Strategies and Development Policies of Territories: International, Country, Region, City, Location Challenges

Analysis of the Relationship of Productivity between the Public Sector and the INTERSTAT

Marcela MITRITA, Ovidiu BUZOI ANU, Amelia DIACONU, Ionut Victor RATEZANU

https://doi.org/10.18662/lumproc.61

Analysis of the Relationship of Productivity between the Public Sector and the INTERSTAT

Marcela MITRITA¹*, Ovidiu BUZOIANU², Amelia DIACONU³, Ionut Victor RATEZANU⁴

Abstract

Scientific progress embodies and depends on open communication, a common discourse that has roots in rationality, collaboration, as well as an easy and regular flow and efficient information exchange. These ideals can be considered hypocritical by elite power and can be displayed or emphasized in many other ways, but they are even involved in the idea of science, but they are based on the phenomenon called globalization and its practical outcomes. Business, banking and commerce depend on the flow of information and are facilitated by new communication technologies. The hardware of these technologies tends to be systemic and integrated - computerized, televised, cable, satellite, laser, optical fiber and microchip technology combining to create a vast network of communications and interactive information that can potentiate any people on earth have access to any other person, and each time they make each byte the availability of information for each set of eyes in search.

Keywords: Productivity; Public sector; Globalization, Reform.

¹ Artifex University, Bucharest, Romania, marcela_mitrita@yahoo.com.
² Bucharest Academy of Economic Studies, Bucharest, Romania, buzoianuovidiu@yahoo.com
³ Bucharest Academy of Economic Studies, Bucharest, Romania, diaconu.amelia@gmail.com.
⁴ Bucharest Academy of Economic Studies, Bucharest, Romania, buzoianuovidiu@yahoo.com

http://dx.doi.org/10.18662/lumproc.61
Corresponding Author: Marcela MITRITA
Selection and peer-review under responsibility of the Organizing Committee of the conference

This is an Open Access article distributed under the terms of the Creative Commons Attribution-Noncommercial 4.0 Unported License, permitting all non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.
1. Introduction

The idea of free markets is supported by literature by the pressure of economic and ecological forces that demand integration and uniformity and that the world relies on interconnection through technology, ecology, communications and commerce.

States are evolving through unions formed or by the destruction of old alliances, here we have the case for the formation of the European Union, but also the de facto exit of Great Britain from the EU, and as a matter of contemporary analysis the Soviet Union that has disappeared almost overnight, with each other or with nationalities sharing the same values in neighbouring states [1]. The old nation-state conceptualized between the two world wars, was based on political territory and sovereignty, which seems to be a mere development included in the transition from emergent to develop.

The tendencies of the Eastern forces led by so-called holy war and the forces of globalization operate with equal power in opposite directions, the one driven by feelings of parochial hatred, the other part of the universalized markets, one recovers the old sub-national and ethnic boundaries, the other national frontiers contemplate in federations (US) or Union (EU).

Both visions have one thing in common: it does not offer much hope to citizens to seek practical ways of democratic governance [3].

Through the blurring of national borders, these imperatives have achieved a considerable victory over nationalist particularism, and last but not least, their traditional form, the most virulent opponent being nationalism.

Realists are now Europeans open to globalization, to transnational transhumance, utopians dream nostalgically to reborn England or Germany, perhaps even to a renaissance of Wales or a dominant Saxony in the region.

Throughout the article, it was intended to bring to light the conceptual elaboration, evaluation and demilitarization of the concept of interstate space, transnational position and influences on the public sector, after which evaluation and research on the implications for integration in global mechanisms, such as EU or NATO, assessing the concept of free market under the influence of globalization and its potentiation by the public sector.

2. Standard Tapes of the Public Sector

Building an understanding of why some public sector bodies choose to engage in promoting a "favourable environment" calls for an assessment
of positive engagement factors and constraints in wider or deeper engagement.

International political processes such as the Kimberley conflict diamond process certification have the potential to lead the public sector commitment to create a favourable environment for public affairs. Intergovernmental cooperation at regional level can also provide public sector understanding of the implications of the public agenda by bringing together different governments in locations where one or more participants have already been involved in the agenda [2].

