

THE CURRENT ECONOMICAL CONTEXT AND THE JUSTIFICATION OF THE RESEARCH



One could ask: why “Ideation and pragmatist in the spatial theory”? This chosen title for the occurrence intercession tries to synthesize the whole work, focusing the theoretical incursion into ideational, and the pragmatism around the tangible examples. Although there were too few written on this field, and there are not many treatises – as there are in other branches of the economy – but, as one reach the subject, it could notice that there are a lot of bench marks which let place to the study.

The was getting interest for this field by the contemporary aspects of the spatial economy, by the existing discrepancies in the field of economical development of different countries, by the massive emigration – especially of the young people – to the regions considered more development, by the integration of Romania to the European Union, and especially by the positive aspects which this adhesion should feel the wind of change upon the economy. More than this, the current context of the regionalization – decentralization of Romania induces me a series of wariness concerning the manner by which our country will reduce disparities that it has towards the Union, using this new organizing form. On the other hand, the context of the current global crisis brings me closer to the American economists, and Paul Krugman is the most representative both from the point of view of the researches linked to the present economic context, and also for the interest due to the spatial aspects of the economy. All these elements induced me to approach the spatial field with the intention to succeed a sustained research of the already studied aspects, and to draw up answers to the own questions determined by the regional development.

THE RESEARCH OBJECTS



The research objects is the foray into the spatial economy field, as this is appreciated as being a new branch of the economy from the point of view of the approach, insufficiently explored at world level, and of curse less studied in the area of interest literature in our country. This field is highly connected to the spatial theory, which represents itself an important element in the economical theory, that deserves research and evaluation.

Romania, by adhering to the European Union, became the East boundary of this integrating block, and implied a strong economical pawn, which will suffer and give rise to social-economical changes-over induced by the space.

In this context of adhesion, but also of the current process of regionalization-decentralization, it is considered that the choice of a new economical geography, as a field of study could offer the possibility for exploiting insufficiently dealt with, and which could be verified and, possible improved, at our country level.

The novelty character is argued by these elements, and also shows a great scientific pertinence of the whole intercession.

THE RESEARCH METHODOLOGY

The interest of the research theme is shaded by the interdisciplinary character which implies knowledge in the fields of economy, geography, econometrics, mathematics, sociology, as well as about critical analysis, made upon the macro-regions, and on the regions of Romania, both from the demographic point of view, and of economic results.

The research has two parts, so that, the first one (chapters 1 and 2) is based on a *fundamentally research type* (a theoretical one), which targets the mostly qualitative study of the specialty literature concerning the space concept in the spatial theory.

The study of the spatial economic models starting von Thunen to Krugman – extreme models from the point of view of the chronology, is considered that can offer only a structure of the economic theory from the perspective of space, their imperfection perpetually favors the rise of extensions, exceptions and particular cases.

The second part takes into account a concrete *crafts type research* (chapter 3 and 4), made on the basis of the real information, obtained from the European Union statistics, a research which analyses the peculiar cases - previously mentioned, and emphasizes also the overcrowding or dispersal tendencies, those existing at the macro-regions level, as well as the regions of our country.

Due to the complexity of the field, one could consider that we have succeeded a profound research, of a great actuality, from the point of view of the current reform of regionalization – decentralization, designed to reduce the differences between the pour zones

and the prosper ones, and to ensure an equilibrated allocation of the resources for an equilibrated development of the whole Romanian surface.

SYNTHETICAL PRESENTATION OF THE DOCTORAL THESIS CHAPTERS



The doctoral dissertation “*Ideation and Pragmatist in the Spatial Theory*” is structured - in relation with the proposed scope and the objectives – in 5 chapters. The first two chapters contain introductive aspects, which approach the current stage of the knowledge in the research field, as well as the clarifying of concepts that are at the basis of the analysis treated in the 3rd and 4rd chapters.

The first chapter - “Introduction” was thought as a synthesis of the most significant contributions in the development of the spatial theory. We considered necessary this debate, as the researchers of this field are rather less known, as well as the field itself – that analyzed by them also, that is the spatial aspects in the economic context.

I have wondered at the early stages of my research, how many economic treats present the aspects that I intended to study. On my modest opinion – they are too few. So that, in this stage, I considered that to research and promote the contributions of some theoreticians of the field is a justified manner of analysis. It is for sure that many contributions could arouse critics and controversies. In order to justify, we have chosen the extreme intercessions from the chronological point of view, that is those belonging to von Thunen and Paul Krugman. Both of them are based on a series of assumptions, more or less restrictive.

