to be implemented without altering Romania's national and unitary state character, while also accounting for the fact that, at the time of Unification, various forms of decentralization coexisted within the four administrative regimes of the united provinces. (Monitorul Oficial, 1925)

Regarding this "cultural mosaic," during the Parliamentary Debates in the Romanian Senate on March 31, 1925, opinions were fiercely contested:

"For instance, adopting laws from Finland, where the cultural level of the population is almost uniform, and where there are no differences in mentality, customs, or traditions, is not a difficult task. But it is challenging in our case, where the gap between the primitive shepherd in the mountain depths and the highly educated intellectual is so vast, perhaps even greater than the gap between a toddler just learning to walk and speak and a fully grown adult. It is difficult to create laws because they must apply to everyone, and even more challenging is to introduce an administrative law designed to organize numerous issues concerning individuals and society."

Political opinions were outright irreconcilable, especially when considering the administrative-territorial architecture proposed by the Liberals on one side and the National Peasants' Party on the other.

3. CENTRALIZATION AND THE 1925 ADMINISTRATIVE UNIFICATION LAW

The draft law, developed by C. Stere in 1929, envisioned broad local autonomy, limiting the central government's right to intervene in the internal affairs of communes and counties. It also proposed the establishment of a new administrative unit—the province (Scurtu, 1983). During the debates on the Liberal government's draft law, Ion Vescan, speaking on behalf of the National Party in the Senate on March 22, 1925, stated that the current government lacked the political and moral authority to present the country with an organic reform proposal for its administrative organization. He argued that the current legislative bodies were unfit to enact laws that concerned the very existence of the State and its permanent interests.

The National Party opposed the administrative reform proposed by the Liberal government, deeming it flagrantly at odds with the principles of a modern administration rooted in the democratic idea of local autonomy, which was, in their view, "the only means to mobilize all healthy and honest forces across Greater Romania." (Monitorul Oficial, P. III, 1925)

A Transylvanian senator criticized the substance of the Liberal draft law: *"An administrative organization based on the old centralist framework, which for over half a century has stifled the development of county and communal institutions and the growth of civic awareness—the sole foundation of a conscious democracy—can only serve the interests of party absolutism and culminate in the despotism inaugurated by the current government and prepared by all its present legislation." (ibidem)*

Analyzing the parliamentary debates on the draft law, it can be stated that few laws voted by the Romanian Parliament sparked as much uproar and unleashed such political passions as the Law on Local Administration Organization. The reasons for this interest were manifold, most stemming from the relations and rivalries between the major political parties. Each party, considering its historical contributions to the Great Union, felt obliged to promote such an important law, foundational to the organization of the State's administrative life, rightly called the country's second Constitution.

The democratic behavior of opposition parties was not met with understanding by the ruling National Liberal Party. The Liberals rejected any argument referring to realities in the historical provinces, where aspects of administrative organization were recognized by experts as being even more advanced than those outlined in the new administrative organization law.

The lack of political compromise between the majority and the minority was evident in statements such as:
"First, they have not yet become accustomed to the purpose, role, and power of majorities; they fail to understand that a country where the minority does not recognize the majority, does not recognize the laws and actions of the majority, is a country—or rather becomes a country—that forfeits its right to exist."

The 1925 law sparked numerous controversies and even harmed the State by repealing partially better provisions, motivated purely by unjustified pride or the opportunism of unification. Enormous difficulties arose due to the lack of continuity in legal norms, the population's overt distrust in the authorities tasked with enforcing the law, and, not least, the negative atmosphere created by the provisional nature of the system, including the constant threat of abolishing the institutions established under this law. Even C.D. Dimitriu, as the Rapporteur, paraphrased his party leader, I.I.C. Brătianu, during parliamentary debates, acknowledging the project's shortcomings but refrained from amending any article or paragraph in line with the opposition's views, stating:
"The law is not perfect; it is perfectible. Who could ever imagine, who could ever claim, that I would come forward with a perfect law?" (Monitorul Oficial, P.III, 1935)

The 1925 Administrative Unification Law also conflicted with the provisions of the 1923 Constitution. The principle of decentralization, stipulated in the fundamental law, was not realized because the county prefect, as a representative of the central authority and simultaneously the head of the county administration, restricted the activities of local administrative bodies and even dissolved them with little procedural formality and even less scruple. In its effort to enshrine the unitary character of the State, the law largely continued the centralizing tradition of the Old Kingdom of Romania.

Centralization became the administrative system throughout the country, representing a significant regression compared to the existing organization in the historical provinces. Local and county interests were governed according to regulations and financed by resources provided by the central authority, administered by officials directly appointed by the central government. It was well known that this outdated system, already contested in the Old Kingdom before 1918, was being adopted. *"Centralism implies the necessity for the State to hold in its hands not only interests of a general nature but also those of a local character, whereas autonomy means that the management and administration of local interests are entirely entrusted to the locals, to those primarily concerned with these interests."* (*ibidem*)

The Rapporteur, aware of the advantages of local autonomy, emphasized that it *"can yield admirable results when used wisely,"* but *"not when it enables various territorial divisions of a State or various parts or cells of its political organism to develop at the expense of the State's general interests."* (*ibidem*)

4. POLITICAL DEBATES AND LESSONS LEARNED

C.D. Dimitriu insisted that it was appropriate for the State, *"always vigilant,"* to ensure the timely oversight of *"the proper and correct fulfillment of the functions of the various bodies called to work for the benefit of the entire organism." (ibidem)*

He agreed that *"every commune and county should have as vibrant and prosperous a life as possible,"* but stressed, *"let us always remember that the primary goal is the life and prosperity of the entire organism, the life of the State."* This, he argued, must be ensured through effective control over the functioning of the State's components—communes and counties—a task that must be carried out by the central authority (*ibidem*).

In the liberal legislator's vision, the transfer of authority and administrative and financial responsibility from the central level to local public administrations had to be carried out "within the limits of general interests." (*ibidem*)

Under the spirit of the 1925 Law, three actors represented central authority within local administrations: prefects, sub-prefects, and notaries.

The prefect—a Napoleonic creation originating from the eighth year of the Great French Revolution—was maintained in the exact form outlined in the Civil Code until the modification of the French Constitution in 1958. Before 1958, the prefect was the government's representative and the head of the administration in the department where they served. After 1958, in France, the prefect became primarily the representative of the State and national interests, followed by their role as the government's representative and head of the department.

In Romania, according to the Law on County Councils, No. 396 of April 2/14, 1864, Article 91, the prefect was the "head of county administration, directing all works of this administration and executing the decisions of the County Council."

The 1925 Law, Article 3, paragraph 2, described the prefect as the government's commissioner attached to the County Council. In this role, the prefect oversaw the legality of acts adopted by the County Council and the Permanent Delegation. If the prefect identified any illegality, they had the right and duty to appeal to the government within ten days of the act's adoption (if they were present at the meeting) or from the date they were informed. The appeal was suspensive of execution.

In both the draft law and the 1925 Law on Legislative Unification, the prefect became a political official rather than an administrative one. During parliamentary debates, it was suggested that the prefect should "have a career background" or be accompanied by a second prefect elected to lead the County Council. Representatives of the National Party supported and argued for the proposal of having two prefects, "one administrative and one political." (Monitorul Oficial, P. III, 1925). The idea was rejected on the grounds that coexistence between the two prefects "would be absolutely impossible—detrimental to good administration." (The 1929 Law, discussed below, later regulated the institutions of the political prefect and the administrative prefect.)

Regarding the career prefect, concerns were raised about the irresponsibility of recruiting such a public official. (This position would later be introduced in the 1938 Administrative Law, Article 97, paragraph 2). From the pool of county administrators in the Old Kingdom and the annexed territories, out of 351 prefects, 129 held university degrees, 35 were officers, 51 were former notaries, and 46 were appointed based on exceptional laws without any educational qualifications. In Bessarabia, out of 54 prefects, only 7 held academic titles, 24 had no formal education, and 23 were former active-duty officers.

Considering the method of appointing prefects, it is evident that they were designated politically and represented the government in the county through the Ministry of Internal Affairs.

The distinction between political, administrative, or career prefects is highly significant, as their legally conferred powers allowed them to politically influence local administration.

In the 1925 legislator's vision, the prefect "represents the entire government, corresponds with other ministers, and may inform various departments of the issues they identify and the improvements that need to be made." At the same time, the prefect was the head of the police in urban communes and the head of the gendarmerie in the county (Anuarul pentru toți, 1929).

The legal instrument through which the prefect imposed the will of the central authority on local interests was established by the provisions of Articles 78 and 333 of the law.

According to Article 78:

"The mayor and members of the Permanent Delegation may be removed by a motivated decision of the communal council, adopted with a two-thirds majority of the total number of councilors. The council may only pronounce removal for reasons of 'poor administration, evident acts of incompetence, bad faith, or culpable negligence that compromise the commune's interests, acts against the order and security of the state, or criminal acts.'"

The council was notified by a motivated proposal from the Minister of Internal Affairs for urban communes serving as county capitals and by the prefect for other communes, or by at least one-third of the councilors. Decisions of the communal councils concerning the removal of mayors and members of communal delegations were immediately communicated to the prefect for rural and non-county-seat urban communes, and to the Minister of Internal Affairs for other urban communes. These decisions became final if, within ten days of their communication, they were not overturned by the central authority. Those removed had the right to defend themselves within

the same timeframe. Overturning a decision could only be pronounced based on the advice of the County Delegation or the Superior Administrative Council.

When the mayor or members of the Permanent Delegation committed acts against the security and unity of the State or failed to implement general-interest measures ordered by the central authority, they were removed even if the council was not notified by the proper authorities. If there was disagreement with this measure, "removal is enacted by Royal Decree, issued based on the motivated report of the Minister of Internal Affairs with the advice of the Superior Administrative Council."

Article 333 of the law granted the prefect a dual role—as both a representative of the central authority and as the head of county administration.

As the head of county administration, the prefect was the hierarchical superior of all officials, whom they appointed and dismissed in conjunction with the Permanent Delegation of the County Council (Article 334). The prefect also held disciplinary authority over these officials.

The sub-prefect was likewise a representative of the central authority and bore a "significant obligation, namely, to hold monthly conferences with all subordinates to establish contact with key collaborators and simultaneously to become familiar with the needs of various localities." (Monitorul Oficial, P. III, 1925)

Unlike the prefect, the sub-prefect was a career civil servant. Notaries could also be appointed as sub-prefects if they had five years of experience and held an academic degree or a diploma from a lower administrative school.

The notary served as the representative of the central authority in rural communes. Until the early 20th century, notaries were recruited in the Kingdom without requiring special training. However, the 1908 law established four schools for notaries, followed by two higher schools by 1925. The law granted notaries job stability after two years of service and the possibility, under certain conditions, to become sub-prefects. Consequently, the notary was also regarded as being "within the administrative hierarchy among the representatives of the central authority" (Article 366).

Administrative decentralization required the elimination of the "*plasă*" as an institution with legal personality. The reasoning was to grant communal administration independence, freedom, and initiative in its decision-making processes (*ibidem*).

In a logical administrative system, the "*plasă*" was in clear contradiction to the principle of decentralization. Interestingly, it was retained as a territorial subdivision without legal personality—Article 355—managed by a *plasă* pretor.

The *plasă* pretor reported directly to the prefect and carried out the decisions of the Council, the County Delegation, and any other tasks assigned through laws and regulations. The prefect could delegate part of their responsibilities through written decisions, but not on a permanent basis.

The principle of administrative decentralization, widely invoked in the draft law and parliamentary debates, remained only on paper. Under the 1925 Law, centralization became the

administrative system, whereby county or local interests were governed according to the norms and regulations established at the central level, by institutions set up by the central authority, administered by officials appointed by the central government, and funded through financial resources allocated from the Center.

Even one of the project's supporters acknowledged the lack of genuine decentralization, noting:

"A time will come when administrative decentralization can be properly debated in a future Senate and Chamber, just as we discussed it in our Study Circle." (*ibidem*)

5. CONCLUSIONS

The 1923 Constitution marked a pivotal moment in Romania's administrative evolution, laying the groundwork for a governance model that prioritized decentralization. It highlighted the importance of empowering local administrations with legal personality, autonomy, and the capacity to manage their own resources. However, the subsequent adoption of the 1925 Administrative Unification Law demonstrated the inherent difficulties of translating constitutional ideals into practice. Instead of fostering decentralization, the law reinforced a centralized administrative framework that limited the independence of local governments, often prioritizing the central authority's control over regional and communal interests.

The implementation of the 1925 law was influenced by a combination of historical, political, and cultural factors. At its core was the desire to maintain the unitary character of the Romanian state, particularly in the context of unifying diverse territories with varying administrative traditions. This objective often clashed with the principle of decentralization, resulting in a governance model that leaned heavily on centralization. Prefects, sub-prefects, and notaries, as representatives of the central authority, were instrumental in enforcing this model, frequently undermining local autonomy in favor of centralized oversight.

Parliamentary debates during this period revealed profound political divisions regarding the appropriate balance between centralization and decentralization. While the Liberal Party championed centralization as a means of ensuring national unity and administrative efficiency, the National Peasants' Party and other opposition voices advocated for greater local autonomy, rooted in democratic principles. These tensions often translated into legislative deadlock and a lack of meaningful compromise, further complicating the implementation of decentralization.

The legacy of the 1925 Administrative Unification Law is one of missed opportunities for balanced governance. By subordinating local interests to central authority, the law hindered the development of robust local institutions capable of addressing the unique needs of their communities. It also perpetuated a reliance on central oversight, which stifled innovation and local initiative, ultimately weakening the administrative fabric of the state.

Reflecting on this historical period provides valuable insights for contemporary governance. The challenges faced in the interwar period underscore the complexity of implementing decentralization in a manner that respects local autonomy while safeguarding national cohesion.

For modern policymakers, this serves as a reminder of the need to design administrative frameworks that empower local authorities without compromising the integrity of the state. The principle of decentralization, if properly implemented, can foster more responsive, efficient, and equitable governance.

As Romania continues to navigate the demands of modern governance, the lessons of the interwar period remain highly relevant. The balance between central oversight and local autonomy remains a delicate yet critical element of effective administration. Revisiting the struggles and debates of the 1923-1925 period offers a rich historical perspective on how best to achieve this balance, ensuring that governance structures are not only legally sound but also practically viable and attuned to the needs of diverse communities.

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ENHANCING TEACHING IN HIGHER EDUCATION – EVALUATION AND TRANSFORMATION

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ABSTRACT

Teaching is an important part of the academic profession, in a continuous process of improvement, therefore the paper searches through sources on the evaluation and improvement of teaching, at both higher levels (UNESCO, EU), and at institutional level, underlining important points of view in the search for teaching and learning enhancement, with the purpose to formulate conclusions that will aid the assessment and evaluation process of teaching and learning, which is an important part of the educational process, to bring about improvement and progress, beneficial to teachers, students, and the higher education institution itself.

KEYWORDS: *academic teaching, enhanced/effective teaching, teaching evaluation, scholarship of teaching, transforming teaching*

JEL CLASSIFICATION: A10, A14, A20, A23

1. INTRODUCTION

The main purpose of teaching is to orientate, coordinate, and train students in their field of choice for them to become competitive on the job market; teaching is the "core service" of a university, providing direction and support for students at the level of excellence (Yan, W. 2022). In this light, enhanced quality teaching depends on several factors, such as the learning environment, teachers, learning activities, theoretical and practical courses, availability of the newest learning resources, research work, availability and use of information technology, the engagement and motivation of students, the attraction of the university (Yan, W., 2022).

2. HIGH QUALITY TEACHING AS THE MAIN CONCERN OF THE UNIVERSITY

University teaching is a scholarly activity that draws on extensive professional skills and practices and high levels of disciplinary and other contextual expertise (Devlin, M., Samarawickrema, G., 2010, p.1).

In order to have a broader perspective on what high quality teaching requires, we have focused on several details that improve teaching, as this is a permanent process, continuing from year to year, given the requirements of quality assurance, changes in the student population in terms of expectations and needs, labour market requirements, the speedy evolution of technology, and the necessity to cope with a continually changing work environment.

Therefore, focusing on efficient and enhanced teaching, with experience in university teaching, we have consulted works by authors on the same topic to draw several conclusions on what our approach to teaching should further develop into.

Universities support quality teaching as "it is the core of the service for higher education institutions" (Yan, W., 2022, p.1), based on a wide base of research assisting teaching. There are two fundamental concepts on which good teaching relies, according to the author, that of constructive alignment, with the main objectives, activities, assessment, aligned to the objective, and the principle of powerful learning environments, with essential elements, such as effective teaching and learning competence in a specific domain, a system for progress monitoring, enhancing learning and teaching (Yan, W., 2022, p.1).

