

The impact of the economic and financial crisis on the public health food and tourism units in Romania

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Abstract: *The problem of people and countries is laziness and indifference in finding solutions to this kind of situations”, this quotation of Albert Einstein is representative in defining “the financial crisis”. This being said, from the beginning of the crisis, there were false pretences of the economic growth which, by the actors involved, consumers have determined chaotic expenses/uncontrolled consumption and a rapid expansion of the capital markets. This determined the premises of the economic and financial crisis in most European countries. The negative effects of the specific initial phase of the new crisis came from the internationally reported problems. They were felt in Romania from the very beginning of 2008 as a result of the international financial crisis and they were measured, from a quantitative point of view, by professionals/ analysts and bankers. This paper desires to be a presentation of the effect problematic which the Romanian financial and economic crisis exerts over the investments made in health food and tourism units and over their potential to overcome constraints/barriers which have appeared.*

Keywords: economic and financial crisis, investments, economic potential, fighting effects, public health and tourism

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Introduction – the context this paper

Considering that Romania was / is /and we like to think that it will be a resourceful country as tourism is considered, due to the presence of mountains, hills, lakes and unique caves, the Black Sea, The Danube and The Danube Delta, one naturally asks a series of questions which we are going to answer as we proceed with this paper:

- Are resources negatively influenced by the economic and financial crisis?
- Can the impact of the economic financial crisis on the public health food and tourism units be dynamically quantified in Romania, starting with the end of 2008, this year being considered by many specialists as the beginning of the crisis?
- How much time does it take the Romanian tourism stand a chance to develop as a result of continuous tourism problems in Greece, affected mostly by the political instability, by the menace of eliminating this country from the Eurozone and the increase in the fares in Turkey? What is Romanian tourism lacking in?

The impact of the world economic crisis was strongly felt in Romanian economy, as a whole, an economy which was affected by a substantial decrease in its growth, with immediate and negative effects felt by the population and enterprises, regarding mainly jobs and sales. Among the main factors that led to the decline of the public health food unit firms we should mention: major difficulties met during the process of planning and ensuring finances needed to access investments, the lack of commercial liquidities, loan access blockage, the decreasing trend of services and products demand at national and international levels, reflected by the decreasing/ limitation of exports and sales on the internal market, extremely high and controlled taxes, increased prices of raw materials, energy and food, high fluctuations in the exchange rate, inflation, the financial blockage generated by the amount of delayed payments, costly and delayed judicial procedures in solving commercial litigations, the legislative work permanently renewed/revised, birocracy and numerous, cognitive, social, economic and administrative to the firms' activity; the low absorption of European Funds, insufficient and difficult accessible state funds.

Once we established the purpose of this paper under the shape of questions or issues to deal with, we briefly explain the approach and the argumentation and whenever necessary, we present in detail the results of this research.

Research Methodology

Starting from the definition of the word RESOURCE, found in DEX'09 (2009): "resources are reserves or sources of potential means that can be used at some point." (Academia Română, Institutul de Lingvistică "Iorgu Iordan", 2009).

From this category we distinguish on one hand natural resources means the amount of minerals and ore, of agricultural and useable fields, water and forests a country disposes of and, on the other hand, work/human resources means all the people of age that can work, as well as elderly people that are able to work and are in the work field. We state that some verbs define the human existence: to be, to have and to live by transforming nature and environment, in general. This is because the man is permanently trying to define himself according to nature, together forming an indestructible unit, though he is now aware of the increase in the amount of pollution, of the limitation of the natural resources and the chaotic consumption without recycling. Since the purpose of the modern society is to diminish poverty, the outcome should be a fight of the human resources against any disaster/calamity/major risk generated by the inefficient use of natural resources.

Particularities of health food and tourism units activity and influence over the organization of accountancy

The major process of human society development has determined, from all points of view, the development of accountancy as well, as man has always been looking for solutions and has adapted to reality from the beginning of accountancy and until now, when we use a wide variety of specific notions and terms applying procedures and standards to obtain accountancy information. (Călin O., Man M., Nedelcu M. 2008)

As in any other field of national economy and services there is a specificity which influences the way of organizing accountancy. (Negruțiu Magdalena, 1997).

From the systematical analysis of tourism and public food units and especially the management system we can underline ways of accountancy management.

For all the activities that are held globally and divided by the tourism and health food units it is mandatory to underline the expenses and incomes in order to determine activity efficiency.

