

## NATIONAL AND GENERAL SECURITY WITHIN ECONOMIC-FINANCIAL CONDITIONS OF GLOBALIZATION

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**The Globalization Phenomenon** –as a whole– implies economics and finances, commerce, labor market, informatics technologies, communications, educations, culture, administration, politics, security, etc. Globalization also implies juridical, ethno-cultural, psychological, historical aspects and so on and so forth. So globalization, namely the generalization of the extremely complex system of the contemporary reality, has important effects on the entire limits and levels of the whole: communities, states, zones, regions, and continents.

Critics see globalization just as transnational corporations, with maximized profit-making, when states and nations have diminished their development. The adepts put into light just the good effects (political, economic, educational, technological etc.). A couple of years ago, Gordon Smith and Moises Naim discussed about *“the wave of the international integration and of interdependency, when the links and the impact of these links, considering the person level and the state level, are numerous, deeper, but more transforming, implying changes within our way of living, and our way of wishing for how to be leaded”*.

Now, coming back to the whole named globalization, we find out that that is conditionally dependent on a part of it, namely the Security. For the entire whole to function, it is necessary to find security on the entire levels: communities, states, zones, regions, and continents. That refers to security as environment, as a state of being, as a coming into being, but which is in balance with the insecurity inducted by the perils, which, on their part, are also global.

Considering that, Zygmunt Bauman describes what he calls *“the new world disorder”*, as the world’s problems would have now an indefinite, non-organized, and self-propelled character, along with an unpredictable and out of control evolution, having no center/board of command or committee/managerial office. Under this situation, it seems to be right to ask whether is there possible to be at least controllable and controlled insecurity, in order to have globalization under security circumstances, and also security under globalization?

These two realities –Globalization and Security– share interdependent relations and they put each other, simultaneously, into cause to effect, and effect to cause relations, while they aim to stability.

Taking into account its evolution, globalization –as a real, irreversible, complex, continuum, dynamic, and deep phenomenon– is permanently modeling and remodeling itself, it implies specific forces of different contents (global, zonal, regional, local, national and individual), and it develops a system of processes. That system has various descriptions. Some authors consider that through globalization, the world can see the wave of forces, which can ask for integration and uniformity within a global, homogeneous and commercial network, through rhythmic music (MTV), fast computers (Macintosh), and fast food (McDonalds): in a single word, a “MacWorld”, connected and linked through four elements: technology, ecology, communications and commerce.

This complex system of processes displays itself simultaneously, and it requires interdisciplinary approaches of globalization strategy and of security strategy, which means an exhaustive approach. That is why I shall present, synthetically, just three subsystems.

***Economic Globalization*** defines an assembly, which components, being spread all over the world, are the interconnected and interdependent national economics, showing specific phenomena such as:

1. The production factors have great international mobility; the production processes and the markets for labor, goods and services integrate themselves progressively, and they compete strongly on markets; that is why the national market cannot be protected anymore, even if the state involves itself on that. The transnational connections are amplified, and sometimes specialized. As Aurel GHIBUTIU, the former President of Chamber of Commerce and Industry of Romania observed, they make problems to be more global than national.

2. The interconnection and interdependent degree increases itself, being determined by the telecommunications technology and the global transport facilities.

3. On-line, on the world’s level, the great companies promote economic plans, on various periods, showing rentable prices for various products.

4. The system of the multinational firms is developed; the phenomenon of excluding the non-performing firms is extended; the polarization of richness and economic power is accentuated; the geo-economics and geo-social differences considering the prosperity and migration phenomena from poor countries to prosper countries are carrying on.

5. The characteristic processes of opening the economics through goods and assets are extended.

6. The commerce develops faster than production, and, in a specific way, the international and the regional trades configure themselves: 50 % of the South-East of Asia (the amount of 25 % of the world’s trade!) is directed again toward countries of Asia; 2/3 of the Western Europe go towards Europe, too; 60 % of USA and Canada export is directed toward North America and EU.

7. If the access to the natural resources is going to be stopped, the industrial states intervene in the states having precarious economics.