Teachers need to assess and improve their teaching each academic year, adopting a student-centered pedagogy, analyzing their courses from the students' perspective in terms of skills provided, relevant content and learning activities, new learning resources, teaching methods, and student engagement.

As each course curriculum contains elements like course objectives, grading and evaluation criteria, learning resources, contents and references, compulsory and additional learning sources, prerequisites, skills to be learnt, teachers have a clear view on items to be analyzed and reviewed. Another set of data is represented by the examination results, to the manner in which they reflect students' learning and knowledge retention.

Other sources are student, peer, and department evaluations of the teacher and course. From here, teachers can draw their conclusions on the changes they need to make in content, activities, learning resources, methods and strategies of teaching, to enrich and improve the learning experience for students. A review of the skills the course provides students with is also necessary, as they will have to employ these at work.

In order to integrate the best practice in their teaching, the further learning within the professional development programs is a continuous process for teachers.

Defining effective teaching, The Institute for Learning and Teaching created a collection of tools (the Teaching Effectiveness Framework) in 2018, a process for evaluating teaching at

Colorado State University (J. Todd, T. Buchan, D. Colbert, K. Falkenberg, 2024). The model consists of four stages, starting with assessment and reflection, identification and alignment, planning, engagement and integration. Its usefulness stands in the fact that faculty can evaluate courses and improve them, having the right elements to aid them in assessment and improvement (J. Todd, T. Buchan, D. Colbert, K. Falkenberg, 2024).

As teaching is an evolving process, there have been several improvements proposed within a wider framework, formulated within the *Vision Statement of Secretary-General of UNESCO*, or in the *EFFECT Report of the European Universities Association*, calling for action in the transformation of education and the promotion of effective and impactful teaching and learning.

The *Vision Statement* (2022) promotes the idea of "learning to learn" (Vision Statement, 2022, p.2) which requires every learner to be equipped "with the ability to read and write, to identify, understand, and communicate clearly and effectively, to acquire and develop numeracy, digital and scientific skills, and instill curiosity, creativity, and the capacity for critical thinking, to nurture social and emotional skills, empathy, and kindness" (Vision Statement, 2022, p. 2). With such skills, the "learning to do" views the possibility of reskilling and up-skilling for people of all ages, promoting life-long learning (Vision Statement, 2022, p.3).

In order to respond to educational requirements in the light of the above, teachers need to become "agents of change" (Vision Statement, 2022, p.4-5). They become knowledge producers, facilitators of learning, and guides in the comprehension of complex realities, basing on their experience, enquiry, and academic curiosity, thus developing the capacity of problem-solving in their students (Vision Statement, 2022, p.5). In order to meet these requirements, teachers need a broadened capacity, agency, and autonomy to design, interpret, and manage the curriculum and to adapt and prioritize content and pedagogy, and to monitor evaluation and teaching (Vision Statement, 2022, p.5).

Taking some of these ideas further in his book entitled *Teaching Competencies for the 21st Century, Practical Approaches to Learning*, and presenting them as *Key expectations from Education Systems in the 21st Century*, author P. K. Misra points out that teachers, and teaching have to ensure a holistic development for learners, providing them with skills and knowledge to succeed in a constantly evolving world, with more personalized, inclusive and innovative learning experiences, to teach them critical thinking, problem-solving, and creativity, skills relevant to the real world, offer them flexibility in learning, facilitated by technology and digital resources, to prepare them for the job market or self-employment, helping them to become socially responsible citizens(P. K. Misra, 2024).

To enable teachers to adopt this approach, the author details several expectations from them: provide assessment and feedback to ensure student learning and progress, move away from didactic forms of teaching and learning to active learning, include critical thinking in courses, include digital learning into practice, provide learners with diverse learning experiences relevant to the 21st century (P. K. Misra, 2024).

The author emphasizes the importance of learning deeper conceptual understanding, connected and coherent knowledge, authentic knowledge in its context of usage, collaborative learning (P. K. Misra, 2024). For such learning needs, teaching, and learning, the systems of the 21st century must undergo transformations (P. K. Misra, 2024).

The European dimension to effective teaching, termed as teaching enhancement, is seen as an important component of quality assurance meant to enhance the quality of learning and teaching in favour of students (EUA, 2022). As teaching is an important part of the academic profession, it is necessary to have a scrutiny of the strategies and measures for learning and teaching, of the way teaching responds to the demands of the society in an ongoing change, and have synergy and collaboration for a European dimension of learning (EUA, 2022).

The European Forum for Enhanced Collaboration and Teaching emphasizes the enhancement of the education mission of European universities, with a proactive response to change. As "change is ongoing, knowledge is developed, transmitted and applied at an ever faster pace" (EFFECT, 2022, p.1).

The Forum has formulated the *Ten Principles for the Enhancement of Learning and Teaching*, which re-emphasizes the educational mission of the university (EFFECT, 2022, p.1), that promotes the values of the European Higher Education Area, focusing on the 21st century skills: critical thinking, problem-solving, life-long learning (EFFECT, 2022).

The main ideas found in the Principles are the following: learner-centered learning and teaching, the support for the advancement of learning, collaboration in the higher education community, the interconnectedness of learning, teaching, and research, teaching as the core of the academic practice, the provision on sustainable resources and structures, enhancement and a shared responsibility of teachers and students (EFFECT, 2022, p.2).

Another method of enhancement can be interdisciplinary teaching, an approach that requires transformation, coordination among faculty members, negotiation of teaching styles and grading criteria, which are very challenging (J. F. R. Mazzoni, 2024).

Interdisciplinary teaching is a comprehensive and holistic treatment of topics, enhances communication style, and improves student outcome, being an effective approach (J. F. R. Mazzoni, 2024).

3. CONCLUSIONS

The higher education institution should have a model of course evaluation and improvement, monitor the process each academic year, keeping in view the requirements of the national authority on higher education that aligns these requirements to those formulated and updated at international level.

In order to become knowledge creators and facilitators of learning, and have the freedom to change and adapt the curriculum with content and activities within a student-centered teaching

and learning, teachers need to keep updated not only in their domain of teaching, but also in the pedagogy and methodology required, continue their own learning in the professional development programs, and be open to all the information on skills required on the labour market. Thus, they can change and improve not only the theoretical background of their courses, but also the practical activities, keeping students engaged and motivated in their learning.

Searching and accessing the newest learning resources available is also a basic condition for the development of good teaching and well-documented course materials and new activities, to support students in learning the skills they will have to apply at work.

Technology needs to be involved in teaching and learning, to open more pathways for students in learning and research, to develop their critical thinking and digital skills, stimulate their creativity and enhance their innovating capabilities. Orientation and coordination in obtaining the best results in using resources available online is an essential activity of the teachers.

Besides keeping up-to-date information on the evaluation on courses, on student participation and examination, on the latest requirement in the establishment of the curriculum, teachers need to carry out a detailed reflective activity on their courses and teaching, to provide them with the necessary information on content changes, to refine learning and teaching activities, to have a clear image on how their teaching methods and pedagogy help students in learning, on the sources used and updated permanently, in order to monitor and progress in the process of continuous evaluation and improvement.

Teachers need to enhance the interconnectedness between research and teaching, to improve their capacity to design practical learning activities for students, to elaborate papers, reports, and learning materials of support, enlarging the perspective of students in their domain, and stimulate their curiosity in research and use of findings.

It is also necessary to view course elaboration and teaching as a process with several stages, that is the establishment of objectives in relation to skills to be formed, the search for resources on the topics to be included, the planning of the course, the design and elaboration of materials and activities, the establishment of requirements, assessment, and grading criteria, the monitoring of results, the evaluation of the course by the teacher, students, peers, and department, and the change and improvement period. This is a continuous process which ensures improvement and progress, oriented towards the enhancement of teaching effectiveness and student training.

Therefore, teachers need to perfect a teaching strategy to accommodate improvement, and to include the following: educate and instruct students on what learning needs and change attitudes to it, inform them about the outcomes, skills, and level they need to reach; content and selection of resources to support the course and extend learning beyond the course; plan and prepare assessment materials, online assessment, tasks, establish means of immediate feedback; establish student workload and means of support, communication, collaboration and coordination. We also have to help students to improve their learning experience by developing their self-study methods, learn to take responsibility of their own learning, expand their capacity to involve additional

resources, and acquire the knowledge and skills they need. At the end of the course they need to use their knowledge to support the future job tasks.

Each course needs a specific technique of teaching, in relation to student level, type of course, means and tools available, assessment and learning outcomes. The condition is to support deep learning and equip learners with the skills and knowledge they need.

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LEGALITY AND INTEREST IN THE MAJOR WORLD RELIGIONS

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ABSTRACT

Recent National Regulatory Framework from Law 216 of November 22, 2011, on the Prohibition of Usury in Business. Morality and the legality of the issue of usury are, however, deeply rooted in ancient times, with prohibitions against usury established in all major religions. Historical contexts and regional geography of principal economic forces have led religion and long-standing lending practices to coexist. Figures from ancient world cultures have taken stances against these practices, which, among other things, later influenced the attitudes of certain religious leaders. The three Abrahamic religions, in chronological order, Judaism, Christianity, and Islam, have numerous references of practical interest. Christianity has opposed these practices from the beginning, although some dogmas have been reinterpreted over time. In Islam, there is strong opposition to interest, and an economic phenomenon attracting more attention is the alternative to the current international banking system—Islamic banks.

KEYWORDS: *abrahamic religions, islamic banks, regulatory framework, usury*

JEL CLASIFICATION: N1, N15, N35

1. INTRODUCTION

The deficiencies of the current normative framework and the problems created by its instability are expressed somewhat euphemistically by one of our renowned law professors, Ion Turcu: "Most of those who make our laws do not possess legal studies and probably believe they don't need them, as they are not mentioned in their job description…" (Turcu I. 2011, p. 11).

It is said, however, that Christian morality could successfully replace the gaps in legal norms. Which of the major religions does not aim to establish morality as the cornerstone of the community?

It took 21 years after '89 for various justice and criminal investigation structures to attempt, usually unsuccessfully, to categorize such actions as fraud, tax evasion, or unauthorized practice of a profession. This social plague led to the creation of one of the most succinct normative acts, Law 216 of November 22, 2011, which prohibits usury. Judicial authorities can apply

"imprisonment from 6 months to 5 years" and will confiscate the sums of money obtained through the commission of the crime, i.e., the interest collected by the usurer.

The activity of “usury” is defined by the normative act as “the lending of money with interest, as a profession, by an unauthorized person.” We should nuance that, contrary to popular perception, the difference between a usurer and a banker is not just that the former lacks "authorization."

A multitude of complaints, property seizures, and the temptation of very large, albeit controversial, gains have necessitated defining usury as "a new crime" in our country, even though its existence as a social phenomenon dates back to ancient times.

Vedic writings from ancient India mention usury from 2000 years ago, and it was systematically addressed by the ancient Greeks, who referred to the first banking institutions. The distinction between usury and interest arises from the exaggerated added value in the former category versus the regulated and legal value in the latter. Dictionaries further specify that the etymology of the term "interest" comes from the verb to acquire, to obtain something honestly, meaning "to gain something through work, effort, perseverance; to earn, to achieve; to find, to procure" in contrast to usury, which implies unjust profit.

2. MAJOR RELIGIONS AND INTEREST

From the outset, the practice of lending with interest has been intertwined with religion. The social importance of temples was also due to their role as the earliest places for depositing significant amounts of money. The oldest known banking building is located in Mesopotamia, where archaeologists discovered accounting tablets with cuneiform writing beneath the ruins of the Uruk temple (this "red" temple dates back to around 3400-3200 BCE). By lending money, early religious leaders achieved dual objectives: they obtained profit and gained gratitude/influence, with money becoming a source and symbol of power.

Both this type of profit and influence, more so than theological ideals, have been sought and contested throughout history. Not infrequently, and not randomly, some state leaders were also religious leaders.

The relationship between the practice of lending with interest and the institutions that represented them, and the state, was bidirectional and intense from the beginning. On one hand, the state was interested in developing and maintaining credit structures as they represented sources of financing and influence. On the other hand, the institutions and individuals providing loans were interested in the existence of a relatively strong state to protect them and ensure their normal functioning through state-specific instruments (army, justice, police, finance, etc.).

For example, in the Hellenistic region, around six centuries BCE, city-states and temples issued their own currency, and in Athens, Solon's laws legalized interest, while priests from the Temple of Delos conducted banking operations with cash or goods.

To evade usury and the dominance exerted by Athens and Delos, some Greek city-states established the first public banks managed or controlled by officials. Arguing the state's interest, we note that one of the earliest regulatory acts in the ancient Orient, the Code of Hammurabi, highlights the authorities' interest in controlling interest-bearing loans, stipulating that all loan contracts must be approved by royal officials. The metaphysics of history reveals many elements of the state's interest in controlling interest up to the present day.

The practice of lending with interest, particularly usury, not only produces profit and influence but also generates and maintains resentment. These resentments and social tensions, motivated by a certain exploitation that, at different historical periods, encompassed large segments of the population, are also sources of ethnic divisions and subsequent persecutions. A famous Shakespearean saying applies through time: if you want to lose a friend, lend them money.

2.1. Congruence and Adjacency in the Abrahamic Religions' Approach to Interest-Based Lending

The ancient temples of antiquity were notable not only for storing large amounts of money but also for excelling in the practice of lending money with interest. In Rome, popular movements and political parties gained support by implementing measures to control usury. Among the great figures of antiquity who condemned usury were Cicero, Seneca, Plutarch, Aristophanes (in his "Moralia"), Plato (in his "Laws"), and especially Aristotle, who, in his "Nicomachean Ethics," argued that it is immoral and unacceptable for money to generate more money on its own. Aristotle discussed wealth in two categories: natural wealth—related to land products or domestic animals—and unnatural, distorted wealth, which is wealth in money, where money increases its own value. It is very plausible that these teachings contributed to the strong opposition that early Christian leaders (who were educated in ancient teachings) had against the practices of interest-based lending.

2.2. Christianity

At the Council of Nicaea in 325, which set guidelines for Christianity and demonstrated a complete break from ancient religions, Christian priests were prohibited from lending money with interest. This directive was applied differently depending on the political situation in Europe and the relationships among centers of power.

In Western Europe during these centuries, the region was fragmented into small states, a mosaic of internal struggles among noble factions, between the nobility and the clergy, or between monarchs and the nobility. The only well-structured social institution that remained was the Catholic Church, which from the beginning found its role as a state within a state (a tendency that persisted even in communist Catholic states) and often subordinated or even replaced state power. In Eastern Europe, however, the Byzantine state remained strong, with Justinian's era attempting to recreate a Great Mediterranean as an internal sea (as in the height of Roman glory) and continued the Greek banking traditions. The emperor's power, and implicitly the state's power, managed to subordinate the Orthodox Church to state authority, a tendency that persisted even after the fall of the Byzantine state under the blows of the Crusaders and later the Ottomans.

The different position of Catholicism meant that the prohibitions of the Council of Nicaea extended throughout the Western Christian community, prohibiting all Christians from engaging in usury. Eight more religious councils after Nicaea and several monarchs, culminating with Charles Martel, sought to reinforce the prohibitions against interest.

Several biblical texts underpin this view, for example, in Exodus (22:25): "If you lend money to any of my people who are poor among you, you shall not be like a moneylender to him; you shall not exact interest from him," and Leviticus (25:35-37): "If your brother becomes poor and cannot maintain himself with you, you shall support him as though he were a stranger and a sojourner, and he shall live with you. Take no interest from him or profit, but fear your God, that your brother may live beside you. You shall not lend him your money at interest, nor give him your food for profit."

The nuance regarding the prohibition among members of one's own people has been exploited over time, remains a topic of debate to this day, and is present in various evangelical chapters. In Deuteronomy (23:19-21): "You shall not charge interest on loans to your brother, interest on money, interest on food, interest on anything that is lent for interest. You may charge a foreigner interest, but you may not charge your brother interest, that the Lord your God may bless you in all that you undertake in the land that you are entering to take possession of it," and Ezra II (5): "He does not give his money at interest or take any increase; but he keeps his hands from any injustice and executes true justice between man and man," or Ezekiel (22:12): "In you they take bribes to shed blood; you take interest and profit and make gain of unjust gain from your neighbors; and you have forgotten me, declares the Lord God."