The second chapter - “Incursion in the economical theory of the location” – here we have presented the most representative works of the spatial economic field. I started by analyzing von Thunen’s work – which is considered the “parent of the location theory”, as he was the first which treated the locating, as an economic phenomenon, by the sight of the spatial analysis. Even if his contribution that he has in this field is indubitable, and his impress let to the economic theory is a tab which hardly hangs in the researchers’ book of all times, even if the problem put by him, seems naïf today, due to the ideality of the proposed model. In reality, it has never existed the isolated state, that suggested by von Thunen, but the idea that he wanted to expose in his book – an idea which is the basis of his contribution. This idea is that the places situated in the proximity of the markets will be occupied by the cultures which have the capacity for achieving the smallest costs per unit of production, as result of the

intensive growing, which are producing the highest annuities of the land, due to its specific location in space.

Even if von Thunen is the founder of a new trend – by the hypothesis that he propose – the substantial appreciation of his work came over a hundred years, at the moment of translating it in the English language, thus becoming accessible to a larger segment of readers.

Continuing the incursion, I overtake the Launhardt's theory, due to which, a plant gets its raw materials from two fix points and makes a single product, with constant costs, and trades it on a single market. Although he brings into consideration a more realistic model, comparing with that of Thunen's, nor Laundhardt is coming near to a tangible reality, as the proposed solutions are based on the linear functions of transportation – an unrealistic aspect, and also the location of consumers and those who offer raw material is not concentrated in space, as per his proposals, but it is dissipated.

The German Economist, Alfred Weber, is another theoretician whose contribution to the location theory attracts my attention. He takes over the assumptions from von Thunen's model, which Weber brings a series of improvements, and thus come closer to the real world. So, Weber focused his attention on an economy featured by a perfect competition, and by a behavior exclusively based on the maximize the profit, as consequence of minimizing the transportation costs. Although Weber's contribution is more realistic than that of his predecessors, he is not totally anchored in reality, as he ignores the demand, pretending a concentration of the consumers and producers in a certain zone, he also assigns a monopoly position on the market to the producers, and approaches the problem of productive location excessively technical, to the detriment of the economic one.

To get one step up in the study of this field, we have discover Hotelling, which started from a lacuna of the Weber's model – the fact that he ignored the competition - he focused his research on the spatial competition. So, Hotteling's model assume a duopoly in which none of the two competitors intuits his competitor's reactions to a change into its location.

Subsequently, Christaller continues Hotteling's intercession, analyzing the size, number and distribution of the towns from a zone, starting from a series of elementary assumptions, linked to the consumers' behavior.

Losh attracted my attention both by his contribution, and also by the whole school which generated around his theory. He proposes an economic model in which the transportation costs are diminished, due to the great number of producers, and the supernormal profit is annihilated. Losh also reach the conclusion that the producer's optimum

area of action which ensures minimizing the transportation costs will have a hexagonal layout, a geometrical size that ensures the complete covering of the space. Losh is instilling to his disciples the utility of introducing the cost and the demand for independent factors for locating the firms; this happened in the middle period of the 50's, in the last century. The major limits of Losch's model consist in the simplistic manner of drawing the demand, as well as without the variation of the costs in space.

Greenhut succeeds a classification of the specific factors of location and analyses the possibility of a producer to achieve profitable activities, even in the situation of a location with high costs.

When documenting the spatial economy, I have to know Leontief's contribution, which is considered the road opener in the input-output analysis on the regional field, which groups the producers in an unique common found of the supply, and the consumer are grouped in a common regional found of the demand. The inter-regional movements achieved by the transportation activity could be interpreted as a displacement from the regional found of supply to the regional found of the demand.

During all the scientific periplus I have also quoted the contribution of Georgescu Roengen, then that of Richardson, of Hewing and Jansen, Lewis and MC Nicoli, etc., and I am convinced that those who let a stamp on this field are infinitely more, and the current form of the spatial economy is the result of some long ebulliences of the researchers with more or less known names. Although I had the intention to surprise them in the point of knowledge, all those which outlining – even only tangentially – the structure of the economic realities, I admit that have not succeeded but to draw the general benchmarks by foray in the principal theories.

The third chapter - "Paul Krugman's core-periphery model, a reference model in the new economical geography" surprises the valuable contribution which Krugman has in the founding the New Economic Geography. His whole analysis gravitates around the focusing and dispersion elements, by the transportation costs view of things. Krugman stands for that when scale economies are appraised for the configuration of the product models, the regions with an intense production will become more profitable, and thus they will attire more production factors. The effect stands in the tendency of production to focus only in some countries, regions, zones, or towns, where the population will arise, and also the incomes, thus generating the centers of the model, and the heat dissipation will induce the periphery.