**Financial Globalization** is accelerated, and it is interconnected with the acceleration of the global economic process. It is formed of components spread all over the world. Its specificity is given by phenomena such as:

- The boom of the international production, and of financial transactions.
- The assets free market and the extraterritorial assets increase exponentially.
- The increasing of the number of countries, which absorb the export capital from other countries, and encourage the *direct foreign investments* (DFI). The DFI facilitates the economic development, the export, the access to technological innovations, the increasing of the number of employed persons, the competition between the initiators, and the consumers of such financial fluxes.
- The DFI volume is increasing: of 6 times during 1950-1970, and more than 10 times during 1980-1989. In countries of Central and Eastern Europe, the increasing is of 13 times during 1991-2004: in Latin America and The Caribbean the DFI flux increases of 10 times during 1990-2004. China has, in 2004, 31% of the global flux of DFI, and Brazil has 28%.
- The DFI percentage within the World Brut Intern Product (BIP-W) is increasing: from 5% to 15% during 1980-1989: the world leaders in DFI are USA, EU, and Japan, which, in 1990, have 90% of the world stock of actions in foreign countries; 2/3 of this stock belongs to economic developed countries.
- The volume of the financial transactions is increasing: 200.000 millions USD/daily, in 1985, and 1.400.000 millions USD/daily, in 2000, by using new financial instruments (options, futures, swaps), giving up some juridical barriers, developing the goods markets, and communication between the financial markets.
- The fictive economics and the *future* type of the financial markets are developing: in 2004, in the world, there are 60 *future exchanges* in Europe and USA, and over 40 *future exchanges* in other countries. The future type of the financial markets has a positive effect over stabilization of the increasing of the national economics, and it permits the forming of three kinds of prices' structures: CBOT for the agriculture products; LME (London Metal Exchange) for non-ferrous metal; LIFEE (London International Financial Futures Exchange) for financial derivatives.
- It is confirmed the logic of the global financial markets, having inevitable effects over the entire subsystems of society.

This *economic-financial globalization*, as a whole, has a strong impact over the security environment, including the national level.

**National Security:** Nowadays, national security doesn't refer anymore, strictly to the frontiers' geography. This special situation is determined by important and numerous evolutions. We are going to describe some of them, pointing out those which are influenced by the subsystem of economic-financial globalization:

- Increasing of the discrepancies between the states of the rich center and the states of the poor periphery;
- Accentuating of the partnership sequences, the dialogue, confidence in the evolution of the world's development, technological integration of the informational processes and communication, culture penetration;
- Producing of diffusion of high technologies, including the military ones, towards the center to the periphery, which has a multiple effect on security; they are proliferated till the Cold War, including the technologies and the weapons having a great power of destruction;
- Opening of the national space, of the intercultural, the perspective of free access to the common values of the humankind. There are two realities facing each other: On one hand, the legal or illegal, fast and consistent flux of data, news, information, ideas, cultural values, assets, goods, services, technology, disease, weapons and persons; on the other hand, the less and less reduced control of the frontiers. People, values and ideas are moving over the frontiers, and, sometimes, over the continents, but not all the time this movement is utile to security; the population's migration is followed by these persons' very special way of behavior/manifestation/and action.
- There are also registered aspects of "forced globalization", "imposed globalization", wiping out of the national identities, over hierarchy and periphery, domination, imposing of aims, orientations and interests, which belong to the powerful ones; it is accredited the idea that independence and freedom of nations have become anachronistic, that they can be preserved by some kind of alliance, or by some kind of world power.
- Within the global world, there are realities and tendencies, which can get out of control, and they can generate an unexpected world order;
- We are facing the asymmetric and atypical war, which is provoked by terrorism and the trans frontier organized crime;
- It is developed the impact of globalization, and the new vision over the security environment, where there are registered great geopolitics changes.