In the New Testament, a passage reiterates the prohibition on the practice of lending: "But love your enemies, do good, and lend, expecting nothing in return; and your reward will be great, and you will be sons of the Most High, for he is kind to the ungrateful and the wicked" (Luke 6:35).

In addition to the evangelical texts, the Church Fathers and major Christian theologians contributed to this view. For example, St. Basil the Great said: "Are you rich? Do not borrow! Are you poor? Do not borrow! If you are rich, you do not need to borrow, and if you have nothing, you will have nothing to repay your loan."

"When you wish to give to the poor for the Lord, giving is both a gift and a loan; it is a gift because you do not expect it to be returned; it is a loan because of the great generosity of the Lord, who will repay the debt in place of the poor."

In Western Europe, with the flourishing of maritime commercial areas, there was a reinvention/revitalization of banking activities in the major cities of Northern Italy (Venice, Genoa, Milan, Florence), the Iberian regions, driven by the immense amounts of gold and silver brought from American colonies, as well as the Hanseatic League's northern European commercial centers and the nations that excelled in navigation (English, Dutch). The practice of interest-based lending was revitalized, and ethical debates on interest intensified, as the Reformation began.

Its founder, Luther, extolled poverty—true faith—and the clergy no longer needed wealth. The feudal lords in most German states discovered great merit in such faith, which, importantly, allowed them to appropriate ecclesiastical properties. In England, Henry VIII, after the Pope refused to grant him a divorce, also discovered doctrinal pretexts, broke away from Rome's hegemony, and enriched himself through similar operations.

"Rulers who were frequently reproached by the Pope could generally only view favorably a doctrine that added religious powers to their political power and made each of them a pope. Far from diminishing the absolutism of rulers, the Reformation only exaggerated it" (Gustave Le Bon, p.121, 2010).

The confiscation of wealth under doctrinal pretexts reached its peak under King Philip IV of France, unmatched except by 20th-century totalitarian regimes, Nazi or communist. In 1321, he dismantled the Knights Templar, who, from an exclusive group of knights sworn to poverty, created the largest financial-banking corporation of their time, accumulating fabulous wealth that still excites the imagination today.

The Templars devised and implemented early forms of bills of exchange, debit cards, and a banking network. When merchants traveled on commercial missions, they would deposit their money in a Templar castle out of fear of robbers and receive a valuable note based on which they could recover the sum from another location, a Templar branch, for a commission. The tragic history of the Templars still fuels myths about the origins of Freemasonry, the Universal Government, World Conspiracy, the Holy Grail, etc.

In the staged trial by royalty, among other more or less fanciful accusations, there were references to violations of evangelical precepts regarding interest, although over time, the financial mechanisms invented by the Templars were adopted by almost all civilizations.

In the 16th century, another titan of the Protestant Reformation, the theologian and pastor John Calvin, proposed in Switzerland, in Geneva, a reinterpretation of the Old Testament commandments concerning monetary loans, showing that a distinction should be made between usury, with very high interest rates, and loans with low interest rates, which should be accepted. This interpretation is understandable, according to some economic historians, given that the story took place in the Swiss banking context.

However, it was not only Christianity that opposed the idea of usury and, in general, the practice of interest-based lending. All major religions, in promoting humanitarian ideals and social justice, criticize usury, with Islam being particularly vocal in this regard.

2.3. Islam

Theological debates, comparisons, and potential controversies are best left to specialists. However, it is common sense to expect a religion that provides detailed and precise rules of conduct to also have a clear stance on interest and usury.

The Quran states: "Allah has permitted trade and forbidden interest" (2:275). Additionally: "But if you repent, you may have your principal—thus you do no wrong, nor are you wronged" (2:278). Muslims interpret this prohibition as a complete ban on charging any form of interest or obtaining any profit through it. Moreover, the Quran specifies: "If you are on a journey and cannot find a scribe, then a pledge with possession [shall suffice]" (2:282), indicating that all transactions should be clear and free from ambiguity and speculation.

Not only is interest prohibited, but any exchange that could result in unfair benefits to one party at the expense of others is also forbidden. Those who consume usury are warned of severe consequences in the Hereafter: "Those who eat usury will not stand except as stand one whom the Devil has driven to madness [or] insanity from [his] touch" (Isidro Esnaola, p.30.2013).

As noted by Le Bon, "If religious revolutions were judged solely by the dark story of the Reformation, we would be forced to consider them extraordinarily disastrous. However, not all were like that, with the civilizing influence of certain religious revolutions being considerable. By giving people moral unity, it greatly increased their material power. This is particularly evident when a new faith, brought by Muhammad, transformed the small and powerless tribes of Arabia into a formidable nation" (Le Bon, p.26, 2010).

Muslim theologians have provided explanations for the prohibition of usury. They argue that reliance on usury prevents people from working to earn a living. If a moneylender finds they can gain more money through usurious contracts, they will be less inclined to work and endure the hardships associated with labor, trade, and difficult tasks. This leads to a halt in productive activities and a situation where the weak are exploited for the benefit of the strong. The end result is that the wealthy increase their riches at the expense of the worsening poverty of the weak, which in turn fosters envy, class conflict, extremist revolts, and destructive principles. Recent history has confirmed the dangers of usury and moneylenders to politics, governance, and both national and international security (Yusuf Al Qaradawi, p.248, 2010).

2.4. Judaism

Why is there such a significant presence of Jews in the banking world? Firstly, if the realities of economic life and the possibilities of those who deposited money led to the invention of interest-bearing loans in the Christian world, it was precisely Christians who were prohibited from lending money with interest.

Someone had to lend to others!

Similarly, in the Islamic world, while Muslims were prohibited from charging interest, they tolerated non-Muslim populations who addressed this issue of monetary resources and loans. This effectively allowed Jews to play a prominent role.

Jewish civilization flourished alongside the brilliant Arab community in medieval Spain. The disappearance of the Spanish emirates was a severe blow to the Jews, leading to endless pogroms, Inquisition tortures, and exile. It is hard for someone outside the region to understand

such animosity between the two related Semitic peoples, especially now, in the most advanced century of civilization, given their historical collaboration.

One explanation for the massive presence of Jews in the banking world is that the very prohibitions imposed by Christians and Muslims provided Jews with an opportunity to monopolize these practices.

Another explanation comes from sociologist Max Weber in "The Protestant Ethic and the Spirit of Capitalism." He states that "national or religious minorities that are in a subordinate position to a ruling group are prone, due to their voluntary or involuntary exclusion from positions of political influence, to be attracted with particular force to economic activity. Their most capable members seek to satisfy their desire for recognition of their abilities in this field, as they have no other opportunity in state service."

This was certainly true for Poles in Russia and East Prussia, who advanced economically more rapidly than those in Galicia, where they held a superior position. Similarly, this was earlier proven for Huguenots in France during the time of Louis XIV, and for dissenters and Quakers in England (Weber M., p.129, 2007).

We might add a similar example from the Balkan space with the economic success of the Aromanians, almost regardless of the base population they were minorities against. Their center, Moscopole, with 60,000 inhabitants in 1760, was then six times larger than Athens and the second-largest city in the Balkans after Istanbul.

The reversals, risks, and sometimes tragedies of a wealthier and more influential minority have been observed in very different regions and eras. For example, the Tutsi minority in Rwanda in the 1990s, the Alawite community in contemporary Syria, Armenians in Turkey in 1918, and Sunnis in Iraq, etc.

The high proportion of Jews in business, and especially in the banking system, is not a recent phenomenon. For example, Weber notes in the same work that in 1895 in Baden, the capital available for profit tax was: for 1,000 Protestants - 954,000 marks; for 1,000 Catholics - 589,000 marks; and for Jews, with over four million marks per thousand persons, was far ahead of others. The level of education was also different. In 1895, the population of Baden was composed of: Protestants - 37.0%; Catholics - 61.3%; Jews - 1.5%. Students in higher education institutions were distributed on average as follows: Protestants 48, Catholics 42, Jews 10. It is noteworthy that this work was aimed at deciphering the mechanism of Protestantism's influence on the socio-economic development of the community.

We believe that there is an exaggeration and sometimes fabrication of a particular ethnic presence in important financial and banking sectors, and the explanations are at the hand of common sense. Simply put, Jews were given a monopoly because they initially did not excel in this field.

"Although Jews have a reputation for being among the most skilled businessmen, ancient Jewish civilization did not know currency, but one can speak of banking commerce conducted by

temples with banking functions, which received sums on deposit without making loans with interest" (Gheorghe C.A., p.176, 2009).

We previously mentioned several evangelical texts from the Old Testament that refer to prohibitions regarding interest and usury. Could the social mechanism that destroyed the Knights Templar—resentments, envy, and the desire to seize their wealth—have functioned historically against Jews as well? Aside from the fact that "Jews themselves bear a large part of the responsibility for the hatred surrounding them" (Michnik A., p.169, 2009), referring especially to the significant proportion of Jews in leftist movements, which, however, can bear a rational historical explanation.

It is certain that in both the Christian and Islamic worlds, the need for credit was largely met by the privileges of Jews (Weber M., p.217, 1998).

3. ADAPTATION OF DOGMAS AND ORGANIZATIONS TO ECONOMIC REALITIES

Real life, the twists and turns of the concrete, and the synergy of actions, as a Romanian politician once put it, present humanity with an unresolved psychological problem: “how to maintain a belief that is both strong and tolerant” (Le Bon, p.27, 2010).

The issue at hand is one of adaptation that no longer adheres strictly to the uncompromising tone of the Nazarene and the clarity of evangelical principles: “Let your yes be yes, and your no be no” (Matthew 5:37).

Where wealth has increased, the essence of religion has diminished in the same proportion. “Therefore, I do not see how it is possible, in the nature of things, for any revival of true religion to last for a long time. For religion must necessarily produce both diligence and economy, and these can only create wealth. But as wealth increases, so will pride, passion, and love of the world in all its forms. Thus, while the form of religion remains, its spirit disappears rapidly.

Is there no way to prevent this continuous decline of pure religion? Should we not stop people from being diligent and economical?” (Weber M., p.143, 2007).

Christianity initially promoted disinterest or even contempt for material values, which attracted large masses of people of modest social standing. However, it became evident that diligence, temperance, and overall societal development produced wealth. So what happens to the prohibitions on interest?

Historian Zoe Petre’s interpretation seems to fit several religious currents: “Adjustments to doctrine are made because it is clear that the economy had its own rules and ultimately leads to wealth as an expression of God’s favor towards those who have it. The prohibition (on practicing interest) comes from the horizon of a non-monetary economy, which was the economy of the

ancient world. In antiquity, there was money, but the overall mentality considered money as an inferior and sometimes degrading form of wealth. True wealth was land. Land was the good wealth, bringing virtue... and this is not only for Christians... this expresses a very general point of view. So, when Jesus enters the temple and overturns the tables of the money changers, he is in tune with all popular ways of seeing the rich man as someone who has obtained his wealth through unclean means and who lives by unclean ways" (Păcuraru B., 2013).

This raises the question: how might human greed be tempered by its own means without divine intervention? To what extent can religious beliefs still have a major impact on politics and economic management, or which traditional religious precepts and prohibitions seem obsolete or anachronistic today?

Certainly, those involved propagate the idea of obsolescence. Adrian Vasilescu, advisor to the governor of the National Bank of Romania, has a decisive position: "Christian religion no longer looks to the past. It no longer condemns loans and interest. Especially today, when interest is the engine of prosperity. Hundreds of millions of people have achieved prosperity through loans and interest."

In a declarative manner or to attract clientele in competitive struggles, there are plans to reform monetary and banking systems to serve humanity rather than the other way around.

Notable proposals include Ethical Banking, Time Banks (using hours or units of time as payment), and Interest-Free Money, as the monetary system should be considered a public utility service available to citizens/taxpayers who should no longer pay taxes/interest/fees for the use of money/public goods. Recent theories from the Austrian School of Economics advocate restoring a physical correspondent for money to prevent or counteract collapses caused by unreal sums produced and circulated by a banking system that loses touch with reality. This physical correspondent refers to precious metals and, intriguingly and interestingly, to energy, which increasingly asserts its value as a standard and an essential factor of social life and has been used as a strong argument in many politico-economic negotiations.

Islamic theologians have also made an effort to interpret (ijtihad) to harmonize Sharia with local customs (urf), necessity (darura), and the common good (maslaha). The expansion of Islam and various local customs have complicated this work, but, on the other hand, the price of oil and the rise of the "Asian Tigers" have necessitated a pragmatic interpretation (Isidro Esnaola, 2013).

Islamic Banks

A pragmatic interpretation that is gaining increasing interest under the auspices of a global economic and financial crisis that has plagued all systems is Islamic banking.

Human conduct in Islam is defined in more detail than in other religions, as previously stated, and in the financial realm, Quranic rules specify two main guidelines: firstly, the prohibition of usury (riba), and secondly, charitable acts, where generosity is not just recommended but mandatory, specifying the proportion of income that must be given in donations.

In this context, the concept of Islamic banks might seem unrealistic to people/clients from other regions accustomed to paying onerous installments and providing extraordinary risk guarantees. However, not only is it real, but this type of bank has also demonstrated success, especially during the recent crisis.

An Islamic bank participates directly and assumes potential losses in partnership with the client. For example, if a client seeks a loan to start a business, a rate is set together with the bank. If the profit is higher, the surplus automatically goes to the client, and if it is lower, the bank accepts reduced payments.

When purchasing a home, the bank establishes a contract with the person and buys the property in partnership. The client makes payments over time, and the bank's share in the property decreases while the client's share increases until, at the end of the period, the client becomes the full owner.

Another type of Islamic loan involves a partnership between the bank and a client. "The bank provides financing while the client contributes labor, management, and expertise in a specific field. Profits are shared between the bank and the client in a predetermined ratio, and if there are losses, they are entirely covered by the bank."

Generally, the vast majority of clients of Islamic banks are ordinary people and small to medium-sized enterprises. Countries with the strictest Islamic banking purity conditions are Iran and Pakistan, where there is a real obsession with avoiding the sin of usury (Gavrila C., 2013).

Islamic banks pay more attention to the type of investment proposed rather than the person proposing it, as a "collective enterprise" is created, and no guarantees are required from the client. Moreover, they are more involved in production activities since they are denied purely financial operations. Banks make money but also create social wealth. Islamic banks are more equitable and responsible because they are involved in the management and success of the businesses they promote (Isidro Esnaola, 2013).

However, as the saying goes, "no one is a prophet, not even in their own country," there are still enough critics, particularly among some Muslims, who argue that Islamic banks are merely subterfuges and that banking and Islam remain incompatible notions.

4. CONCLUSIONS

Examining the statements from the involved parties reveals a state of apparent insolubility between real-world economic practices and religious precepts. The effort of the faithful to harmonize their daily existence with the teachings they wish to follow is at least commendable.

To use a term from the pervasive media, the supreme teaching has neither lost its significance nor its importance or relevance; it has perhaps lost some of its audience. However, it is said that Sacred Tradition does not aim to gain ratings, regardless of faith. It is simply Sacred Faith! Just as Sacred was the love that gave rise to humanity, the greatest perversion of Genesis is

when hatred is invoked in connection with Abrahamic beliefs. These beliefs share many common elements because they stem from the same source, as one professor explained.

In Judaism, Christianity, and Islam—the three Abrahamic religions—there is a summum of congruence that too many overlook. The belief in a single Creator God, to whom humans are entrusted with the world borrowed from their descendants, is remarkably similar.

In contemporary times, many church institutions are structured according to management principles analogous to modern organizations and measure audience, public, circulation, revenue, and profit.

Some view this as a deviation from true faith, while others welcome the renovationist mentality and adaptability.

Church leaders (not yet termed managers) are members of bank boards, and opening bank accounts has become a routine practice even for monks of renowned monasteries. Is it still permissible for us laypeople to remember that accepting donations from people outside the Church is not allowed?

Ethics is an open discipline, and we are still searching for a business ethics that aligns not only with economic profitability principles but also with religious ideals and precepts.

Until then, the interference between interest-bearing loans and faith reminds us of an anecdote from antiquity. It is said that Alexander the Great, educated in a cult for great teachers, visited Diogenes and asked how he could help him. The scholar replied, “Yes, you can help me—by moving a little to the side so I can enjoy the sun.”