Although tourism and public food units have a series of specific traits which influence the accountancy organization, the way of reflecting economic and financial reality of the tourism and public food units it is achieved today by a complex technique of filing adapted to the users' needs imposed by a natural social and economic system evolution that lead to an informational economic system. (Dumitrana Mihaela, Negruțiu Magdalena, 1996).

In the chart below you can see the main specific features of the activities of the tourism and health food units that influence the way in which accountancy management is achieved.

Figure 1. Specific features of the tourism units that influence the way in which accountancy management is achieved

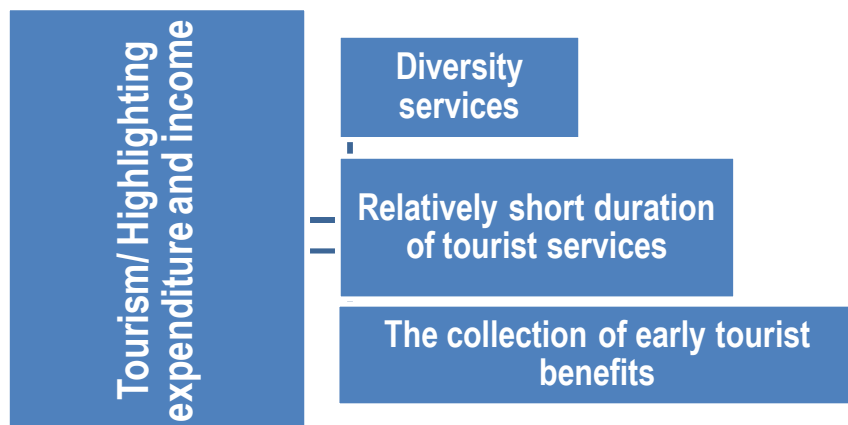
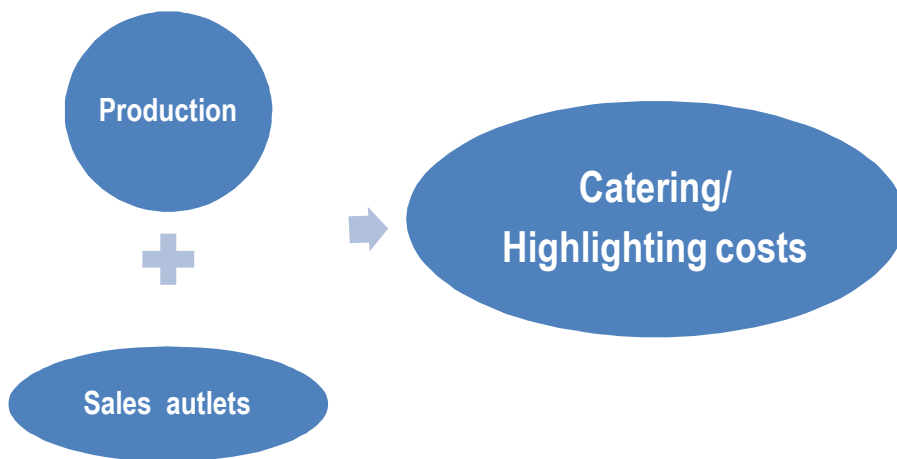


Figure 2. Specific features of the tourism units that influence the way in which accountancy management is achieved



Ways to optimize the use of resources in tourism and possible interventions with the purpose of diminishing the negative effects of the economic and financial crisis

In order to optimize the resources in tourism in the context of the economic and financial crisis and for the Romanian tourism and health food units to work efficiently in such periods, we recommend several ways of intervening:

- the responsible usage/saving of natural resources;
- the development of the services' transportation infrastructure of the tourism and health food units, due to the tourism infrastructure is still poorly developed in what concerns touristic signs, mountain cabins or natural and historical monuments;
- the development of eco-tourism in sensitive natural areas will provide the necessary income to protect the national parks and other natural areas, incomes that cannot be obtained from other resources. (Glăvan, Vasile, 2002);
- investing in the rural tourism infrastructure such as agro-touristic cabins that offer small accommodation because they haven't reached a satisfactory development status for the national and international market's need, especially from a quality point of view. (Zaman Gheorghe, Vasile Valentina, 2006);
- identifying some means of measuring profitability and success rates in tourism due to the semi-informal nature of the activities, which makes it difficult for entrepreneurs/ operators to reach the market and to properly develop their business;
- supporting the activities of the firms that operate in the food industry and tourism sector by getting involved in projects and therefore absorbing European funds;
- taking precautions in decision making from the initial phase of projects (pre-feasibility studies that indicate the risks that may appear at local, county, regional and national level.