The “center-periphery” model – even if it seems to be close to the real world – is based on simple assumption, which can not cover a reality, although a complex one. Nevertheless, the model had an immense echo in the academic world, both by the standard framed, and to its extensions.

I have noticed along this research that all those who brought the contribution in the spatial field, beyond the thoroughly economic knowledge, proved by theoretical coordinates they also had addiction to mathematics, statistics, or analysis, the pragmatism of the figures being essential in the drawing some pertinent conclusions, and offering a complete decisional spectrum.

The forth chapter - “Economic analysis for the regions of Romania” feels the integration into the European Union as a nodal in the research of the aspects which belongs of congestion and dispersion, as the main objective stands in reducing the discrepancy between regions, but as per those things already demonstrated in the previous chapter, this hypothesis is not exactly brought together. When analyzing the existing data, we could say that at our country level is missing – at least for the moment being – that harmonization between regions; thus maybe because of the short period that Romania has from the moment of becoming member of the European block, or maybe because of the fact that the applied politics are not enough active, or efficient. It seems that the structure of our country on macro-regions has not reached its objectives, thus emphasizing the unbalanced development, favouring the big urban centers, and thus disadvantaging the other territories.

Even if in the last decade, Romania knew a development at national level, though the economical and statistical analysis proves that the gaps between the prosper and poor zones were maintained at the same level, or even emphasized.

In the end of the chapter, I have embraced the decision of the Executive to adopt the reform for regionalization – decentralization meant to reduce the discrepancies between the poor and prosper zones, and to ensure the balanced allocation of the resources for an equitable development of the resources in order to have an equal development of the whole surface of Romania. The main objectives of this organization form consist of the ensuring a decent standard of life in all the places, reducing the administrative system, and the removal of the bureaucracy, the increase of the level for absorption of European funds, to determine the administrative - territorial units to cooperate, to implement the types of administrative organization – that already exist in the member states of the Union.

The establishment of the regional residencies has to take into account the multipolar model, which ensures the most balanced development. The current counties residences have to become the new future poles of development of the regions. Even these aspects, apparently dependent on other geographical and economical coordinates have as basis the primordial element of this intercession, that is the space.

The fifth chapter - "Final conclusions" points the objectives which I had at the early stages of this research, and which materialized along the pages from the current work, but the answers to the questions that I have found to my initially questions, had only to deepen the unknown things.

CONCLUSIONS AND PERSONAL CONTRIBUTIONS

The experts on the connected fields with the European integration allot a sustained interest to this field, but even that, there further are a set of questions which they try to answer to, such as: Why are people shifting between territories? Who, or what are influencing their decision to shift, on which distance, and on what time are these people shifting? What changes in their personal life, and in the community's life – that community they belong to – will happen behind these shifts?

Starting from these coordinates, I intended to determine if there are some significant migration phenomena between the fourth macro-regions, or those future eight regions of Romania, thus judging from the spatial economy perspective, the analysis of these phenomena being useful, and also a explanation, a validation of the new economic geography theory. In other words, I have studied the regional divisions from the NUTS level 1 and NUTS level 2 of Romania, with the intention to determine of migration contributes to crowding or a scattering of the population, or in the terms of the new economical geography, which dominated from the centriped or centrifugal forms. It is well known that generally speaking, the phenomenon of migration is influenced by numerous factors, and in the case of a country like Romania – which is in a situation of general changes due to the long transition to the market economy – the passing through of a strong crisis, as for the intensity, because also to the joining to an integrating construction, which influence the migration phenomenon. Another factor that of limiting a more detailed approach of the theme of Romanian population's migration stands in

the fact that statistics offers information only on the migration sources, and regarding the destination at the spatial level.

I have also studied - besides the demographical component – also the evolution of GDP (Gross Domestic Product) per capita, which represents a pertinent indicator for the synthesis of the development level, due to the territorial entities. As a consequence, I have comparatively looked to the GDP/capita at an European level, with that of Romanian GDP. So, as per this indicator, I have noticed that the disparity between the two entities tend to maintain, that is the scored registered by it at the level of our country does not succeed to overtake significantly that of Europe.

To synthesize, within this work, I tried to relief the influence of space, of the spatial component from the economic theory, succeeding an economical incursion which finds its correspondent in the ideation – on one side – and, stippling the pragmatism, with the statistical approach, on the other hand.

I wish this work to be useful as it approach a complex and interdisciplinary field, and the conclusions of such a research to be a starting point for those who will intend to succeed a more profound analysis of the space, accordingly with the economic theory.