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THE ROLE OF CHAMBERS OF COMMERCE AND INDUSTRY IN ROMANIA'S TRADE POLICY: THE INTERWAR MODEL

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ABSTRACT

This article examines the role of Chambers of Commerce and Industry in shaping Romania's trade policy during the interwar period. It highlights how these institutions contributed to the development of domestic and foreign trade by supporting regulatory reforms, advocating for free trade, and representing commercial interests in state policies. The study also explores the legislative frameworks and trade strategies employed, including the establishment of free zones, free ports (porto franco), and export premiums. Despite economic challenges such as the Great Depression and Romania's integration into the Axis economic system, the Chambers played a pivotal role in fostering economic modernization and aligning the country's commerce with broader European trends. However, the lack of a coherent long-term strategy and overreliance on state intervention often limited the effectiveness of these efforts. By analyzing policies and their impact, the article sheds light on the interplay between state authority and institutional initiatives in Romania's economic history.

KEYWORDS: *Chambers of Commerce, economic modernization, interwar Romania, trade policy*

J.E.L CLASSIFICATION: N14, H11, F13, N44

1. INTRODUCTION

The interwar period marked a transformative era for Romania's economic development, characterized by efforts to integrate diverse regional economies into a unified national framework while simultaneously positioning the country within the broader European trade system. The role of Chambers of Commerce and Industry was central to this process. These institutions, established in the mid-19th century and reorganized during the 1920s, served as key intermediaries between the state and private sector, facilitating trade reforms and advocating for economic modernization.

This article explores the multifaceted contributions of the Chambers of Commerce and Industry to Romania's trade policy during this period. It examines their efforts to promote domestic trade, including the establishment of commodity exchanges and free trade zones, while also addressing challenges posed by international trade dynamics, monetary instability, and the Great Depression. Through their advocacy for regulatory reforms, participation in international trade fairs, and collaboration with state institutions, the Chambers sought to stimulate commerce and ensure Romania's economic resilience.

However, these initiatives were often constrained by inconsistent state policies and external geopolitical pressures, culminating in Romania's eventual economic alignment with the Axis powers during World War II. By analyzing these developments, the article provides insights into the complexities of trade policy and institutional evolution in interwar Romania.

2. THE ROLE OF CHAMBERS OF COMMERCE IN INTERWAR ROMANIA

The interwar period marked a critical phase in Romania's economic and institutional evolution. One of the key actors driving this transformation was the network of Chambers of Commerce and Industry. Established in the mid-19th century and significantly reorganized by the 1925 law, these institutions were pivotal in representing the interests of commerce and industry while contributing to the country's broader economic modernization.

The Chambers were tasked with a variety of responsibilities aimed at enhancing trade and industrial growth. According to the 1925 law, they were defined as public institutions created to defend and support commercial and industrial interests and to represent these sectors in state affairs. Beyond their representational role, they served as consultative and administrative bodies, providing valuable insights to the government on trade-related matters and helping align economic policies with national and international demands.

One of the primary activities of the Chambers was to foster domestic trade by establishing and managing commodity exchanges, organizing fairs, and creating infrastructure to support commerce, such as warehouses, docks, and free zones. These efforts aimed to bridge the gap between regional economic disparities and integrate diverse markets into a cohesive national framework. By 1937, the number of Chambers had expanded to 51, reflecting their growing influence and importance. Key leaders, including Ch. Cristodorescu, the Union's Director-General, and C. Osiceanu, the Union's President, played a significant role in shaping the strategic direction of these institutions.

The Chambers also collaborated closely with the government to ensure the smooth functioning of domestic trade. They advocated for reducing excessive taxation, aligning transport tariffs with commodity prices, and easing restrictive labor laws that hindered trade operations. Their role extended to maintaining detailed records of commercial activity, publishing price lists, and preparing annual reports on the economic conditions in their respective regions. These reports provided valuable data that informed policy decisions at both local and national levels.

In addition to their domestic role, the Chambers actively promoted Romania's economic integration into European markets. They facilitated the establishment of mixed Chambers of Commerce, such as the Anglo-Romanian and Franco-Romanian chambers, which helped foster international trade relations. Their involvement in global trade discussions, including active participation in the International Chamber of Commerce in Brussels, underscored their commitment to aligning Romania's trade policies with international norms.

Despite these accomplishments, the Chambers faced significant challenges, including inconsistent state policies and external economic pressures. The Great Depression and the subsequent rise of protectionism in Europe further complicated their efforts to sustain free trade and economic growth. Nevertheless, their contributions laid the groundwork for key economic reforms and highlighted the potential of collaborative governance between public institutions and the private sector.

In summary, the Chambers of Commerce and Industry in interwar Romania were instrumental in shaping the country's trade policies and supporting its economic modernization. Through their advocacy, administrative roles, and international collaborations, they bridged the gap between state objectives and private sector needs, demonstrating the importance of institutional support in fostering economic resilience.

3. DOMESTIC TRADE AND ECONOMIC POLICIES

Most political parties included in their economic programs activities and measures aimed at rebuilding and integrating commerce within the single national market created after the Great Union, as well as aligning it with the broader European framework.

The Peasant Party outlined a cooperative alternative for the development of domestic trade. Its program, adopted in 1922, referred to the necessity of bringing commerce under public control to curb speculation and protect consumers. This goal was incorporated into legislation twenty years later, through the September 1939 decree, which "curbed and suppressed speculation" and organized price controls (Revista Aurora, 1924). This marked the point at which the State abandoned its non-interventionist stance, which had characterized the entire interwar period. The decree-law established maximum selling prices for essential goods and capped wholesalers' profit margins at 10% and retailers' at 20%. In November 1939, another decree-law reduced retailers' profit margins to 12%. By March 1940, price freezes were implemented. Commercial legislation transitioned to an emergency framework, adapted to wartime conditions.

Until then, however, domestic trade operated freely, without any State intervention. For instance, out of the 119,848 enterprises recorded—approximately 43.9% of the total, according to the 1930 Romanian General Census (Romanian General Census of 1930, 1938)—many were affiliated with the 18 commodity exchanges located in Arad, Bucharest, Bălți, Botoșani, Brăila, Călărași, Cernăuți, Cluj, Constanța, Craiova, Focșani, Galați, Iași, Ismail, Oradea, Ploiești, and

Timișoara. A commodity exchange for petroleum products remained only a project of the interwar period (The Encyclopedia of Romania, Vol. IV).

Chambers of Commerce and Industry also played a significant role in commercial activity. Established in 1864 in the Old Kingdom of Romania and in 1850 in Transylvania, they were reorganized multiple times. The 1925 law, in Article I, specified that these institutions "are public bodies created to defend and support the interests of commerce and industry and to represent them within the State." At the same time, they served as consultative and administrative bodies tasked with contributing to economic progress in harmony with the general interests of the country (The 21st General Assembly of the UCCI, 1937)

Their responsibilities included: providing the government and any public authority, either on their own initiative or upon request, with information and reasoned opinions on all matters concerning the interests of commerce and industry; assisting the State in fulfilling its economic role; collaborating with the General Statistics Institute; offering merchants and industrialists the necessary informational materials for their professions; keeping records of firms within their county jurisdiction; compiling price lists; and submitting annual reports to the Ministry of Industry and Commerce and the Union of Chambers of Commerce and Industry regarding the development of commerce and industry in their regions.

The Chambers, with the approval of the Ministry and the advice of the Union, were granted the right to take initiative and participate in the establishment of companies or consortia for carrying out and utilizing various public works or services of commercial and industrial interest—such as maritime and river ports, free zones, navigation services (land, air, river, and maritime). They were also authorized to independently establish services and facilities for the needs of commerce and industry, including commodity exchanges, fairs, markets, ramps, warehouses, docks, and exhibitions. Additionally, they could establish, in accordance with education laws, professional culture institutions, commercial and industrial schools, trade schools, courses to disseminate knowledge, scholarships, and apprentice dormitories. Furthermore, they were allowed to contribute to expenses for public, commercial, and industrial utility purposes and own their buildings, industrial, and commercial facilities (Articles 1, 2, 3, 4).

By 1937, the number of Chambers had reached 51. That year, the Union's Director-General was merchant Ch. Cristodorescu, and its President was C. Osiceanu. The leadership also included P. Niculescu Ritz, the President of the Central Trade Council.

The activities of the Chambers of Commerce and Industry were documented in three volumes published in 1936 to commemorate ten years since their establishment. Each year, the Chambers submitted requests to the government to ensure the proper functioning of commerce, including (*ibidem*):

1. Reducing excessive taxation by eliminating additional quotas, lowering the progressive global income tax, luxury and turnover taxes, stamp duties, proportional taxes, maximum municipal taxes, and reducing taxes owed to the state, counties, and communes.

2. Adjusting transport tariffs to align with product prices.
3. Partially repealing laws affecting trade, such as those on Sunday rest, working hours, labor contracts, and social insurance.
4. Rationally organizing industrial production to lower costs and improve product quality.
5. Improving credit through appropriate legislation.
6. Ensuring the state honored contracts with suppliers, liquidated old debts, and paid invoices on time.
7. Revising customs tariffs.
8. Resolving old agricultural debts without harming trade interests.

4. FOREIGN TRADE AND STATE INTERVENTION

Unlike domestic trade, left to the free play of economic agents, the State consistently intervened in foreign economic relations throughout the interwar period.

The strategy in this sector was more attuned than in the industrial or agricultural fields to the mechanisms of international trade and the economic policies applied by other states, particularly European ones.

Until the Great Depression, legislative efforts focused on unifying measures related to the functioning of foreign trade representative bodies, maintaining the country's revenue sources at an appropriate level, and capitalizing on national capital. Legal texts sought a gradual return to free trade, limiting the import of luxury goods, and protecting consumers from speculative prices.

The legal framework governing the country's foreign trade was comprised of customs tariffs, conventions, agreements, and trade arrangements. Following the denunciation of pre-war treaties, Romania entered into provisional agreements through exchanges of notes with Austria, Spain, and Hungary immediately after the war. During this period, it also signed trade conventions with Czechoslovakia, Poland, and Turkey, repealed the law concerning the application of the most-favored-nation clause to goods imported from the United States, and joined the Geneva Convention for the Simplification of Customs Formalities.

The Romanian state established mixed chambers of commerce in other countries and allowed their establishment domestically (*ibidem*). However, no long-term trade agreements or conventions were negotiated due to monetary instability.

A significant step toward normalizing and liberalizing export trade was made on October 18, 1927, through a ministerial decision to abolish the Commission that authorized such activities. Under a new regime, goods were categorized as either prohibited or freely exportable, subject to customs duties. This regulation ended the permit system, except for machinery and tools, which

could not be exported without approval from the Industrial Commission (Activitatea corpurilor legiuitoare, 1928).

The Chambers of Commerce and Industry consistently advocated for new regulations to promote free trade, limit state intervention in this area, and establish *ad valorem* export taxes for cereals (Arhiva Istorica Centrala, 1927). At the Congress in Oradea in 1924, the Union of Chambers of Commerce requested that trade policy measures be transferred from the government to the Parliament. While legislative efforts in this domain were sparse throughout the interwar period, the same cannot be said of the increasingly numerous government decisions regarding customs duties. The Romanian state exercised strict control over imports and exports, reflecting the "revaluation" economic policy promoted by the National Liberal Party (P.N.L.).

The first elements of a long-term government strategy in foreign trade emerged in 1929, addressing international trade under two main aspects: the flow of goods and the settlement of international payments.

Romania's modest and relatively invisible trade policy compared to other, more active economic policies can be attributed to several factors:
a) A minor role in the global economy: Romania was a European country with an agrarian-industrial economy (as of 1938–1939), primarily supplying raw materials and agricultural products, occasionally semi-finished goods, and serving as a market for manufactured goods, especially machinery.
b) Debtor nation status: Romania continuously negotiated loans on financial markets, often with unfavorable outcomes.
c) Geopolitical and economic positioning: The country's position was contested by a traditional West, which did little to maintain or strengthen its advantages, and an aggressive, dynamic Germany seeking to control Central Europe's economic space, including dominant positions in Romania.

Additionally, during the Great Depression, the legislative framework for foreign trade had to account for Romania's massive public debt, the need to honor financial commitments and obligations made by the state and private entities, and the necessity of securing funds to repay these debts. These repayments were managed by the Autonomous Monopolies Administration and other external debt services.

Between 1934 and 1938, a new vision of trade policy began to crystallize. It emphasized, alongside ensuring the foreign exchange resources needed to meet external obligations, a more accelerated development and Europeanization of the economy and the reorientation of foreign trade based on efficiency criteria. However, this shift came too late, as the West, marked by the specter of war, effectively abandoned Central and Eastern Europe, leaving room for Germany to expand its influence.

When Minister Ioan Gigurtu signed the Romanian-German economic agreement in March 1939 (Niri, 1972), it marked the final phase of Romania's economic and political resistance, which ended in the summer of 1940 following the fall of France.

State intervention in foreign economic relations had been tactically and strategically supported since the Great Depression. In February 1932, the Compensation Office was created under the National Bank of Romania (B.N.R.) to settle debts with countries that had implemented exchange and payment controls in their dealings with Romania. However, efforts to halt the exodus of foreign currency proved insufficient. On October 24, 1932, the Council of Ministers authorized the implementation of a quota regime in Romania. International transfers created severe difficulties for the state budget, with public debt reaching 80.4 billion stabilized lei by April 1935. This massive amount did not include the debts of local authorities and communes, which were not calculated by the Public Debt Service. Additionally, private arrears, estimated at 14 billion stabilized lei, painted an alarming picture of the country's indebtedness. This rising public debt coincided with a new situation—deficit trade balances previously unheard of in Romania (Nouvelle Revue d Hongrie, 1935).

The Great Depression led to deficits, the withdrawal of foreign placements, deposits, and capital, falling global prices for Romanian-exported raw materials (oil, grain, and wood), and relatively high prices for imported industrial products. These factors created severe imbalances in the trade and payment balances. According to contemporary assessments, the trade balance surplus was insufficient to cover external debt interest, the expenses of autonomous administrations, embassies, and other state services. The unfavorable context was compounded by hesitant trade policies during 1930–1931. While most European countries suspended currency convertibility and centralized foreign exchange trade during the summer and fall of 1931, Romania, to its detriment, continued practicing full freedom of international transactions and currency convertibility until May 1932 (Arhivele BNR, 1934-1938).

The September 1932 Foreign Exchange Trade Law and its implementing regulations finally abandoned free trade and introduced the following measures (Dumitrescu, 1935):
a) The government was empowered to regulate or restrict foreign exchange trade when circumstances required, for a specified or indefinite period.
b) The National Bank of Romania (B.N.R.) was tasked with establishing implementation norms for Council of Ministers' decisions, with advice from the Union of Chambers of Commerce and Industry. These norms, approved by the Ministry of Finance and published in the "Official Gazette," acquired the force and effects of public administration regulations.
c) The B.N.R. was authorized to inspect the documents of any bank, financial institution, commercial firm, or individual to verify the nature and existence of foreign payment resources.
d) Public state, county, and municipal institutions, as well as autonomous administrations, were prohibited from contracting foreign currency obligations without prior approval from the Ministry of Finance, which consulted the National Bank for this purpose.
e) With states that had signed clearing agreements, the regime established by those agreements applied.
f) Penal sanctions were specified for violators of the law.

From the provisions of the law and the analysis of its implementing regulations, it is evident that Romania's economic relations with other states, including trade and payments, were conducted as follows:

a) Through exports – foreign currency obtained from exports had to be surrendered to the National Bank at the rate set by the bank. These funds were used to cover debts resulting from imports, as well as public or private commitments and obligations.

b) Through special payment agreements – via clearing accounts, the available funds were used to settle debts arising from imports from the respective countries.

With minor amendments in 1935 (Monitorul Oficial, 1932) and 1937 (*ibidem*, 1935), the September 30, 1932 law remained in effect until 1938, when a new regime of partial negotiability for foreign currency was implemented. This change prioritized exports to countries with strong currencies. To encourage this shift, cereal exporters were allowed to retain a portion (30%) [*ibidem*, 1937] of the foreign currency earnings, which could be used for imports (*ibidem*, 1938).

Simultaneously, the new law introduced restrictions on imports from Germany, aligning with the broader economic resistance policy that persisted until the 1939 Economic Treaty.

The August 1938 Council of Ministers' Journal allowed importers to retain 30% of their foreign currency earnings, independent of individual quotas granted under earlier regulations.

