

EUROPE OF TOMORROW

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A democratic organization should give a chance to each country, and finally there is possible for some European countries to have stronger cooperating agreements.

There's still a long way to go on, but the re launching of the European Community is a pressing matter, otherwise this will disappear into a free trade area, open to all spontaneous sales, with no influence and finally doomed to regress.

The European Community means, first of all peace among the members, but it should contribute efficiently to world wide peace. It is also a democratic organization, which in a liberal economical system, has the privilege to intervene for market adjustments.

CREDITS, INFLATION AND REAL ESTATE PRICES IN SOME CEE COUNTRIES

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In the recent years there are major changes in Europe's real estate market - in Western Europe they are believed to be mainly due to the introduction of the single currency, but there is an enormous growth in real estate prices in Central and Eastern Europe (CEE) countries too. For many of CEE countries this growth accompanied the real convergence, the imposing and guaranteeing of macroeconomic stability and market economy principles and the membership in the EU. Among the possible explanations for real estate prices are the changing situation in dwelling ownership, the prospects for economic growth, the growing investors' interest in CEEC, and lack of developed financial markets.

THE EFFECT OF FINANCIAL LIBERALIZATION ON ECONOMIC GROWTH IN TRANSITION ECONOMIES: CASE OF ROMANIA

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Abstract: Financial liberalization process constituted by 80's when the trend of liberalization has become effective. The process has initiated with liberalization of foreign trade. After this it has continued with liberalization of every kind of capital movements and freely determination of financial asset prices, at the market by the market forces which are called as supply and demand. It is argued that the prices determined by the market improve the efficiency.

Practices which targets eliminating the government interference and letting price mechanism to be determined by the market are the key factors of financial liberalization process. Allowing market to determine the interest rates under the liberal market conditions is the most important instrument of them. It obtains rational interest rates. It has stated that rational interest rates provide investment expansion and reallocation of resources from inactive to active assets. Therefore expansion of savings provides adequate resource formation to financing the investments. Thus, level of investments will also increase as parallel to the savings. An increase at the credit interest rates shifts resources to higher-yield investments thereby it will improve aggregate investment efficiency. As a result of the trend it will bring in its train a stable economic growth.

During the 80's most of the developing countries which are in a debt and resource bottleneck, have influenced by the financial liberalization and have applied the liberalization implications. In the beginning, financial liberalization has a positive effect on economies. But after '97 Asian Crisis it argued by lots of economists that this positive effect can not be sustainable. Hence this unfavorable effects deriving from structural problems of developing countries' financial system; we should take corrosive effect of capital inflow and outflows into account.

The objective of the paper is to show the effect of financial liberalization on economic growth and to discuss the importance of financial liberalization in sustainable economic growth.

THE POSSIBILITIES OF INTEREST RATE RISK ADMINISTRATION ON THE SECURITIES MARKET IN REPUBLIC OF MOLDOVA

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The financial market of Republic of Moldova and particularly securities market is an environment characterized by risks and instability in which the investor protections against risks are vital.

The present article consists from a set of methods of risk administration specific for Moldova. There is presented meter analysis for the period 1995-2006 and concluded for the investor point of view.

POTENTIAL IMPACTS OF BASEL-II ON SMES

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Small and medium sized enterprises (SMEs) play a critical role in any economies. But, especially in developing countries what SMEs have problem in common is access to external finance. However, Basel-II which is expected to be put into force in 2007, includes several major changes to capital adequacy regulation for internationally active banks, by means of its three pillars: minimum capital requirements, the supervisory review process and market discipline. In this context, Basel-II will change bank lending policies and is likely to have impacts on SMEs borrowing.

THEORETIC APPROACH OF FACTORS' ANALYSIS, WHICH INFLUENCE THE STABILITY OF BANK ACTIVITY IN THE REPUBLIC OF MOLDOVA

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The bank sector of the Republic of Moldova is considered to be the most developed in comparison with other sectors from national economy, and more than that, is more developed in comparison with other CIS countries' bank activity evolution. Still there are some problems, which affect the bank activity' stability and which determine a specific evolution of the bank sector from the Republic of Moldova.

LE RISQUE DE CRÉDIT DANS UN PROCESSUS DE SURVEILLANCE PRUDENTIELLE RENFORCÉE

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La nouvelle réforme du ratio Cooke a introduit un nouveau cadre réglementaire et prudentiel qui exige des banques la sophistication de leurs modèles internes d'évaluation du risque de crédit. Toutefois, la mise en place de ces derniers se trouve confrontée à des difficultés méthodologiques qui altèrent la fiabilité de ces modèles. Le présent article examine les principes fondamentaux en matière de surveillance prudentielle, de transparence et de responsabilité prudentielles élaborés par le Comité de Bâle au regard du risque de crédit.

