

INTEGRATION PHENOMENON – ECONOMIC TRANSFORMATION FOR THE MEMBER STATES' ECONOMIES

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ABSTRACT: Basis of the economical integration were set through the Treaty from Rome, closed in 1957. The realization of the economical and monetary union asked by the economical integration, are the most important success of the European project. For the realization of the economical integration were necessary an entire series of political economy measures, of the transformations of the economical, socials and institutional structures which exist at the moment.

The economies generated by the production on large series: is the result of a bigger efficiency, based on an optimal dimension of the enterprise, which permits medium costs smaller and, through this, the possibility of increasing the competition on the international market. The scale economies are possible in some economical branches only when the production is realized in units with large dimensions and of large series, sustained, in the same time, by a great technological advantage. On the other hand, only the biggest enterprises, which generate the scale economies, could be marked out on the national and international markets.

One of the anti-arguments, which can be said, is the fact that by the scale economies obtained in the integration areas benefits, at least in the initial phases, the large transnational enterprises. For the European Union, these enterprises are north-Americans or Japanese, which take advantage of the large dimensions of the integrated market. To eliminate this inconveniences it must exist a monetary union, with the same juridical cadre and a united values market, with a total mobility of the funds. The funds will be directed towards those financial centers in which the settlements are favorable to the investors, the costs of the risks management are reduced at minimum, the costs with assuring and reassuring polices are, as well, very reduced for the investors, so they can enjoy the financial comfort and prosperity.

Keywords: European Union, globalization, integration phenomenon, economic transformations

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For these competitive advantages realized by the European Union, to be sustained, it must be improved the flexibility of the working market and it must exists as well a budgetary policy able to sustain harmonized protection and welfare policies and, it must be the support of the researching activity and technological development.

b) The intensification of the competitively inside the increased market. The amplification of the results' dimensions from the economical integration generates the intensification of the competitively. In a limited national economy, some productions must be realized by a single economical unit. On a much larger common market, it is possible to produce by other economical units, each one of them having an optimal dimension, entering in competition between them, with favorable effects for the consumers: lower prices, better quality, and increased speed in introducing the technical progress a. s. o.

On the other hand the intensification of competitively as a result of forming an integration area is succeeding by some cartelization, which imposes an external tariff common.

c) The attenuation of the payments balances' problems through economizing convertible currencies. The payments balances' problems start to be considerate severe when the retrenchment of the convertible currencies' reserves takes place. A solution could be the better use of the convertible currencies' reserves. Un example in this direction are the two economical projects of the integration from Latin America, Centre America Common Market with Centro American Compensation Room, as well as the Latin American Association of Free Exchange, which has created its' own compensation system.

d) The possibility of developing some activities which can't be approached efficiently by some countries, individual, because their market is limited. The economical cooperation and integration gives us many examples through which is demonstrating the fact that these one gives the possibility of developing new activities, especially in technological and industrial, very interesting at national level. The realization of big hydro-energetically projects, the development of new industries, show us that the small countries can't develop, on their own, such activities. They can effectively participate at these activities, in a bigger or smaller measure, only if they are regionally grouped.

Each day we are the witnesses of some activities with pan-regionally, and through extending, pan-globally character, put across in different regional, continental and even global programs, which follows the idea of realizing for the communities and human kind generally a better administration of the earth's resources and an economical and social climate which supports progress. We can give here the example of the states from Europe's area, the Forums with global character, formed in Europe's area, such as: The Club from Rome, The Ecological Club from Johannesburg, The Seven's Club, these one being considerate the top considering the trans border economical development, the progress, the increase of civilization level of different areas and communities generally.

e) The increase of negotiation power reported to some countries or other regional groups. The determination of one country's power of negotiation, without concerning its military force (for example Russia), is done starting from the amount of National Uncut Product, the exterior commerce's volume, its own auto financial capacity a. s. o. Normally, a country has a negotiation power in his international economical relations as big as this measures are bigger. The negotiation

power in international relationships grows more than proportional comparative with the result of the summation of their individual potentials.

f) A more coherence formulation of the economies' polices. This is an element which is often referred to when the integration's advantages are being evaluated. One country, seen as an individual, could realize a certain economical policy which may seem optimal if this one being compatible with its unilateral options. But the participation in some international organisms such as The International Monetary Fund, The World Commerce's Organization supposes the adoption of a certain monetary discipline, commercial a. s. o. More, the economical integration supposes, through the compromises which it generates, but also through the risks which are involved, obliges the national economies to improve their own economical policies, as well as to realize important transformations in their economical structures.