5. CHALLENGES AND LEGACY OF TRADE POLICY

The legislative framework introduced during the summer and fall of 1938 aimed to stimulate the export of key products, including timber. During the 1930s, the state actively sought to maximize exports through:

a) Regulating foreign exchange trade – initiated in May 1932 and supplemented in 1935 and 1937.

b) Implementing import quotas – in November 1932, a Higher Quota Commission was established, replacing the Advisory Committee on Foreign Exchange and Imports with the Higher Committee for Foreign Exchange and Imports, which was given expanded powers. Although the government attempted to relax quotas in the first half of 1934, imports immediately increased by 1.5 billion lei. Consequently, in September 1934, 238 items were subjected to quotas. This system remained in place until the outbreak of World War II.

c) Stimulating export volumes – through two types of intervention:

Direct measures: state-provided economic subsidies.

Indirect measures: foreign currency incentives and the partial negotiability of foreign exchange introduced in 1938.

The state's direct intervention through economic subsidies aimed to reduce "price shearing." (*ibidem*, nr. 268) These subsidies were provided for agricultural products, timber, and oil exports to offset the differences between domestic prices and the lower prices on international markets.

Such measures were introduced during the height of the economic crisis and were further continued and amplified in the following years. They were closely tied to the tightening of import quotas, which were also implemented due to the surplus in the balance of payments. A financial

fund was created under the Ministry of Finance to support agricultural prices and compensate for exceptional reductions in transportation costs for Romanian products, resulting from special agreements between the Ministry of Industry and the Ministry of Communications (*ibidem*, 1934).

In 1934, the Council of Ministers established a Commission composed of the director of the National Export Institute, representatives from the Ministry of Agriculture and Domains and the National Bank, as well as members of export unions. The commission was tasked with setting export premiums by category of goods (*ibidem*, nr. 148).

By the end of 1934, the premium system had been extended to include petroleum products.

On June 10, 1935, through Council of Ministers Journal No. 969 and Ministerial Decision No. 2532, a new system of encouragement premiums proportional to the export's value in lei was introduced:

- 40% for wheat and its derivatives,
- 30% for rice, oats, and rye,
- 15% for corn,
- 30% for live animals and animal products, as well as food products,
- 25% for wood and its derivatives,
- 10% for petroleum and its derivatives, and
- 25% for other products.

The sale of wheat production was managed through three systems:

1. Export premiums (1931),
2. State intervention as a buyer on the market (1933–1934), and
3. A combined system, which set a minimum price, offered export premiums, and included State intervention as a buyer (1934–1938) [*ibidem*, 1935].

The wheat export program was executed through newly created institutions such as the Government Commissariat for Grain Marketing (Madgearu, 1940) and the Central Cooperative for Export and Import (Tatos, 1938). The first institution was legally authorized to "purchase the quantity of wheat that burdened domestic prices, removing it from the market immediately, either through export or by storage."

However, the State's grain sales policy did not resolve the issue of agricultural prices. According to Virgil Madgearu's assessment, between 1931 and 1937, the State allocated 2.5 billion lei from the budget, benefiting medium and large-scale agriculture while leaving small-scale agriculture, the predominant sector, unprotected (*ibidem*).

In 1939, significant shifts occurred in the structure of international trade due to the outbreak of World War II. This new configuration affected Romania's trade policy. On March 23, 1939, the Romanian-German Economic Treaty was signed in Bucharest, followed by additional treaties in 1940 and 1941, which progressively integrated Romania into the Axis economic system.

From a foreign trade perspective, the first nine months of 1939 continued to show unfavorable results, with the trade balance deficit standing at 1.052 billion lei. This marked a significant decline compared to the previous year, prompting the government to seek solutions, especially as foreign currency was being traded at high rates, negatively affecting the leu. The government's efforts focused on the following directions:
a) Stimulating trade and exports to achieve a surplus in the trade balance.
b) Redirecting exports to countries with strong currencies, increasing the negotiable share from 30% to 70%.
c) Reducing the negotiable exchange rate by increasing supply, rationalizing the use of the State's foreign currency, and establishing a national priority order for its allocation.

The state actively supported export promotion through the use of intelligence services, commercial propaganda, and the establishment of new markets via the creation of warehouses, free ports (*porto franco*), and free zones.

To support these new types of activities, the Romanian Export Institute was established. Companies were also financially incentivized to participate in international fairs, such as those in Leipzig, and industrial and commercial exhibitions, including the Paris exhibitions in 1935 and 1937. Several mixed Chambers of Commerce were created, such as the Anglo-Romanian and Franco-Romanian chambers. Romania actively contributed to the work of the International Chamber of Commerce in Brussels (Madgearu, 1940).

Through its trade policy, the Romanian state also emphasized transit trade, which was exempted from customs duties within the country's territory. The Customs Law of April 13, 1933, with amendments in 1942, addressed this type of trade in Articles 143–157. Restrictive provisions applied to the transit of weapons and ammunition, which required government approval through the Council of Ministers' Journal. Transit policy was considered an integral part of the country's foreign policy. This principle—stipulated in Articles 143 and 144—was applied, for instance, in the economic sanctions imposed by Romania on Italy in November 1935 under Article 19 of the Covenant of the League of Nations (Arhivele BNR, 1938-1940).

The Customs Law also specified in Article 67 the locations for the temporary storage of foreign or domestic goods intended for import, export, or transit. These goods could remain in state warehouses for a maximum of two years, with an express extension of one additional year. During this period, a specific fee was payable to the Ministry of Finance.

Free zones and *porto franco* were a focus of the Romanian government. For example, the port of Sulina was granted *porto franco* status between 1870 and July 25, 1931. The port was used by commercial vessels of any flag and cargo, without customs duties. Free zones benefited from a legal framework even before their establishment. The March 30, 1929 law, initiated by the National

Peasants' Party (P.N.Ţ) and reported by Virgil Madgearu, provided for their creation in the ports of Galaţi, Brăila, Giurgiu, and Constanţa. Article 2 of the law defined free zones as integral parts of Romanian national territory, subject to all state laws except the Customs Law and the law encouraging national industry. The core idea of this legislation was to mitigate customs and industrial protectionism (Monitorul Oficial nr. 215, 1939). However, the law was not implemented, and free zones remained an unfulfilled objective of the interwar period.

Analyzing the main aspects of trade policy reveals a lack of coherent strategy in this area. This deficiency was partially offset by the Romanian state's constant interest in implementing measures, some of which proved effective, to secure the financial and foreign currency resources needed to pay public debt, modernize and develop institutions, and advance a society visibly competing with its own limitations and facing new challenges.

6. CONCLUSIONS

The interwar period was a transformative time for Romania's economic landscape, and the Chambers of Commerce and Industry emerged as pivotal institutions in shaping trade policy and supporting economic modernization. Through their advocacy for reforms, establishment of commodity exchanges, and active involvement in both domestic and foreign trade policies, the Chambers served as a vital link between the state and the private sector. Their efforts contributed to the alignment of Romania's trade practices with broader European norms and facilitated economic resilience during a period marked by significant challenges, including the Great Depression and geopolitical tensions.

However, the effectiveness of these initiatives was often limited by inconsistent state policies and a lack of a coherent long-term trade strategy. While the Chambers played a crucial role in advocating for modernization, their progress was constrained by the overarching centralization of economic decision-making and the growing influence of foreign powers, particularly Germany during the late 1930s. This period highlighted the need for balanced collaboration between state intervention and institutional autonomy to achieve sustainable economic growth.

Despite these challenges, the legacy of the Chambers of Commerce and Industry during the interwar period underscores their importance in fostering economic development and institutional innovation. Their activities laid the groundwork for future trade policies and serve as a historical reminder of the critical role that institutional frameworks play in navigating economic and geopolitical complexities. As Romania adapted to the evolving global economic order, the lessons from this era remain relevant in understanding the interplay between policy, commerce, and national development.

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THE LIMITATION OF THE JUDGE'S DISCRETION IN ROAD TRAFFIC CONTRAVENTION COMPLAINTS – POSSIBLE UNCONSTITUTIONALITY ISSUES WITH DECISION NO. 5 OF 12.04.2021 PRONOUNCED BY THE HIGH COURT OF CASSATION AND JUSTICE IN A RECOURSE IN THE INTEREST OF THE LAW

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ABSTRACT

The article analyses the limitation of the judge's discretion in resolving road traffic contravention complaints, imposed by Decision No. 5 of 12 April 2021 of the High Court of Cassation and Justice (HCCJ), issued in a recourse in the interest of the law. This decision prevents courts from examining the proportionality of the complementary sanction of temporarily suspending the right to drive. In light of this ruling, judges are compelled to reject requests concerning the proportionality of the sanction, thereby limiting offenders' access to a comprehensive review of the imposed sanctions.

The paper explores the implications of this limitation in relation to constitutional and European principles regarding access to justice and the right to a fair trial. It also discusses potential criticisms of unconstitutionality raised against the HCCJ's decision, invoking articles from the Romanian Constitution and the case law of the European Court of Human Rights. The focus is placed on the principle of proportionality in contravention sanctions, which is essential to ensuring a balance between the gravity of the offence and the measures applied.

Finally, the conditions of admissibility for referring the case to the Constitutional Court of Romania to challenge the mandatory interpretation established by the HCCJ are evaluated. The article emphasises the need for an effective resolution of this issue, considering its impact on the administration of justice and the fundamental rights of petitioners.

KEYWORDS: *appeal, legal discretion, traffic-related, unconstitutionality in decisions*

J.E.L CLASSIFICATION: K14, K41, D63

1. INTRODUCTION

The practice of Romanian courts in handling contravention complaints has undergone significant limitations in their power to analyse and resolve road traffic-related contravention complaints following the issuance of Decision No. 5 of 12 April 2021, pronounced by the High Court of Cassation and Justice in a recourse in the interest of the law (Official Gazette No. 608, 2021).

In this context, it is noted that under the judicial decision to be issued in response to such an action, the judicial panel can no longer assess the proportionality of the complementary sanction of temporarily suspending the right to drive a motor vehicle, agricultural or forestry tractor, or tram, imposed under the provisions of Government Emergency Ordinance No. 195/2002 on traffic on public roads, republished, as subsequently amended and supplemented.

Such a limitation on the judge's discretion, as it pertains to the scope of their mandate in resolving a contravention complaint, raises practical interest in light of the effects of this decision on the resolution of traffic-related contravention complaints with this specific object.

Given the applicability of the provisions of Article 517(4) of the Civil Procedure Code concerning the binding effect of such an interpretative decision in resolving this type of claim, the sole judicial alternative may be to subject the interpretation underpinning the decision to a constitutional review.

2. THE LEGAL BASIS

We note that under Article 96 paragraphs (1) and (2)(b) of Government Emergency Ordinance No. 195/2002 on traffic on public roads, republished, as subsequently amended and supplemented, there is a complementary contravention sanction established: the temporary suspension of the right to drive. This sanction is imposed by the enforcing authority in relation to a principal sanction, provided that it is stipulated as such in the contravention's incriminating provisions.

Setting aside the necessity of applying this sanction, which is not the focus of the present analysis, a common issue in judicial practice arises when a court is seized with a contravention complaint, filed under the provisions of Government Ordinance No. 2/2001. Such complaints often challenge the legality, justification, and proportionality of the contravention report through which the sanction was established, seeking the "re-individualization/removal" of the complementary sanction.

Thus, the limits of the court’s jurisdiction also include a distinct claim that exclusively critiques the complementary sanction imposed by such a contravention report.

In such cases, the provisions of Article 9 paragraph (2) of the Civil Procedure Code come into play, which essentially establishes the principle of party disposition in civil actions, stating

that "The subject and scope of the case are determined by the parties' claims and defences" (Boroi, G., Stancu, M., 2020, p.16).

A correlative effect of this principle is stipulated under Article 22 paragraph (6) of the Civil Procedure Code, which specifies that the judge must rule on all that has been requested, without exceeding the limits of their jurisdiction, except where otherwise provided by law.

It should also be noted that the provisions of the Civil Procedure Code serve as supplementary general norms to the special provisions governing the legal regime of contraventions, as provided in Article 47 of Government Ordinance No. 2/2001. Consequently, such a claim necessitates mandatory consideration and an adjacent ruling.

Therefore, when the court is seized with such a claim, it is obligated to rule accordingly. However, this obligation, within the limits of the court's jurisdiction, has been significantly restricted by Decision No. 5 of 12 April 2021, issued by the High Court of Cassation and Justice in a recourse in the interest of the law, which established the following:

"In interpreting the provisions of Article 96 paragraphs (1) and (2)(b), Article 100 paragraph (3), Article 101 paragraph (3), Article 102 paragraph (3), and Article 109 paragraph (9) of Government Emergency Ordinance No. 195/2002 on traffic on public roads, republished, as subsequently amended and supplemented, correlated with the provisions of Article 5 paragraph (5), Article 21 paragraph (3), and Article 34 paragraph (1) of Government Ordinance No. 2/2001 on the legal regime of contraventions, approved with amendments and supplements by Law No. 180/2002, as subsequently amended and supplemented, the court, when seized with resolving a contravention complaint against a contravention report imposing the complementary sanction of temporarily suspending the right to drive a motor vehicle, agricultural or forestry tractor, or tram, does not have the authority to examine the proportionality of this complementary sanction."

In light of the binding effects (Chiș, A.A., Zidaru, Gh.-L., 2015, p.309) of Article 517 paragraph (4) of the Civil Procedure Code, the judicial solution currently required for a claim such as that described above is a mandatory analysis in the court's reasoning, followed by rejection in accordance with the ruling issued by Decision No. 5 of 12 April 2021.

On the other hand, we believe that this interpretative solution may be subject to certain constitutional challenges, which will be subsequently analysed.

3. POSSIBLE CRITICISMS OF UNCONSTITUTIONALITY REGARDING DECISION NO. 5 OF 12.04.2021 PRONOUNCED BY THE HIGH COURT OF CASSATION AND JUSTICE IN A RECOURSE IN THE INTEREST OF THE LAW

As previously mentioned, this Decision was issued in response to differing judicial practices regarding the resolution of contravention complaints concerning the complementary sanction of suspension of the right to drive for a specified period.

By analysing constitutional and relevant European norms, it becomes evident that the provisions relevant to this matter include Article 21 paragraphs (1) and (3) of the Romanian Constitution, in conjunction with Article 6, paragraph 1 of the European Convention on Human Rights. These provisions protect the right of access to a court and may affect the offender's right to have their complaint—and implicitly the contravention report—examined in all aspects submitted for judicial review.

Thus, in theory, offenders can no longer rely on judicial recourse to challenge and potentially remove the complementary sanction applied separately. This is because the legality of the sanction imposed by the enforcing officer is absolutely presumed. The only avenue for challenging the complementary sanction is to argue for the nullity of the contravention report, which, if successful, would annul both the principal and complementary sanctions.

Consequently, the offender can only hope for the removal of the complementary sanction if the contravention report is declared invalid due to procedural or legal errors.

On the other hand, a fundamental principle of contravention liability is the proportionality of sanctions. This principle is derived from Article 5 paragraphs (5) and (6) of Government Ordinance No. 2/2001, which state that:

"(5) The imposed sanction must be proportionate to the degree of social danger posed by the offence committed."

"(6) Complementary sanctions are applied depending on the nature and gravity of the offence and may be cumulative."

This principle is further reinforced by Article 21 paragraph (3) of the same ordinance, which stipulates that:

"The sanction shall be applied within the limits set by the normative act and must be proportionate to the degree of social danger posed by the offence, taking into account the circumstances of its commission, the means and manner of its perpetration, the intended purpose, the outcome produced, as well as the personal circumstances of the offender and other data recorded in the contravention report."

Regarding the possibility for the court to analyse the proportionality of the complementary sanction, such authority could potentially derive from Article 34 paragraph (1) (final clause) of Government Ordinance No. 2/2001, which states:

"The court shall rule on the sanction, the damages established, as well as the measure of confiscation."

Nevertheless, under the interpretive solution provided by Decision No. 5 of 12 April 2021, the court can re-individualise the principal sanction imposed by the enforcing officer—for

instance, substituting the fine with a warning—but cannot in any way assess the proportionality of the complementary sanction.

The European Court of Human Rights (ECHR), in its judgment in Osturk v. Germany (21 February 1984), ruled that the distinction between contraventions and offences in the domestic legislation of certain signatory states cannot result in excluding a category of acts from the guarantees provided by Article 6 of the Convention concerning criminal charges. Similarly, in Anghel v. Romania, the Court ruled that the notion of contravention falls under the concept of a criminal charge, thus granting the petitioner the presumption of innocence and placing the burden of proof primarily on the enforcing authority, not the petitioner.

However, the ECHR also recognised in the same case the right of any legal system to establish factual and legal presumptions, provided they do not exceed reasonable limits in criminal matters. Based on ECHR jurisprudence, the complementary sanction under traffic law aligns with a criminal sanction and could thus fall under judicial review if explicitly raised in the complaint.