IMPACT OF ECONOMIC LIBERALIZATION TO THE DURABLE DEVELOPMENT OF MOLDOVA

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The procedures to create the necessary conditions for the durable development represent the main "head ache" for all the countries in the world regardless of their level of evolving. In the conditions when traditional methods do not give the bankable results the governments of the states often they betake at the untraditional economic revitalizing measures. The new economic initiative of Moldavian economic liberalization: capital and fiscal amnesty and reduction of the income tax represent an innovative approach of the problems. Without taking in count the costs that are generated by the economy liberalization the aggregated effect of the procedure represents an advantage.

The article is an attempt to argue the positive effect of the new reform not but that the measures represent a little step to a stable and durable development.

SPEZIAL REDE VON BVMW DEUTSCHLAND-HGF „RUMÄNIEN IN DER EU: CHANCEN, ANFORDERUNGEN UND PERSPEKTIVEN“

BEHNKE Gerd, Deutschland

Ich freue mich, dass dem Bundesverband mittelständische Wirtschaft, was die deutsch-rumänischen Beziehungen betrifft, so eine Art Trendsetterfunktion zukommt. Wir haben uns ja um den Auf- beziehungsweise Ausbau bilateraler Wirtschaftskontakte schon zu einem Zeitpunkt lange gekümmert, als Rumänien für viele Unternehmer im Westen Europas noch eine terra incognita war.

THE ENLARGED EUROPEAN UNION – AT THE CROSSROADS BETWEEN HARMONIZATION AND DIVERSIFICATION?

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Reflecting the welfare and economic systems in the European Union before the youngest enlargements in 2004 and 2007 one can divide four different general systems of regulation between the member states. After a short introduction to the Anglo-Saxon Model, the Continental Model, the Social-Democratic Model and the Southern European Model the article wants to analyse the several national systems of regulation in the new member states of the EU and Turkey.

It tries to answer the question, if these countries are in a process of transformation towards one of the four models. The text analyses four central fields of economic and welfare regulation like the welfare system, the system of education and science, the regulative performance of the national labor markets and the general economic performance. Comparing the observed data with the average values of the countries representing one of the four models is the basis for an interpretation of national tendencies towards one of the four models. These tendencies can be observed, even if the text has to state that there are still big differences between the old and the new members of the EU and that a general analysis has to face a big heterogeneity in the group of new EU member states.

EU FISCAL POLICIES ON PROCESS FOR NEW MEMBER STATES

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The reforms in recently acceded countries in EU have been continuing for more than a decade and, it's apparent that these countries will positively or negatively be influenced by EU regulations as well. Actually, the new entrants and the EU candidate counties would be affected by the monetary plus fiscal policy directives of EU. The Maastricht criteria had modified the regulatory objectives and harmonization implements on monetary and fiscal policies of the member states. By that way, European central bank has now provided a definition of price stability,

inflation less than but close to 2%. It's clear that, this Maastricht criterion is not well suited for newly acceded countries because targeting such a low inflation could require a too tight monetary policy. Thus, the fiscal policy is also assisting the monetary policy that was used for struggling with the hyper inflation. As a struggling instrument, the tight monetary policy could not be sustained by impracticable fiscal policy or vice versa. From that point of view, in this study, the importance of fiscal policy for the low inflation targeting will be analyzed from the Maastricht criteria perspectives. Not only the candidate or new member countries which have to be focused on their fiscal policies, but also the question about why they have to pay attention on their fiscal policies will be discussed.

THE IMPORTANCE OF ORGANIZATIONAL CULTURE WITHIN THE MANAGEMENT PROCESS

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This article presents the importance of organizational culture for the management process within the company. It identifies the necessity to implement or to choose an adequate organizational culture for the company. Organizational culture has a huge consequence in achievement of the objectives which rely on greater flexibility, and greater orientation toward the internal and external environment of the company. Thus, the article focuses on the major aspects and characteristics of the relationship between the organizational culture and management process.

INDUSTRIAL POLICY'S PECULIARITIES OF THE REPUBLIC OF MOLDOVA FROM THE EUROPEAN INTEGRATION'S PERSPECTIVE

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Economic reforms in Moldova have begun on the base of centralized economic system's elements: institutional systems, production structures, technologies. Many characteristics specific to centralized economy are still valid in the transition period: not rationally placed enterprises, from the point of view of raw materials' transportation, suppliers and consumers aspects; intensive energy production in comparison with developed countries; inefficient using of land; large volume of uncompetitive goods, and not grounded labor force accumulation. The most part of enterprises was extra large and generated an inflexible industry. The main characteristic priorities of the industry were established regarding large industries, as basic heavy industry, which is not applicable to a small and opened economy as Republic of Moldova's one.