The Clean Development Mechanism of the Kyoto Protocol part of the Framework Convention on Climate Change also has the potential to lead the public sector's commitment to promoting "pro-public" business.

On the other hand, intergovernmental political processes have yet to realize their potential to lead the public sector commitment. For example, it seems that until now there has been little or no public sector involvement in developing countries in complaints addressed to national contact points in line with the OECD Guidelines on Multinational Enterprises.

3. Productivity in the Public Sector

Public sector productivity is equally important for the economic performance of a country as well as that of the private sector. There are three main reasons why public sector productivity is crucial. Firstly, the public sector is an important employer. Secondly, the public sector is an important provider of services to the economy, especially for business services (which affect the cost of production factors) and social services (which affect quality of work). Thirdly, the public sector is a consumer of fiscal resources [2].

Information and communication technology allows the reorganization of many services, but the reluctance to reshape the established practices may be a bottleneck for business flow. Whatever the uncertainties surrounding basic conditions, there is also the need to speed up productivity and serve as a policy recommendation and a key economic policy objective.

Productivity is generally defined as a measure of the output quantity generated per input unit. In many countries, public sector productivity has been supposed to be zero in national accounts. Production of the government sector was measured as the value of the total value of the entries.
Defining productivity as concerned about the relationship between entry and exit does not cover the problems many people have in mind when talking about the productivity of the public sector. A more general interpretation of productivity includes wider concerns about public sector performance.

Although the issue of productivity and public sector performance is nothing new, scientists and practitioners have been working for decades to identify what makes a productive and efficient government.

In research literature in terms of services, central vision is the role and productivity of customers as well as quality issues that extend the traditional technical and economic vision of productivity. Particular attention should be paid to productivity issues with a starting point in the special features of services, such as intangibility, openness and substantiation.

In the manufacturing industry, manual work and automation work can be seen as opposite, but in services the situation is different. Productivity is also often linked to discussions on overall efficiency. In such cases, productivity is understood in a broader and combined sense to rationalize work and improve welfare in the working community.

The service contains activities that carry out a more in-depth investigation that requires a process-based view. Quality is very important in terms of services, as a more efficient process could have an impact on the service provided. Services can also be investigated from the customer's point of view, which makes research come close to a marketing research rather than operational management research.

If productivity is improved only by producing more goods and services in a quantitative sense, this can lead to a greater share of resulting defects or low quality of the product or service offer so that the literature recommends measuring productivity, so it is also taken into consideration and quality.

4. Commerce and INTERSTAT Economic Cooperation

International trade relations between the world's most important countries have undergone widespread restructuring over the last few years if key trends in geopolitical development have had a significant impact on the overall division of labour [7]. The intensive globalization of the world economy has led to the emergence of new economic and international trade unions, changes in science and technology and, in some cases, the loss of the national economic identity of certain states. The newest global challenges
and structural crisis in the global economy have led to the need to create new models of economic and social growth [5].

At present, increased attention is paid to the development of international trade and economic cooperation from international trade entities, where the main objective is the implementation of international integration projects by enhancing synergy processes in trade, production and the economic sphere, information and communication, logistics, investment provides the formation of interstate trade unions.

Global challenges of geo-economic nature force trade unions to make strategic integration changes in national and international trade policy, in particular: restructuring of export and import policy, restrictive trade measures against third countries to activate preferential trade agreements resulted in the reorganization of supply chains around the world, accompanied by the re-launch of the domestic logistics services market and the change of regional logistics centers for commercial activity [6]. International economic integration is a complex economic cooperation between countries in different fields of activity, characterized by profound interpenetration of economies and leading to long-term technical, technological and economic interdependence.

A positive effect of international economic integration is caused by rational production within the integration community, consisting in the interaction of national economies in which output and output factors change. International economic integration is identified by establishing closer links based on international and economic trade.