Support for this argument is also provided by the Romanian Constitutional Court's Decision No. 732 of 20 November 2018, which rejected the unconstitutionality objection regarding Articles 5 paragraphs (5), (6), and (7) and Article 34 of Government Ordinance No. 2/2001. The Court emphasised the principle of proportionality, noting that all sanctions, whether principal or complementary, must be calibrated according to the gravity of the offence. It further stated that agents enforcing such sanctions must ensure their application aligns with both the repressive and preventive nature of contraventional penalties.

Moreover, the ECHR has consistently held that all administrative acts must be subject to judicial review and cannot be presumed absolutely lawful. Legislators are thus required to provide judicial procedures for such reviews.

For instance, in A. Menarini Diagnostics S.R.L. v. Italy, the Court held that entrusting an administrative authority with prosecuting and penalising minor "criminal" offences is not contrary to the Convention, provided the individual concerned can challenge any decision against them before a court meeting the guarantees of Article 6. The Court ruled that decisions by administrative authorities that fail to meet the requirements of Article 6(1) must be subject to subsequent review by a "judicial body with full jurisdiction." This body must be competent to annul any aspect of the decision, whether factual or legal, as derived from cases such as Schmautzer v. Austria, Gradinger v. Austria, and A. Menarini Diagnostics S.R.L. v. Italy.

In conclusion, Decision No. 5 of 12 April 2021 raises significant concerns regarding the proportionality and judicial review of complementary sanctions, which merit further constitutional and ECHR-based analysis.

4. CONDITIONS FOR ADMISSIBILITY OF A REQUEST TO REFER A CASE TO THE CONSTITUTIONAL COURT OF ROMANIA

Regarding the admissibility of a request to refer an exception of unconstitutionality to the Constitutional Court of Romania, the provisions of Article 29 paragraphs (1), (2), or (3) of Law No. 47/1992, republished, on the organisation and functioning of the Constitutional Court, are applicable.

Thus, as a priority, the exception must be related to the resolution of the case, meaning that the court must have been explicitly seized (emphasis added) with a claim to analyse the complementary contravention sanction of the temporary suspension of the right to drive under traffic law.

Furthermore, the exception must concern the legal provisions of a law currently in force, which have not been previously declared unconstitutional by a decision of the Constitutional Court.

Regarding this latter aspect, in the present case, there may be a potential unconstitutionality in the interpretation expressed in a decision issued in a recourse in the interest of the law. This, however, does not lead to the rejection of such a referral by the court as inadmissible.

In this regard, the consistent practice of the Constitutional Court reveals that legal provisions subject to constitutional review include those whose criticism is related to mandatory interpretations provided by the High Court of Cassation and Justice through decisions rendered by the Panel for the Settlement of Legal Issues or the Panel competent to rule on recourses in the interest of the law. This applies when it is determined that these mandatory interpretative solutions render the provisions unconstitutional (for example, Decision No. 206/2013, Decision No. 51/2020, Decision No. 602/2020).

Finally, to date, no exception of unconstitutionality has been admitted concerning Decision No. 5 of 12.04.2021, issued by the High Court of Cassation and Justice in a recourse in the interest of the law.

5. CONCLUSIONS

Through the issuance of Decision No. 5 of 12.04.2021, pronounced by the High Court of Cassation and Justice in a recourse in the interest of the law, an attempt was made to establish a unified judicial practice regarding the judicial review of the complementary sanction of temporarily suspending the right to drive, specifically the possibility of unilaterally ruling on this matter.

In light of the effects of this decision, namely the mandatory application of this interpretation, which precludes such a possibility, there has been a clear limitation of the court's ability to analyse cases when seized with such claims in the context of a contravention complaint, as per the provisions of Article 9 paragraph (2) of the Civil Procedure Code.

This endeavour aimed to briefly analyse the potential limitation in question through the lens of constitutional norms and the provisions of the Convention. Regardless of the perspective adopted, it must be acknowledged that this issue requires resolution in the near future, given the impact it has on petitioners and the judicial process as a whole.

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STUDY ON PRACTICING PHYSICAL EXERCISES ORGANIZED AT SCHOOL LEVEL

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ABSTRACT

Physical inactivity is a major public health concern, not just in western countries, but also in emergent ones. Vulnerable sectors associated with the lowest levels of leisure time activity include those with low levels of education and income. There are limited theory-based qualitative studies exploring participation in physical activity and sport. As any effective health promotion necessitates an understanding of target populations, we adopt an integrative research approach, to obtain more relations between variables and detailed information. First, we present the study focused on sport integration in lifestyle, the relation between the quality of life and physical exercises, and between objective and subjective well-being and sport practice. The subject of sport and physical exercise in determining individual and social well-being is extremely up-to-date, especially for Romanian society that faces various problems, the responsibility for these being seen as both individual and structural, i.e. economic-political and social-cultural.

KEYWORDS: *qualitative studies, physical inactivity, public health, sport integration, well-being.*

J.E.L CLASIFICATION: Z20, Z28, Z29

1. INTRODUCTION

The research, a quantitative one, takes place in six secondary schools and six high schools in Cluj county, intending to find what the youth's opinions are toward practicing physical exercises, the benefits and difficulties among them. We selected two types of populations, with equal representation: the category who practice different kinds of sports, and one who does not practice sport, except during the formal physical education classes. The total population is 277 young students (below 19 years old). The structure of population is presented in the figure below:

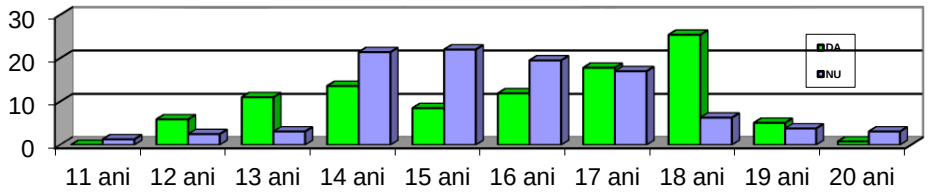

Fig. 1. Distribution by age and type of physical exercises practiced (organized / only during class)

Research stages	**Survey among students** ***Opinions regarding the practicing of organized physical exercises***
Strategy **Theory**	Deductive Theory of needs hierarchy (Maslow), theory of self-efficiency and theory of motivation (motivational climate); theory of relation with physical activity (PAR);
Method	Survey based on a standardized questionnaire
Sample	277 valid (283 questioned) Theoretical representativity on students, Cluj county, differentiation according to profile and residence environment
Area **Period**	Cluj county: schools and high schools (urban-rural, sport profile- other profiles) March- April 2023
Estimated results	Attitude and behaviour picture regarding the relation to physical activity and motivational climate, according to various socio-demographic categories.

It also interested us whether there are, and if yes, what are the differences among students residing in the urban environment (Cluj-Napoca) and the rural one (the communes of Gilău, Apahida, Florești, and the villages of Căianu, Moci and Palatca). We have to mention that there is a category of students (especially high schoolers) who, though they attend schools in the city of Cluj-Napoca, their residence is in the rural area. As these subjects are not too many in the sample total of 12 people, they were not analyzed separately. The same differences were observed according to the educational level of the parents.

Data analysis and interpretation also pursues the existence of a positive correlation between the practing of sports and the teenager's family and their option to practice a sport regularly. Further on, we are also interested in the existence of a relation between the profession/and education of parents and the option for certain sports (football, volleyball, handball, swimming-

the most frequent sports) – (the social and family climate), (Dragnea, A., Teodorescu-Mate, S., 2002).

The high shools and secondary schools where the questionnaire was applied are:

- In the city of Cluj-Napoca: N. Bălcescu Theoretical High school, G. Coșbuc Theoretical High school, E. Racoviță Theoretical High school, The High school of Computer Science, E. Nicolau Technological High school, Clujana Professional Group, Ion Creangă Secondary School, Grigorescu Secondary and High school (two high schools with secondary school cycles).
- In the rural area, in Cluj county: Gilău Theoretical High school, Apahida Theoretical High school, Florești Theoretical High school, Moci Secondary School, Palatca Secondary School (two high schools with secondary school cycles).

Out of the 300 projected questionnaires, 282 were actually applied (due to various reasons, the students hardly filled them in or not at all, returning or keeping the form, and out of those collected, 5 were partially mistakenly filled in, and were cancelled. Finally, 277 questionnaires were validated. The data obtained were analyzed and statistically processed using Microsoft Excel and SPSS (Epuran, Marolicaru (2002).

The general structure of population in the *inital sample* is synthetized below:

Table 1. The Structure of the Student Sample (expressed in absolute figures)

Residence area	**Rural**			**Urban**			**Total**
Age category	Highschool	Secondary school	Total	Highschool	Secondary school	Total	
Physical education	55 › 23 M › 32 F	45 › 15 M › 30 F	100 › 38 M › 62 F	48 › 30 M › 18 F	22 › 4 M › 18 F	70 › 34 M › 36 F	***170*** › 72 M › 98 F
Sport	28 › 16 M	11 › 7 M	39 › 23 M	46 › 36 M	27 › 20 M	73 › 56 M	***112*** › 79 M

	› 12 F	› 4 F	› 16 F	› 10 F	› 7 F	› 17 F	› 33 F
Total	83	56	**139**	94	49	**143**	**282**

Table 2. Distribution of students according to age and regular practice of a sport

Age	Regularly practices some sport at present					
	Yes		No		Total	
	People	%	People	%	People	%
11 years old	—	—	2	1,3	2	0,7
12 years old	7	5,9	4	2,5	11	4,0
13 years old	13	11,0	5	3,1	18	6,5
14 years old	16	13,6	34	21,4	50	18,1
15 years old	10	8,5	35	22,0	45	16,2
16 years old	14	11,9	31	19,5	45	16,2
17 years old	21	17,8	27	17,0	48	17,3
18 years old	30	25,4	10	6,3	40	14,4
19 years old	6	5,1	6	3,8	12	4,3
20 years old	1	0,8	5	3,1	6	2,2
Total	**118**	**100%**	**159**	**100%**	**277**	**100%**
Average age	15,95		15,63		15,77	
Standard deviation	2,10		1,80		1,93	

Materiality threshold	p=0,173

Table 3. Distribution of students according to gender and regular sport practice

Student gender	Regularly practices some sport at present					
	Yes		No		Total	
	People	%	People	%	People	%
Male	82	69,5	66	41,5	148	53,4
Female	36	30,5	93	58,5	129	46,6
Total	**118**	**100%**	**159**	**100%**	**277**	**100%**
Materiality threshold	p=0,000004					

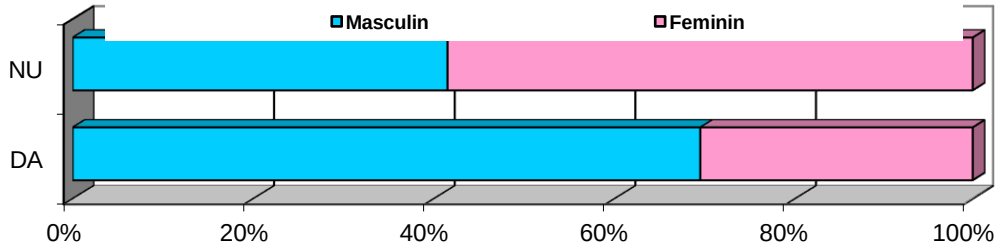

Figura 2 . Distribution of students according to gender and regular practice of a sport

Table 4. Distribution of students according to residence and regular practice of a sport

Student's present residence	Regularly practices a sport at present					
	Yes		No		Total	
	People	%	People	%	People	%
In urban area	80	67,8	64	40,3	144	52,0
In rural area	38	32,2	95	59,7	133	48,0
Total	**118**	**100%**	**159**	**100%**	**277**	**100%**

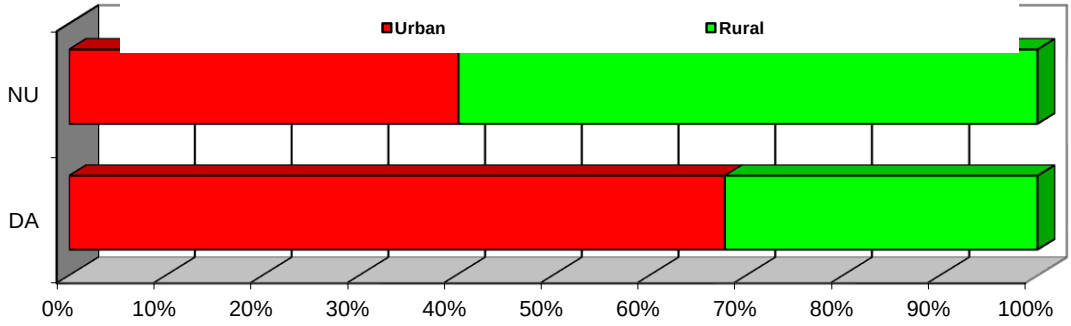

Figure 3 . Distribution of students according to residence and regular practice of a sport

In the questionnaire, we focused on differences between various socio-demographic variables such as age, residence, educational level and income of parents, sport tradition in family (parents, brothers), type of school (secondary school- high school, sport-oriented or not). Our general goal was to obtain a picture of these opinions related to sport effects on health and on the development of social relations skills by sport practice, at this age segment (Alfermann, D. Stoll, O. 2000).

The questionnaire (with open and closed questions) is focused on lifestyle issues in relation with physical activity: quality of life, enjoyment, relaxation, social-economic background of individuals, family and friendship context (social network), future plans in lifestyle changes, as determinants of physical activity relationship. Psychological theories facilitating conceptualization of the adoption and maintenance of physical activity include the theory of self-efficacy, the theory of motivation, and the theory of rational choice. Among other variables, research has focused on the motivational influences of lifestyle that includes sports on a regular basis (Andersen,2001).

2.THE RESEARCH RESULTS

Results and discussions The **f**indings of both researches revealed greater degrees of contentment within the individual, and with the local social and physical environment, indicating a higher likelihood of being physically active (Chelcea, S. ,2004/2007).

The research results suggested that the motivational tendencies among the young subjects are concentrated around several factors relating to residents' competence and confidence in physical activity. Positive factors included mental wellbeing, mood regulation and increased energy levels. Negative factors included social and familial backgrounds, a perceived lack of ability on the part of not regularly active subjects and more generally, feelings of intimidation/lack of interests associated with gyms or exercise classes. Concerns about body weight and attire were dominant among girls, whilst boys were conscious of competitive atmospheres. Positive and negative factors were obvious where physical activity was incorporated into daily schedules, but similarly induced feelings of guilt or compulsion. Encouraging features of social interaction and involvement included enjoyment, group based activity, social interaction, family and friend support. De-motivating aspects included pressure to perform and clique environments (Collins, C., 2006).

Most individuals noted a lack of local possibilities to practice regular sports and a lack of information pertaining to activities, whilst a minority felt that there was sufficient information if sought. The results on this issue are shown in Figure 2:

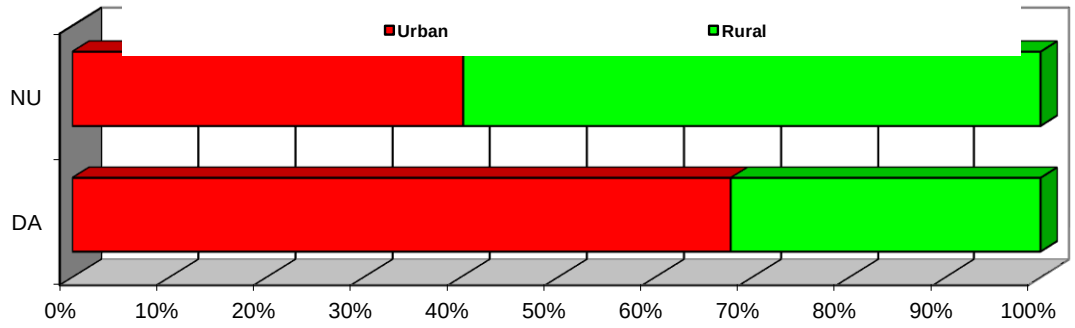

Fig.5 Distribution by residence and sport practice on regular basis

These opinions were related to the general view that there are insufficient facilities, and the contrasting minority view that activities are organised, but are not accessed by the population. Playing football or doing aerobics at home was the activity of choice for most young people who live in rural areas, which may reflect a lack of facilities for other forms of physical activity, and may also be influenced by the minimal competency required (Grosu, E.F., 2008).