g) The economical integration generates structural transformations, because the differences between different areas of the integrated economical space are becoming more visible and, in time, more unbearable. That people and their political spokesmen will learn much better these realities. The promotion of structural transformations will create the possibility of a much competitively industrialization of these economies. But the industrialization won't be possible without an agrarian sector which can guarantee the people's supply with food at reasonable costs. As well, for these are imposed structural changes in other fields like the fiscal one, the credit one, educational, of the public administration a. s. o. Contrary, the integration mechanisms will act on their own generating the maintenance or even the increase of discrepancies between the constituent parts. Not always the integration advantages every one. Fr. Perroux said that "it might as well that integration is able to operate in the benefit of a relative strong integrated space as in favor of a relative weak and passive integrated space"¹. In conclusion, the economical integration must be accompanied by the structural interventions policies of the member states.

h) The possibility of obtaining based on a speedy integration system, an acceleration of the economical development and a higher level of the utility of the factors of production. The best proof of integration is if this one increases the speed or doesn't of the economical development. For the postwar Europe, the economical integration's critics from '60 sustained the thesis according to which "the economical integration in Europe was possible due to the fact that its beginning coincides with an excellent conjunctural phases"². For the supporters of the integrating European process, on the contrary, the economical integration concurred to increasing the speed of economical European development, without the European Community the results of the recession would have been stronger, because, in opinion of the M. Bye, to integrate an economical ensemble means "to make more compatible the projects of all decision centers which composed it". This integration "orientated by an authority or an ensemble of authorities supposes communitarian policies in agrarian area, energetically area, monetary area with effects upon economical development"³.

A large number of specialists forecast a continually decreasing of the capacities of the different countries from Europe and an eventual convergence of the different existing systems towards a minimal unique model. There are some opinions which declare the regional economical integration inside the European Union imposes a bigger constraint above the generous settlements of the social European statute, as a result of the increasing of the competitively, at one time, the creation of the unique market and monetary union. The most important argument is the apparition of the "social dumping" phenomenon through the regimes competition and which, at one time, the increase of the union will accentuate the "out of hand competitively" process.

¹ Perroux Fr., L'integration et l'echec de la theorie traditionelles des echanges extereurs, Economie appliquee, vol. 21, nr. 2, 1968, pg. 386.

² Tamames R., op. cit., pg. 203.

³ Bye M., Relations economiques internationales, Dalloz, Paris, 1965, pg. 404-405.

We can talk about a “negative integration”, this phenomenon being controlled by a series of drastically measures, like the abolition of the constitutional statute of the European law of competition, by drawing it out from the treaty, underlining the decisions in this area by transferring it to the Council and Parliament’s level. On the other hand, the national economies are already in a big measure exposed to trans national competition, the found being extremely mobile in the entire international economical system, and the companies being free to reassign the production in the European Union area and not alone. Accordingly to them, whatever attempt of the governments and trade union’s movements to reverse, at the national level, the negative effects, as well as above the companies’ competition, as on the social benefits of the employers, would be in the biggest measure fated to fail.

This kind of argument, which describes the logic of the integration process as “a chain reaction” (spill over) – the integration in a key area, in this case the economical one – creates situations which impose the cooperation between different areas, in this case the social one – is enrolled in the neo functional theory. Through this perspective, the states which are integrated are losing partly their autonomy concerning the capacity of controlling the integration process started. The dynamic of the integration strives in time to become more influenced by the different actors, other than the national governments, which have certain interests in specific aspects of the integration and which, at one time, will transfer their interests and loyalty towards the new supranational institutions which are formed.

Through this perspective, the social policy’s evolution in European Union appears as being dependent by the evolution of the economical integration and by the different interests groups which is generated and the forces rapport between them. Hantrais offers such an interpretation: “it can be said that, in the absence of a formal agreement, undertaken through the treaty, of an interventional roll well defined, the social European policy wasn’t developed more because, outside the workers’ migration, the Union didn’t need a self social policy... If in the future the Europeans’ chances in life will be more and more determinate by the economical integration and politics union, in one shape or another, becomes inevitable”.

Liebfried and Pierson confirm that such vision when they are talking about the “unfavorable distribution to the development of a social community policy between the interets gruops”. In this way, show tese ones, that until now the impact of the trade union was strongly restrecteed by the by the organizational difficulties at union level, as well as by the profound interested conflicts, between regions with high level of remuneration and those with a low level of remuneration, which, sometimes led towards forming new associations. On the other hand the power of found increased considerably, not at least because of increase of the mobility of the found in European Union and in The Economical Cooperation and Development Organization. So, in conclusion, we can say that the development of the social communitarian policy will depend strongly on the capacity of organizing a social dialogue at the Union level, which to correspond and eventually to replace the existing ones at the national level.

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