Measuring the impact of the economic and financial crisis on the Romanian tourism and food industry units, starting on 2008, considered by many specialists as the beginning of the new crisis

Starting from the acknowledgements of specialists, politicians and scientists, that the purpose of the society where we work is that of diminishing the poverty of the

population, we should use an objective approach to compare if the projects suggested in order to develop tourism provide more advantages in diminishing it, comparing to other non-tourism development projects (developing some production facilities, power plants, refineries, food processing centers, call centers, etc). The presented studies show that most states tend to respect and value novelty projects, as nanotechnology or developing research facilities more than tourism development projects. These reasons should determine an evaluation of tourism projects from the perspective of long-term development in an open society based on knowledge, together with projects competing for public/limited European financing funds.

According to The Financial Newspaper "Romania is ranked among the last countries in Europe with a total contribution of tourism to the GDP of 5.1%, being surpassed, among other countries, by Albania (16.7% of the GDP), Bulgaria (13.3%), Hungary (10.6%), Czech Republic (8.4%) and Slovakia (6%). In the total contribution of tourism in employment Romania ranks last compared to the neighbouring countries and it is in the 136th place world wide. (From the point of view of the percentage of tourism in the GDP, Romania is outrun by Hungary and Bulgaria)¹.

Following the analysis of statistical data at national level, in the period 2008-2014, the conclusion is that the tourism sector increased by 26.65% the number of accommodation structures from 4840 to 6130, which is an indicator of the fact that the crisis didn't affect it completely as in the situation of other sectors, especially the production ones (INS-TEMPO statistical data-time series).

Table1. Establishments of tourist reception with functions of tourists accommodation by type of establishment and type of ownership

Search results - Establishments of touristic reception with functions of tourists accommodation by type of establishment and type of ownership ²								
Type of establishment of touristic reception	Type of ownership	Years						
		Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014
		MU: Number						
		Number	Number	Number	Number	Number	Number	Number
Hotels	Total	1104	1159	1233	1308	1384	1429	1456
Hotels four youth	Total	35	:	:	:	:	:	:

¹ <http://www.zf.ro/companii/romania-sta-mai-slab-ca-ungaria-si-bulgaria-la-ponderea-turismului-in-GDP-12292661>

² <http://statistici.insse.ro/shop>

Hostels	Total	46	97	114	145	178	185	204
Apartment hotels	Total	7	11	13	11	16	16	17
Motels	Total	153	146	151	184	206	215	212
Inns	Total	5	5	4	4	3	3	5
Touristic villas	Total	718	747	768	548	621	621	624
Touristic chalets	Total	116	123	134	147	146	152	162
Bungalows	Total	264	265	267	205	242	249	242
Holiday villages	Total	3	4	4	5	6	6	9
Campings	Total	59	55	51	44	48	48	52
Touristic halting places	Total	31	30	32	41	39	35	35
Houselet type unit	Total	50	46	49	27	36	45	53
School and pre-school camps	Total	111	111	92	69	70	62	62
Touristic boarding houses	Total	783	878	949	1050	1247	1335	1323
Agroturistic boarding houses	Total	1348	1412	1354	1210	1569	1598	1665
Ships accommodation spaces	Total	7	6	7	5	10	10	9

While hotels were in pace with the medium value of the sector, having a growth of only 31.88%.

The number of touristic villas decreased by 13% in this period, reaching 624 compared to the year 2008, while pensions had a growth of 68.87% and touristic chalets 39.66%. The data suggests that tourists prefer inferior touristic structures compared to those they preferred before the economic and financial crisis.

Information about the room capacity in different types of structures in the period 2008-2014 confirm this, in the way that at sector level the growth was of around 5,8%, while the capacity of touristic and agro-touristic pensions increased by 87.7 and 80.29%, respectively.

In number, the touristic and agro-touristic pensions increased by 327, that is 41.2%, respectively 23.5%. This is an indicator of the fact that part of the existing pensions expanded as a result of the request.