Positive findings relating to the young' competence and confidence are consistent with documented health/physiological and psychological benefits of physical activity on health and quality of life. Their opinions may also reflect public confusion about health messages regarding levels of activity needed to maintain health, a lack of family and social environment education

oriented to sport. In addition, they may reflect societal standards placing emphasis on outer appearance, dictating a fit body as the ideal. Rather than comply with unattainable social expectations for physical activity performance, people may choose to abstain. For example, a 'performance' climate is one where class participants are compared, anxiety is felt about making mistakes, and praise is given for superior performance.

Such a climate may be exacerbated between peers from 'close knit' localities such as the study groups. Indeed the young viewed cliques as unconstructive since they increased feelings of intimidation or lack of interest. Present day consumer culture, which fosters unrealistic standards for physical appearance, may also be influential again here.

Motivation to comply with perceived expectations of others is defined as a subjective norm within the theory of planned behaviour. This model is a useful predictor of physical activity. In the current study, the subjective norm appeared to influence subjects' ability to engage in activity which may relate to the cohesive nature of the sportive groups (Iluţ, P., 2009).

Although literature reports smaller effect sizes between subjective norms and intentions than for other constructs, subjective norms may be more influential in peer-groups with low migration (like in rural areas). The possible influence of subjective norms on physical activity engagement in such groups is worth further investigation (Iluţ, P., Tîrhaş, C., 2010, p.145-160).

Enjoyment was an important motivating aspect of physical activity which is supported by literature. Another motivator was social support and models. Residents indicated that this can be obtained from significant others. Friendship and family support has been shown to influence physical activity. Indeed physical activity counselling support has proved effective. Having supportive others to talk to, ask questions or receive honest feedback is critical to initiating and maintaining behaviour change, especially at a young age. In this study, lack of support meant that the young felt less in control of their ability to do regular activity (Marcu, V., 2010).

One related issue here is the low level of family income, and linked to it, the interpretation with rational choice theory. Families who are under resourced do not have the same opportunities for leisure and other 'risk' factors as those with higher levels of resources. The situation of education (usually strongly related to incomes in the student's families) is described in the figure 3.

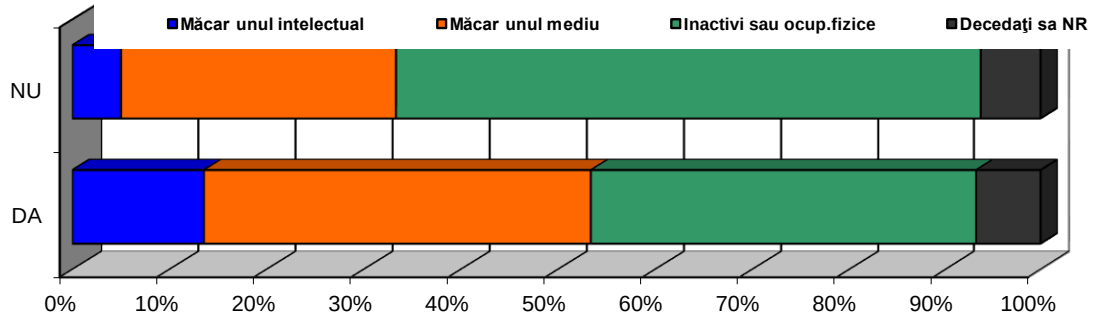

Fig. 6. Distribution by parents occupation and sport practice on regular basis

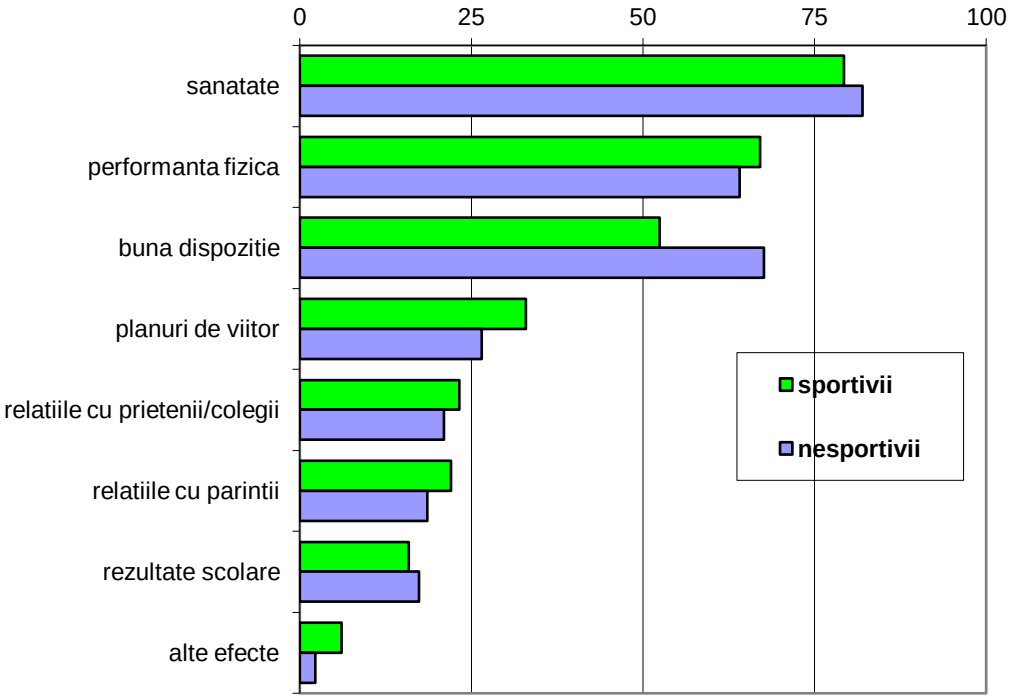

Fig. 7. „Sportive" and „unsportive" students: sports practicing effects - *in the first place have positive effects on:*

There is an urgency to address physical inactivity within socially excluded young people. Integration of physical activity with daily life is a public health goal incorporating the need for personal discipline. At the same time, the group 'motivational climates' may influence physical activity (Walace, C., Abbot, P., 2007, p.109-123).

3. CONCLUSIONS

As general design, we have pursued to identify, according to socio-demographic variables, what the students' relationship with physical activity is, along three levels of analysis: **the objective, socio-familial, and motivational climate.**

a) Generally, the eight categories of subjects (sport practitioners in an organized manner-non-practitioners; secondary school pupils-high school pupils; from rural environment-from urban environment; girls-boys) positively appreciate sport effects on health and quality of human relations. From the total of the 277 pupils sample, 42% declare registration in an extracurricular sport institution.

b) In relation to the objectives proposed, the result is that there is a positive correlation between the practicing of sports in the teenager's family and their option for regularly practicing sports at their turn.

c) High school student athletes (from both residential environments) in a 42% proportion, consider that a sport choice is not influenced, they make the decision themselves.

d) We have to mention the reduced frequency of the sport teacher's influence, which is mostly mentioned (8%) in the urban environment, in the secondary school, then in (6%) in high school, also in the urban environment.

e) Regarding perseverance in practicing sports in the athlete students category, we observe that within all student categories (high school-secondary school), over 90% do not intend to give up the sport they practice.

f) Students who mostly practice physical exercises during classes in school, in a proportion of 55%, declare that they practice various outdoor sports, with friends or individually. Among physical activities practiced in their spare time, the most frequently mention: football, running, biking, aerobics, dancing, volleyball, and swimming.

The three dimensions of the climate (objective, socio-familial, and motivational) related to physical education and sports that we have pursued, clearly configure themselves in the research results, being obvious especially for students in the rural environment, where the options of giving up sports or not practicing them are more numerous in relation with the student population of the urban environment in the sample. The widest differences occur in the relationship between the sport value and behaviour-oriented family environment and the practicing of sports by children. The interpretations that best covered the results obtained were the theory of motivation and the theory of costs-benefits.

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THE INFLUENCE OF EUROPEAN FISCAL POLICIES ON STRATEGIES FOR ATTRACTING EUROPEAN FUNDS – A COMPARATIVE ANALYSIS

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ABSTRACT

European fiscal policies significantly shape member states' strategies for attracting and utilising European funds, influencing the allocation of resources, compliance requirements, and fund accessibility. This article explores the comparative impact of these policies on fund attraction strategies across EU member states, focusing on how fiscal regulations either facilitate or restrict effective fund utilisation. Using a legislative comparative analysis alongside cause-effect methodology, this study examines variations in fiscal policy frameworks, compliance dynamics, and administrative capacities. Findings suggest that while aligned fiscal policies can foster efficiency and transparency, variations in national frameworks create disparities in fund attraction success, requiring adaptive strategies tailored to each member state.

KEYWORDS: *comparative analysis, european fiscal policies, EU member states, fiscal strategy, fund attraction, legislative impact.*

J.E.L. CLASSIFICATION: H77, H87, E62

1. INTRODUCTION

European fiscal policies play a pivotal role in shaping the ability of member states to attract and utilise European funds, which are essential for financing local development, infrastructure, and economic growth. By setting overarching regulatory frameworks, the European Union (EU) aims to standardise fund accessibility and encourage fiscal responsibility across its member states. These policies, however, interact uniquely with each country's fiscal strategy, given the diversity of national tax systems, administrative capacities, and budgetary priorities.

Differences in fiscal approaches across member states affect the strategies they employ to attract European funds, as national policies must align with EU regulations to ensure compliance and fund eligibility. Some states benefit from streamlined fiscal frameworks and established compliance mechanisms, which facilitate easier access to European funds, while others face challenges due to more complex regulatory environments and administrative burdens. The influence of fiscal policies extends beyond compliance, impacting how funds are allocated, prioritised, and utilised in alignment with national development goals.

This article investigates how European fiscal policies impact fund attraction strategies across EU member states, providing a comparative analysis of the legislative dynamics that either enhance or hinder fund utilisation. Employing a legislative comparative analysis and cause-effect methodology, the study explores the strengths and limitations of various fiscal frameworks, offering insights into the adaptive strategies required for effective fund management. This comparative perspective aims to identify best practices, challenges, and policy recommendations for optimising fund attraction within the context of diverse fiscal systems across the EU.

2. THEORETICAL BACKGROUND

European fiscal policies are instrumental in defining how member states attract and utilise European funds, influencing national approaches to compliance, resource allocation, and development strategies. These policies, implemented to ensure cohesion and fiscal discipline, interact with each country's fiscal system in complex ways, shaping the strategies they employ to access EU funding. As the EU increasingly relies on shared fiscal policies to promote regional development and economic stability, understanding their impact on fund attraction and utilisation strategies has become a priority in public administration (Bailey & Wood, 2017).

The EU's fiscal policy framework aims to foster economic stability, cohesion, and growth across member states, addressing regional disparities and supporting sustainable development. Primarily governed by the Stability and Growth Pact (SGP) and complemented by the European Semester, these policies impose specific rules on deficit levels, public debt, and budgetary discipline to ensure financial stability and mitigate economic shocks (European Commission, 2021). The European Semester, a key component of this framework, provides a cycle of economic policy coordination, issuing country-specific recommendations to guide national policies. By setting fiscal requirements, these policies impact how member states plan and execute strategies to attract European funds for national and local projects (Begg & Mushövel, 2016).

A significant part of the EU's fiscal policy agenda is the cohesion policy, which includes Structural and Investment Funds (ESIF). These funds are allocated to projects aligned with the EU's goals for growth, environmental sustainability, and social inclusion. ESIF comprises five main funds, such as the European Regional Development Fund (ERDF) and the European Social Fund (ESF), each with specific objectives. For member states, meeting the fiscal policy requirements tied to these funds is essential for eligibility, yet this creates varying challenges depending on each country's fiscal and administrative structure (European Commission, 2021).

Member states' national fiscal policies play a central role in determining the success of European fund attraction strategies. Countries with streamlined fiscal systems and established compliance mechanisms often find it easier to meet EU requirements, resulting in higher fund absorption rates. For example, Denmark and the Netherlands, with relatively straightforward fiscal frameworks and robust administrative capacities, consistently achieve high fund absorption rates. These countries benefit from simplified tax systems and efficient governance structures that facilitate alignment with EU fiscal regulations (Bailey et al., 2018).

Conversely, countries with complex fiscal systems, such as Italy and Greece, face challenges in meeting EU compliance standards, which can slow down the fund attraction process. According to a study by the European Court of Auditors (2019), countries with intricate fiscal and tax frameworks reported lower fund absorption rates due to administrative delays, resource misallocation, and compliance issues. This discrepancy illustrates how national fiscal systems either support or inhibit a country's ability to attract and utilise European funds effectively,

highlighting the need for adaptive strategies that address the unique fiscal environments of each member state (Begg, 2016).

Effective compliance with EU fiscal regulations requires considerable administrative capacity. Member states with advanced digital infrastructures and skilled administrative staff generally experience smoother fund management processes. In contrast, countries with limited administrative capacity often struggle to manage compliance and fund reporting requirements, resulting in delayed project implementations and fund allocation (OECD, 2019). For instance, an analysis of fund absorption in Eastern European countries found that those with underdeveloped administrative infrastructures had a 20% lower absorption rate compared to Western European counterparts, largely due to the additional bureaucratic challenges faced in complying with EU fiscal policies (European Investment Bank, 2020).

Moreover, regulatory compliance entails substantial reporting and auditing procedures that many administrations find resource-intensive. Countries with streamlined administrative practices, like Germany and Sweden, are better positioned to handle these requirements, leading to faster project approvals and fewer regulatory setbacks. According to the European Commission (2021), compliance efficiency is a significant determinant of fund utilisation rates, and countries that invest in administrative capacity-building tend to see improved fund absorption and project success rates. This underscores the importance of enhancing administrative systems, particularly in countries with traditionally low absorption rates, to align with EU fiscal policy demands and optimise fund utilisation.

The EU's fiscal policy aims to ensure equitable fund distribution among member states, promoting cohesion and reducing economic disparities. However, fiscal policies interact differently with each member state's unique economic structure, creating unintended inequities in fund access. Countries with weaker economies and higher debt levels often face stricter budgetary constraints, which can hinder their ability to attract additional funding. According to Begg (2016), such fiscal restrictions prevent economically weaker states from fully capitalising on available European funds, further widening the gap between more prosperous and less prosperous regions within the EU.

A comparative study by the European Central Bank (2020) revealed that countries adhering to stringent budgetary constraints under the Stability and Growth Pact (SGP) often experience slower fund utilisation, as fiscal limitations restrict their capacity for co-financing—a requirement for many European-funded projects. In contrast, economically stronger member states with greater fiscal flexibility can meet co-financing requirements more easily, thus attracting more funding. These disparities suggest that while EU fiscal policy aims for cohesion, variations in national economic contexts result in uneven fund distribution, highlighting a need for flexible fiscal policy adjustments to accommodate economically diverse member states.

Given the diverse fiscal and administrative landscapes across the EU, member states are increasingly adopting adaptive strategies to align with EU requirements. Countries with complex fiscal systems have been encouraged to simplify regulatory frameworks and improve digital infrastructure to enhance compliance and fund management efficiency. For instance, Portugal's adoption of digital tax administration reduced fund allocation delays by 15% and improved compliance rates, demonstrating the effectiveness of adaptive fiscal strategies in optimizing fund attraction (European Investment Bank, 2021).

Additionally, the European Semester encourages member states to tailor national fiscal policies to align with EU recommendations. In countries like Poland and Hungary, this has led to fiscal

reforms aimed at reducing administrative burdens, thereby enabling easier access to European funds for infrastructure and development projects. The European Semester framework promotes policy adaptability, facilitating efficient fund attraction and utilisation across member states with varying fiscal capabilities (Bailey & Wood, 2017).

European fiscal policies significantly influence national strategies for attracting and utilizing European funds, with varying impacts across member states due to differences in fiscal structures, administrative capacity, and compliance mechanisms. Countries with streamlined fiscal systems and advanced administrative capacities often have higher fund absorption rates, while those with complex tax frameworks face additional challenges. This diversity underscores the need for flexible fiscal policies and adaptive national strategies to ensure equitable access to European funds, fostering cohesion and sustainable development across the EU. By tailoring fiscal approaches to align with EU regulations, member states can maximize their ability to attract and utilize funds, contributing to long-term regional growth and stability.

3. RESEARCH METHODOLOGY

This study examines the impact of European fiscal policies on fund attraction strategies across EU member states, focusing on how national fiscal structures and administrative practices influence the accessibility and utilization of European funds. The central research question guiding this study is:

How do variations in European fiscal policies impact the strategies and success of EU member states in attracting and utilizing European funds?

To address this question, the study tests the following hypotheses:

H1: Countries with streamlined fiscal frameworks and simplified tax regulations are more successful in attracting and efficiently utilizing European funds.