#### **Corruption, as the Main Threat for the National Interests of Romania**

Far of being an actual phenomenon, or even an isolate one, corruption and the inherent reactions, which it provoked, demonstrated the inefficiency of defensive approaches developed till now. The scandals were rapidly developed under the eyes of the public opinion, the provenience of the implied persons was

various, from the central or local authorities to physicians, policemen or teachers. The methods became keen, and hard to be identified, under the circumstances of the functional opacity of some institutions. All these demonstrate that the corruption's phenomenon steps over any kind of rigidity, while it proves to be expansive, flexible and precautionous. Parallel with that, the institutions implied in combating corruption are still searching for their identity, they are following reforms of the legislative revisions, and they are dominated by speed less bureaucracy, always being "catch on wrong leg" by the innovative burst of corruption.

The public is the viewer of such type of manifestations. It has an opinion, which has always been formed by information and its own experience, it reviews its opinion, and it is satisfied when it is coming into an acceptable normality, from its own point of view. Parallel with that, the public can hardly express itself, its voice is hard to be heard; the sensation is that those who decide are not interested in the opinions' trends, and they do not know the reality on the mass level.

The corruption acts are penal acts. They represent a very bad social peril, and they are punished in prison. The main corruption infractions are the following: given bribery (direct or indirect promise, offering, giving money, or of any item of value to influence the actions as an official or other person in discharge of a public or legal duty. The bribe is the gift bestowed to influence the receiver's conduct, in order to fulfill, to not fulfill, or to delay his/her action); taken bribe (receiving, or soliciting money or of any item of value to influence the actions as an official or other person in discharge of a public or legal duty; to accept the promise of such items of value, to influence the receiver's conduct, in order to fulfill, to not fulfill, or to delay his/her action); traffic of influence (receiving or soliciting money or of any item of value, or accepting promises, or gifts, directly or indirectly, for his/her self or for other person to influence or to let somebody know that he/she has influence over an official, so to determine the latter to do, or not to do an act in discharge of a public or legal duty); taken of items of value (receiving of money or of any item of value as an official, after he/she has fulfilled an act related to his/her position, considering its role of functioning).

Corruption is just one of the consequences of the general lack of control over the government, and the government transparency, which derive from the administrative culture of the communist period, and it survives due to bad and complicate regulations. As far as corruption will be the single way to make administration to function, it will continue to exist, despite of any punitive acts against it. Where there is no civic culture, and the juridical system's reform is delayed, it is possible not to function the vertical mechanisms of control (the elections), along with the horizontal mechanisms (courts of law). If these systems are full of too many responsibilities, exactly in the moment when they should become efficient to gain their legitimacy, there is the risk to be run over

by these tasks. In the developed democracy, the vertical control is assured by regular elections, and by competition for resources on different levels of power. The horizontal control is assured on the formal level by legislative and court of law power, and also by NGO's, groups of interests, mass media, which are powerful and correct, having an essential contributions.

The rapid way to win over corruption, from the interior of an institution, seems to be the initiation of the structural reforms. For example, in the case of police and justice, they were too powerful over the citizens, and it is about time to be distributors of the public things, of law and order, in their case, so to answer, in the same time, for the quality of their services. If the rules of the game are still the secret and the aberrant practices, the most courageous of the citizens will go on bribing the general attorneys, the judge, and the policemen. The only way to make law and order to be correctly and impartial distributed is transparency and responsibility, on the horizontal level, and not on the vertical level, since now.

Corruption and the public responsibilities are regulated by several laws, which are contradictory, or they open the ways to be interpreted. The status of the public officials, for example, does not refer to the official's activities before, and after he/she has the respective position, and it does not give penalties for the incompatibilities between the position as public administrator, and some economic activities, just, in the worse case, asking for resigning. The economic activity has an unclear formula, because of the fact that it opens the possibility to make profits by any ways. The administration needs a Conduit Code, not just for assuring legality and the current practice, but to offer also a comprehensible guide of action in any situation.

In 2006, the World Bank and BERD study reaffirm that Romania is a corrupt country. The study, entitled "Business Environment and Enterprise Performance Survey- BEEPS), was done by questioning 9. 500 representatives of an equal amount of enterprises from 26 countries in Central and Eastern Europe, including Turkey, and the majority of states of the former Russian block.

The percentage of enterprises that act in Romania, and for which corruption is still a problem for business, is almost 50 % (!), over the South-East European average, and more over the EU percentage (38 %). This percentage has been little diminished after the BEEPS percentage, in 2002.