If in 2008, hotels were occupied in a percentage of 41,1%, followed by apartment hotels (29.3%), in 2014 this was of 32.9% for hotels and 24% for hotel apartments. There is a decrease of 8.2% for hotels, that is a decrease of 19.51% because of low purchasing power and the orientation of tourist to touristic chalets in general.

Table2. Index of net using the touristic accommodation capacity in function by type of establishment and type of ownership

Search results - Index of net using the touristic accommodation capacity in function by type of establishment and type of ownership ¹								
Type of establishment of touristic reception	Type of ownership	Years						
		Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014
		MU: Percentage						
		Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage
Total	Total	35	28.4	25.2	26.3	25.9	25.1	26.1
Hotels	Total	41.1	33.6	29.9	31.6	32	31.7	32.9
Hotels four youth	Total	30.7	:	:	:	:	:	:
Hostels	Total	24.2	20.7	17.6	19	17.7	16.3	17.6
Apartment hotels	Total	29.3	20.8	19.8	21.8	44.1	19.9	24.5
Motels	Total	25.6	18.7	18.7	16.8	14.7	14.1	14
Inns	Total	26.7	12.5	25.1	10.8	10.6	10.8	10.7
Touristic villas	Total	29.2	23	19.9	20.8	19.6	19.9	20.2
Touristic chalets	Total	14.4	10.8	9.2	9.8	11.1	12	12.5
Bungalows	Total	26.3	26	15	15.8	17.8	12.7	12.1
Holiday villages	Total	19.7	9.2	7.5	10.7	15.5	23.6	10.5
Campings	Total	21.6	20.7	19.6	15.3	12.4	10.8	8.7
Touristic halting places	Total	18.8	16.3	11.3	9.6	10.6	16.1	14.3
Houselet type unit	Total	24.2	21.5	6.2	16.8	18.3	14.4	19.2
School and pre-school camps	Total	21.3	21.9	17.6	15	12.3	12.6	14.6
Touristic boarding houses	Total	21.9	16.6	14.6	15.5	14.8	14.6	15.4
Agroturistic boarding houses	Total	18.4	14.2	12.4	13.8	13.2	12.6	13.2
Ships accommodation spaces	Total	64.1	68	73.3	88.7	65.4	58.7	11.3

¹ <http://statistici.insse.ro/shop>

Tabel 3. Existing touristic accommodation capacity by type of establishment and type of ownership

Search results - Existing touristic accommodation capacity by type of establishment and type of ownership ¹								
Type of establishment of touristic reception	Type of ownership	Years						
		Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014
		MU: Places						
		Places	Places	Places	Places	Places	Places	Places
Total	Total	294210	303486	311698	278503	301109	305707	311288
Hotels	Total	175416	179137	185099	174748	180714	182284	185172
Hotels four youth	Total	1940	:	:	:	:	:	:
Hostels	Total	1672	4396	5218	6140	7562	8482	9116
Apartment hotels	Total	157	342	422	401	988	1046	1064
Motels	Total	5939	5836	6126	7219	8078	8493	7883
Inns	Total	136	136	97	77	81	61	143
Touristic villas	Total	15826	15772	16822	12590	14775	14074	13812
Touristic chalets	Total	5207	5887	5667	5928	5150	5183	5128
Bungalows	Total	4119	4553	4565	2481	2663	2834	2722
Holiday villages	Total	180	215	157	307	352	372	717
Campings	Total	26838	25475	25358	12801	12816	11945	12925
Touristic halting places	Total	1211	2025	2043	1813	1847	1800	2209
Houselet type unit	Total	4223	3945	4164	1732	2199	2665	2398
School and pre-school camps	Total	19426	18875	16874	10689	10908	9851	9759
Touristic boarding houses	Total	14538	16653	18422	20499	25019	27325	27295
Agroturistic boarding houses	Total	16906	19783	20208	20683	27453	28775	30480
Ships accommodation spaces	Total	476	456	456	395	504	517	465

¹ <http://statistici.insse.ro/shop>

Following the existing accommodation capacity, expressed in beds, we observe that, in this case also, the trend is favourable and, as for most of the accommodation capacity existing in 2014, hotels hold 59.5% (INS-TEMPO statistic data-series of time). This proves that investments were made. At macroeconomic level, part of the income made from tourism can be perceived as the result of the exportation activity: it is the case of money spent by foreign tourists in Romania.