5. Creating a Single Logistic Space

The logistics space of the Integrated Union is a unique customs territory, including business entities, logistics infrastructure and administrative institutions that interact on the basis of three-dimensional structures of the national economy of the integrated member states, united by trade, information and financial flows [4]. The logistic space is correlated with the logistics system, if there are flow processes of integration in the global supply chain design. Creating a common international logistics space involves integrating all business entities into a unique mega-logistic system that represents the economic system that creates value added assets distributed across countries.

The enlargement of the EEU from the point of view of international economic integration and the globalization of the economic interests of its members necessitated the formation of a common logistic space that will
ensure the movement of economic units, capital and labour and will serve the organizational and economic relations of the economic entities of the external economic activity.

The presence of a common logistics space will provide, firstly, a high resistance to national markets to the effects of the macro environment and will create conditions for the gradual increase of the integrated unit [8].

The formation of a single logistic space is a complex event, which is based on a public-private partnership for the most part, as well as an active investment activity - especially on the synergic development of the joint projects of the member states of the regional integrated union and third countries.

Table 1. The characteristics of EEU of logistic common space

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coherence</td>
<td>Enhancement of economic relations between business entities located in the EEU.</td>
</tr>
<tr>
<td>Density</td>
<td>Density of Gross Domestic Product, of resources, per unit of space.</td>
</tr>
<tr>
<td>Integrity</td>
<td>Possibility of extensive reproduction of the logistic system by using its own resources (logistic, intellectual, informational, financial, etc.). In addition, we have the integrity of logistics space that is in line with the legal environment of the logistics process based on the fundamentals of customs administrations, transport operations, financial calculations, etc.</td>
</tr>
<tr>
<td>Rationality</td>
<td>Territorial and geographical distribution of resources from the perspective of business activity, logistics infrastructure capacity, investment assets in accordance with the geo-economic factors used in the development of the commodities market of the member states of the integrative union.</td>
</tr>
<tr>
<td>Flexibility</td>
<td>The ability to respond rapidly to change in the macroeconomic environment while the global supply chain remains uninterrupted, having a positive dynamics on domestic market development and the creation of economic stability and sustainability of regional social mechanisms.</td>
</tr>
<tr>
<td>Opening</td>
<td>The free circulation of capital, information, goods and services is ensured by the territorial boundaries of the integrative union, and the extra-union is the result of low costs.</td>
</tr>
</tbody>
</table>
The creation of a single logistics space does not provide for the creation of a closed trade and an economic system of resource use and self-sufficiency infrastructure that will enable the integration of the integrated union and the provision of survival guarantees for the social and economic macro-region [9].

It should be stressed that in line with the WTO's basic rules and the rules of the EEU members aimed at facilitating trade and regulating international trade effectively, the increase in the proportion or share of the EEU Member State's replenishment is possible due to the development of transit across the Eurasian territory and the expansion of trade and economic cooperation.

The Eurasian Economic Union is a promising international union where the basic concept is to develop trade and an area of economic co-development. The economic outcomes of integration interactivity are evidence of the importance of deepening international cooperation in post-Soviet space, in the future, it is necessary to carry out a more detailed examination of the logistical capacity of the EEU key regions with a view to uniform distribution of resources, materials and technical and labor supply.

6. Conclusions

We live in a world of rapid change brought about by globalization, a knowledge-based economy coupled with the ever-growing development of information, communication and technology (ICT). This change, however, presents not only some challenges, but also offers opportunities for both the private and the public sectors.

In order to gain a competitive advantage for their survival and competence against intermittent environmental changes, most of the major private sector companies have actively taken initiatives to adopt new management tools, techniques and philosophies. Governments are always following the example of the private sector, especially in developing countries. Having gained the necessary safety in the field of business, then the practices have been adopted in the other sectors, mainly in the public sector.

A decade of practice in private companies attests that Knowledge Management is not just another management fad as some critics have advocated but is designed to help improve performance at top management but also in execution and hence creating the necessary premises for rhythm breaks that lead to an accelerated increase in productivity. Consequently, this
concept should undoubtedly be at the forefront as a cornerstone of the efficiency of the public sect

References