The same study also indicates that the business environment is less favorable to productivity than that in Ukraine, Georgia, Belarus, or Albania! The progresses concerning the structural reforms are twice important than in Moldova, Ukraine, Georgia, Hungary, Poland, Czech Republic and Lithuania, and it is third times important than that in Armenia, and four times than that in Serbia and Montenegro. Considering that, we can compare ourselves with Uzbekistan, Tajikistan, Azerbaijan, Bosnia & Herzegovina, Estonia, Slovakia and Bulgaria. The percentage of firms that are paying protection taxes is of 13

% in Romania, by comparison with 9 % – the South-East European average, respective 8.5 % in EU. The percentage of annual selling of the firms, which are paying protection taxes, is of 0.25 %, much over the South-East European average.

Generally speaking, related to the problems of the business enterprises, Romania, as the majority of those 26 countries included by BEEPS, has registered progresses, more or less significant ones. But there are also some important chapters, where there are regresses, and that is why we are in a delicate position, by comparison with the situation of the rest of the South-East European countries. Those are represented by transportation, education and the workers abilities, the law legislation and the costs for the labor force, for obtaining visas and business licenses, for customs regulations, and for those referring to foreign trade, and the taxes system.

In a report presented this month, Transparency International-Romania has noticed that, related to combating corruption phenomenon into the state's institutions, there is no significant evolution for the last year. TI also has realized a report during March 2005-March 2006, where they have analyzed the problem of corruption in Romania.

In the chapter about combating corruption, TI indicates as factors for lacking the precisely moment to create the instruments for regaining the wealth, taking into account the UNO Convention against corruption, the low administrative capacity for preventing and combating wash money, lack of cooperation, inefficiency of administrative jurisdiction, and the neutrality of disciplinary commissions for public officials.

Related to prevention, in the report presented by TI-Romania, the important aspects on the level of administrative procedures related to citizens, are very simple and clear, but without a visible impact on little corruption.

TI-Romania thinks that during the analyzed period (March 2005-March 2006) public institutions have improved their administrative procedures.

Despite that fact, from the citizen point of view, the anti-corruption reforms do not encounter the target results, and there are still problems in relation with the public sector.

TI-Romania appreciates as necessary preventing corruption and the security of public decision within the public sector, especially in domains of health, education, public acquisition, infrastructures and local public administration agreements.

The organization considers that there are no significant behavioral changes from the part of the public officials, by comparison with the citizens and the other beneficiaries of the public services.

Also for the prevention sphere, there is noticed that applying of the decisional transparency law has suffered serious recoil, and the Law 544/2001 for the information access is boycotted by public institutions, for its excessive secret of information. The law of protection the integrity notifications has not been applied by public authorities, which have the obligation to harmonize the internal regulations, and to disseminate its sections.

The anti-corruption dimensions are structured on the following components, which were analyzed as efficacy from 1 very weak to 5 very good:

	<b>Short Term</b>	<b>Intermediate Term</b>	<b>Long Term</b>
Prevention	3	3	3
Combating	1	3	4
Sanction	1	2	Non-concluded

The key-requests for the national system of integrity in order to cover the lacking:

- Institutional Infrastructure of control for conflicts of interest, incompatibilities and wealth.
- Perfection of the procedural law so to ensure cooperation and efficacy of common politics.
- Perfection of substantial law to complete the institutional competencies of enterprises, which reclaim non-justifiable limitations.
- Functionality of ministerial responsibilities on the existent normative frame of work.
- Usage of administrative and disciplinary instruments for any type of breaking the law.

In conclusion, after this attempt for a not so optimistic radiography, all we have to do is to keep us optimistic, hoping that things will develop and that the politics willpower manifested by the authorities rhetoric will be doubled by much more expertise and coherence.

Romania is still a country having a high level of corruption, keeping itself on the level of 3 points from 10 possible, in the Index of Corruption Perception, calculated by information amalgamation of independent studies, and of deeper interviews with all the entire Romanian environment (political, administrative and business), not just with foreign investors or with the participants to public acquisition auctions.

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