This is why an analysis of the incoming is mandatory. The data from the INS are presented in the following table:

Tabel 4. Number of tourists taking part in tourist actions organized by travel agencies by activity

Search results - Number of tourists taking part in tourist actions organized by travel agencies by activity ¹								
Types of touristic activities	Travel agencies	Years						
		Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014
		MU: Persons						
		Number of persons	Number of persons	Number of persons	Number of persons	Number of persons	Number of persons	Number of persons
Incoming activity	Tour operator agencies	148663	172260	78099	235742	240101	118712	217705
-	Sale activity agencies	8526	6210	2503	22922	23295	14326	1808
Internal touristic activity	Tour operator agencies	416541	129990	113841	364107	642268	401726	374667
-	Sale activity agencies	21103	98076	49584	58211	41395	122527	127434
Outgoing activity	Tour operator agencies	712031	334001	269172	626889	1055919	466683	709977

¹ <http://statistici.insse.ro/shop>

The number of foreign tourists has increased by 39.65%, under a quantity ratio this being a positive aspect, but way under the touristic potential of Romania. We noticed that in 2008 the percentage of 94.58% of tourists who came through tourism agencies increased to 99.18% in 2014. This amount of data show us that an insignificant number of foreigners come to Romania on their own. What is the direct or indirect cause of that? The touristim offer or the infrastructure? Or both?

For how long may Romanian tourism stand a chance of development over the persistent crisis in Greece's tourism, affected mostly by the political instability, by the danger of getting out of the Euro zone and by the increasing fares in Turkey? What is Romanian tourism lacking?

Taking into consideration the analysis of the representatives of Tourism and Services Employers' Federation (TSEF) in regard to Romania's unsuspected chance of developing its tourism taking advantage of Greece's problems, affected mostly by the political instability and by the danger of getting out of the Eurozone, most firms tried to plan the offer so that there is a relocation of tourists and a reorientation of foreign tour operators concerned about Greece's problems and social instability on the one hand and the increased fares in Turkey , on the other hand.

This possibility would be an unexpected chance for Romania to win a significant influx of foreign tourists if the firms offered an attractive package of accommodation and from a financial point of view.

Romania and Bulgaria can take advantage from the fact that Turkey, a country which enjoys great development in tourism and with an old tradition on the west and east-European markets, has increased the fares for each season starting in 2012, relying on their country's brand. This decision lead to a certain decrease in demand for Turkey's tourism packages.

Romanian tourism might stand a chance of development over the persistent crisis in Greece's tourism, affected mostly by the political instability, by the danger of getting out of the Eurozone and by the increasing fares in Turkey if:

- the all inclusive system so familiar to foreign tourists is generalized at a high standard;
- the hoteliers are offered fiscal incentives in order to become more competitive on the European market in what regards price offers;
- they implement on a large scale eco-tourism which can be a viable alternative of economic development for the low-income communities and may increase the level of education and tourists' awareness, transforming them into direct

beneficiaries of environmental and cultural conservation.(Nistoreanu, Puiu, Gheres, Marinela, 2010);

- antagonizing aggressive publicity campaigns of the other countries by building a solid country brand in correlation to previously mentioned measures and by allocating some considerable promoting funds, so that coming Romania is situated on an ascendant trend in over coming in crisis;
- to attract foreign investors which own successful hotel chains, with know-how in tourism and food industry, who can afford modernizing existent spaces and developing other areas that have the potential to attract foreign tourists: Timișoara, Sibiu, Băile-Herculane, Brașov, Cluj-Napoca, Sighișoara, Constanța, Iași, Suceava, Târgoviște, București, Bucovina, Delta Dunării, etc.
- to assure political and social stability so that tourism does not become a dangerous business.

Conclusions

The research can be extended through the analysis of the recorded indicators from the Romanian tourism and health food units after the first five months of 2015, on the basis of the collected data and published periodically by NIS with the purpose of identifying some accurate planning means for an attractive offer for Romanian and foreign tourists.

We consider that this paper has presented the effects of the economic-financial crisis' problematic from Romania that are exerted over the achieved investments in the public health food tourism units and over their potential to overcome these constraints/barriers that underline the influence which the tourism and health food units have over the accountancy management by tracing some efficient directions of how to use their specific touristic resources with the purpose of diminishing the negative effects of the economic financial crisis. The entrepreneurs must take advantage of the opportunities that emerged, as mere technique and economic exercise to survive the financial economic crisis.

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