H2: Complex fiscal systems and stringent budgetary constraints negatively impact fund absorption rates, limiting the scope of accessible European funds.

H3: Enhanced administrative capacity, including digital infrastructure, improves compliance with EU regulations and supports efficient fund allocation.

H4: Legislative and policy adjustments aimed at alignment with EU fiscal standards facilitate more effective fund attraction and utilization in member states.

The study employs two primary analytical approaches: **comparative legislative analysis** and **cause-effect analysis**.

Comparative Legislative Analysis evaluates the fiscal policy frameworks of different EU member states, focusing on how each country's national tax systems and administrative capacities interact with EU fiscal policies. By comparing legislative structures, co-financing requirements, and compliance practices, this method highlights how fiscal policy variations create opportunities or barriers to fund access across member states. Data is sourced from European Commission and European Investment Bank reports, as well as country-specific analyses on fund absorption and administrative performance.

Cause-Effect Analysis explores the relationships between key variables, such as administrative capacity, regulatory compliance, and national fiscal strategies, to assess how they directly impact fund attraction and utilization. This analysis identifies causal links between policy

adaptations (e.g., digitalization, streamlined reporting) and their effects on fund absorption rates, offering insights into the factors that facilitate or impede effective fund management.
Through these methodologies, the study provides a comprehensive understanding of the fiscal policy factors influencing European fund accessibility, allowing public administrations to identify best practices and strategic improvements for optimized fund attraction and utilization.

4. FINDINGS

4.1. Comparative Legislative/Public Policy Analysis

The diversity in fiscal policies across European Union member states significantly affects how each country attracts and utilises European funds, with variations in tax structures, administrative capacities, and regulatory frameworks shaping the strategies employed. This comparative legislative analysis examines the fiscal policy frameworks of five EU member states—Romania, Germany, France, Poland, and Italy—highlighting the ways in which their unique fiscal systems and public policies influence fund attraction and utilization. By assessing these differences, we gain insight into how each country's fiscal approach aligns with EU standards and affects its ability to access European funding effectively.

4.1.1. Romania

Romania's approach to attracting European funds is influenced by a fiscal policy framework characterized by complex tax structures and evolving administrative systems. The country has made strides to simplify its fiscal policies in line with EU requirements, yet challenges remain in terms of administrative capacity and compliance. Romania's Value-Added Tax (VAT) system, which has one of the highest rates in the EU, is seen as a significant revenue source but also a point of complexity in fund management. According to a report by the European Court of Auditors (2021), Romania's administrative delays are exacerbated by limited digital infrastructure and bureaucratic complexities, leading to lower fund absorption rates compared to other member states.

Despite recent efforts to digitalize tax administration and streamline reporting processes, Romania's administrative capacity still lags, impacting its ability to efficiently meet EU regulatory standards. Co-financing requirements, for instance, pose additional challenges, as many local governments face resource constraints that hinder their ability to secure necessary funds. Consequently, Romania has a lower-than-average absorption rate for Structural and Investment Funds, with an approximate absorption rate of 55% in 2020 (European Investment Bank, 2020). Although the Romanian government has introduced initiatives aimed at improving digital infrastructure and reducing administrative burdens, these measures have yet to fully align with EU expectations, making fund access and utilization a persistent challenge.

4.1.2. Germany

Germany's fiscal policy framework stands out for its robust administrative capacity and efficient tax structures, which collectively enable high fund absorption rates and efficient compliance with EU requirements. Germany's fiscal policies are rooted in a well-organized and streamlined tax system that minimizes bureaucratic hurdles, allowing for quick allocation of resources and compliance with EU standards. The German federal system provides substantial autonomy to regional governments, empowering them to manage funds in ways that address local needs while adhering to EU regulations. According to a European Commission report (2021),

Germany's fund absorption rate reached approximately 95% in 2020, among the highest in the EU, demonstrating the effectiveness of its fiscal approach.

Germany's digital infrastructure further bolsters its administrative efficiency, facilitating rapid data sharing, fund tracking, and compliance reporting. The nation's investment in e-government solutions has enabled real-time project monitoring, improving transparency and reducing the risk of non-compliance. Additionally, Germany's approach to co-financing aligns well with EU requirements, as regional governments possess both the fiscal flexibility and resources needed to meet these standards. This structured, autonomous system has allowed Germany to consistently meet EU compliance requirements, maximizing its ability to attract and utilise European funds effectively.

4.1.3. France

France's fiscal policies provide a mixed approach to fund attraction, combining robust public policies with a centralised fiscal structure that balances efficiency and administrative control. Unlike Germany, France's fiscal system is more centralised, meaning that local governments have less autonomy over fund management. This centralisation has advantages, such as coordinated policy implementation, but also introduces bottlenecks that can slow down fund allocation. France's high social spending and progressive tax policies, while supporting extensive welfare programs, also create challenges for meeting EU co-financing requirements, as fiscal resources are heavily allocated toward domestic welfare initiatives (OECD, 2020).

Despite these challenges, France has a strong administrative capacity that allows it to comply with EU regulatory standards effectively. The French government has invested significantly in digitalization to support fund management and compliance processes. With one of the most extensive e-governance frameworks in the EU, France manages real-time fund tracking and compliance reporting efficiently. However, the country's complex tax structure and high levels of social spending sometimes limit the flexibility of local governments to access and match EU funds quickly. In 2020, France had an absorption rate of around 85%, reflecting its overall effectiveness in fund utilization but also indicating room for improvement in terms of aligning fiscal policies with EU fund requirements (European Commission, 2021).

4.1.4. Poland

Poland's approach to European fund attraction reflects a fiscal policy focused on economic growth, particularly in regions requiring significant infrastructure development. Poland's reliance on EU funding for regional development has led to a high absorption rate of around 88% as of 2020 (European Court of Auditors, 2021). The country's relatively low tax burden compared to Western European states provides flexibility in fund management, as local governments are not heavily constrained by domestic fiscal obligations. Poland has aligned its fiscal policies with EU requirements through a mix of competitive tax rates and policies that attract investment, thereby enhancing its capacity for co-financing European-funded projects.

While Poland has made progress in digital infrastructure, challenges in administrative capacity remain. Although the government has introduced digital systems for project monitoring and reporting, limited digital skills among local administration staff can lead to delays in fund allocation and compliance issues. Additionally, Poland's centralized fiscal system occasionally hinders local governments from fully leveraging EU funds due to dependence on national-level decisions. However, Poland's strategic focus on reducing bureaucratic red tape has enabled faster fund approval processes, and recent efforts to decentralize some fiscal powers are expected to further improve fund management at the local level.

4.1.5. Italy

Italy faces notable challenges in its fiscal policy framework that impact its fund attraction strategies. Known for its complex tax system and high public debt, Italy struggles to meet EU fiscal requirements, resulting in lower absorption rates. In 2020, Italy's fund absorption rate was approximately 60%, largely due to administrative inefficiencies and limited fiscal flexibility at the local government level (European Investment Bank, 2021). Italy's tax system, characterized by high levels of regulation and tax evasion issues, places constraints on resource allocation for EU projects, impacting co-financing abilities.

Italy's administrative challenges are compounded by fragmented regional governance, where fiscal and regulatory inconsistencies across regions create delays in fund allocation. While the government has initiated reforms to improve fund absorption and compliance, these measures face significant implementation challenges. Digital transformation efforts are ongoing, with Italy investing in e-governance solutions; however, the digitalization process has been slower than in countries like Germany and France. Italy's fiscal policies also limit its ability to attract European funds due to restrictive tax regulations and limited fiscal support for local administrations.

4.1.6. Comparative Insights

The comparative analysis of Romania, Germany, France, Poland, and Italy reveals that variations in fiscal policy frameworks have a direct impact on each country's success in attracting and utilizing European funds. Germany's streamlined fiscal policies and advanced administrative capacity position it as a leader in fund absorption, while countries like Italy and Romania face notable challenges due to complex tax systems and limited administrative resources. France and Poland, while facing unique challenges related to centralization and administrative capacity, have developed effective fund management strategies that generally align well with EU fiscal standards.

The cases of Germany and France highlight the benefits of strong administrative infrastructure and digitalization, which improve fund allocation, monitoring, and compliance. Meanwhile, Romania and Italy underscore the importance of fiscal policy simplification and capacity-building in improving fund accessibility. Poland's approach demonstrates that even with a centralized system, reduced bureaucratic complexity and competitive tax policies can enable efficient fund attraction.

These comparative insights suggest that while EU fiscal policies provide a common framework, national fiscal systems require adaptive strategies tailored to each country's unique fiscal structure. Streamlining administrative procedures, investing in digital infrastructure, and enhancing fiscal flexibility are crucial steps for countries with lower absorption rates to align with EU requirements and optimize European fund utilization. By addressing the specific fiscal and administrative challenges faced by each member state, public administrations can improve fund attraction and utilisation, ensuring that European funds effectively support regional development and economic stability across the EU.

4.2. Cause-Effect Analysis

The effectiveness of European fund utilization in public administration depends on a complex interplay of fiscal policies, administrative capacity, digitalization, and regulatory

compliance across member states. The cause-effect analysis explores how these factors directly impact each country's ability to attract and deploy European funds efficiently. The analysis highlights key causal relationships between national fiscal strategies and fund utilization outcomes, supported by quantitative data.

1. Fiscal Policy Frameworks and Fund Utilization Efficiency

Cause: Differences in national fiscal policies directly affect fund attraction and utilization strategies. Countries with streamlined tax systems and minimal regulatory obstacles tend to align more effectively with EU fiscal standards, facilitating smoother fund absorption. In contrast, complex tax structures and high regulatory burdens can create obstacles in meeting EU compliance requirements, impacting fund allocation timelines.

Effect: Data from the European Commission (2021) shows that member states with simplified fiscal frameworks, like Germany and the Netherlands, have absorption rates of approximately 95%, while countries with complex fiscal systems, such as Italy and Romania, experience absorption rates closer to 55-60%. This disparity demonstrates that countries with simpler fiscal frameworks are better equipped to meet EU requirements, thus ensuring quicker and more efficient fund utilization.

In Italy, for example, the administrative burden associated with tax compliance adds up to 15% additional time to project approval timelines. This complexity limits the country's capacity to access and manage European funds effectively, as local administrations struggle to meet both national and EU regulatory requirements. Simplifying fiscal policy frameworks to improve regulatory alignment could help countries with complex tax systems increase their fund absorption efficiency.

2. Administrative Capacity and Compliance Challenges

Cause: Administrative capacity is a critical factor in determining a country's ability to manage compliance requirements and maximize fund utilization. Countries with well-resourced administrative frameworks and skilled personnel tend to have higher compliance rates, allowing for efficient fund tracking, monitoring, and reporting.

Effect: A European Investment Bank report (2020) indicates that EU member states with advanced digital infrastructure and trained administrative staff see a 25% improvement in compliance-related fund management tasks. Germany's investment in digital platforms and skilled administrative personnel enables local governments to monitor fund allocation in real time, resulting in an absorption rate of approximately 95%. By contrast, Romania's limited administrative capacity, coupled with insufficient digital infrastructure, results in lower compliance rates, reducing fund absorption to about 55%.

In addition, the OECD found that member states with higher administrative efficiency save an average of 20% in fund processing times due to streamlined workflows and digital monitoring. Investing in digital tools and administrative training could significantly improve fund utilization, particularly in countries with lower absorption rates, where resource constraints hinder compliance efforts.

3. Co-Financing Requirements and Budgetary Flexibility

Cause: Co-financing requirements pose challenges for member states with restricted budget flexibility. EU regulations often mandate that member states contribute a percentage of project funding, impacting countries with limited fiscal resources and high national debt.

Effect: Poland, with its relatively lower tax burden and fiscal flexibility, manages to meet co-financing requirements more easily, resulting in an absorption rate of around 88% (European Court of Auditors, 2021). Conversely, Italy, constrained by high national debt and limited budgetary flexibility, faces difficulty in securing co-financing for European-funded projects, leading to delays and lower absorption rates of approximately 60%.

Countries like Poland also benefit from competitive tax policies that allow local governments to allocate resources for EU projects. Budget flexibility supports timely project implementation, as demonstrated by Poland's ability to mobilize local funds without compromising public services. Increasing budgetary flexibility or modifying co-financing requirements could enhance fund accessibility for countries with restricted budgets, supporting their fund utilization capabilities.

4. Digital Transformation and Process Efficiency

Cause: Digital transformation is essential in modernizing fund management processes, especially as EU compliance demands increase. Countries investing in digital systems for fund tracking and project management can streamline administrative tasks, improve transparency, and reduce the risk of compliance issues.

Effect: A European Commission study (2021) found that countries with high digital adoption in public administration, like France and Germany, saw an increase in fund absorption efficiency by approximately 30%. Digital dashboards and data analytics facilitate real-time monitoring, reducing administrative errors and enhancing project management. For example, Germany's digital fund management systems enable effective coordination across various levels of government, contributing to its high absorption rate.

In contrast, countries with limited digital infrastructure, such as Romania, face delays and inefficiencies. According to Eurostat, Romania's low adoption of digital tools in public administration slows down project approvals by 15% on average, impacting its ability to meet EU standards promptly. Expanding digital infrastructure in countries with low digital adoption could mitigate administrative delays and improve fund utilization outcomes.

5. Regulatory Compliance and Fiscal Stability

Cause: Compliance with EU regulations is essential for fund eligibility, but regulatory alignment is challenging for countries with fiscal instability or complex tax systems. The Stability and Growth Pact (SGP) and other EU fiscal policies set standards that can be restrictive, particularly for countries with weaker economies or those facing high levels of public debt.

Effect: Fiscal stability is strongly associated with higher fund absorption rates. A comparative study by the European Court of Auditors (2020) found that member states with stable fiscal policies, like Germany and the Netherlands, had fund absorption rates above 90%, while countries struggling with fiscal instability, such as Greece and Romania, averaged around 60-65%. This discrepancy highlights the impact of fiscal stability on fund utilization, as stable economies have greater access to co-financing resources and experience fewer delays in meeting compliance standards.

Italy and Greece exemplify how fiscal instability limits fund accessibility. High debt levels restrict fiscal flexibility, complicating compliance with EU standards and leading to delayed project implementations. Streamlined compliance protocols, along with more adaptable fiscal policies, could support fiscally constrained countries in meeting EU standards, ultimately increasing their fund absorption potential.

This cause-effect analysis underscores that the effectiveness of European fund utilization depends on several interrelated factors, including fiscal policy frameworks, administrative capacity, budget flexibility, digital infrastructure, and regulatory compliance. Countries with streamlined fiscal policies, such as Germany, demonstrate efficient fund absorption, thanks to advanced digital infrastructure and fiscal stability, which support effective compliance with EU regulations. Conversely, countries with complex tax systems and limited digital capabilities, such as Romania and Italy, face significant obstacles in attracting and managing European funds efficiently.

The data reveals that investment in digital transformation, simplification of fiscal policies, and enhanced administrative capacities are crucial for improving fund utilization across EU member states. By addressing these factors, countries can optimize their strategies for European fund attraction and utilization, contributing to more equitable regional development across the European Union.

5. CONCLUSIONS

The comparative analysis of European fiscal policies reveals that national fiscal structures, administrative capacities, digital infrastructure, and regulatory alignment play crucial roles in determining the effectiveness of European fund attraction and utilization across EU member states. Countries with streamlined tax systems, such as Germany and France, benefit from higher fund absorption rates due to efficient administrative practices, robust digital infrastructure, and fiscal stability, enabling faster compliance and fund deployment. Conversely, countries with complex fiscal frameworks and limited administrative resources, like Romania and Italy, face challenges in meeting EU standards, resulting in lower fund absorption and delays in project implementation.

This study emphasizes the importance of adaptive fiscal strategies tailored to national contexts. Investments in digital transformation and administrative capacity-building can enhance compliance and reduce delays, particularly for countries facing significant bureaucratic and fiscal constraints. Moreover, flexible fiscal policies that consider the economic diversity within the EU are essential to creating equitable access to European funds. Tailoring co-financing requirements or compliance standards could support countries with budgetary limitations, improving fund accessibility and utilization.

In conclusion, the alignment of national fiscal policies with EU standards is vital for maximizing the impact of European funds across member states. A balanced approach, leveraging streamlined fiscal practices, robust digital infrastructure, and supportive administrative frameworks, can optimize fund attraction and utilization. By addressing the unique fiscal challenges each country faces, the EU can foster greater cohesion, ensuring that European funds contribute effectively to sustainable regional development and economic growth across the Union.

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