



THE REAL ECONOMY OF ROMANIA IN 2005 – 2010 (II)¹

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Rezumat

Scopul acestui studiu îl reprezintă realizarea unei imagini sinoptice, anuale, din punct de vedere financiar, a stării economiei reale, utilizând bilanțurile contabile ale agenților economici. De aceea, obiectivele urmărite în lucrare vizează: implementarea, în analiza și evaluarea economică, a unor indicatori semnificativi (secundari, terțiari, agregați etc.) având o semnificație superioară indicatorilor primari cunoscuți; calculul curent al unor indicatori stabiliți de teoria economică și financiară dar care nu sunt, actualmente, utilizați. Aspectele statistice financiare, cu frecvență anuală și la nivel agregat (național) se evidențiază și se publică în multe documente și rapoarte oficiale (ale BNR, ale INS, ale Guvernului etc.), dar marea majoritate a acestor aspecte este reprezentată de indicatori primari la nivel macroeconomic care, de cele mai multe ori, nu reușesc să ofere o imagine profundă (cu caracter structural) a fenomenului evidențiat. În acest context, realizarea unor interpretări cantitative și, mai ales, calitative a proceselor economico-financiare din economia reală, este considerabil îngreunată. De aceea, devine necesar ca această imensă masă de informații existentă în bilanțurile contabile ale firmelor să fie prelucrată în scopul obținerii de indicatori semnificativi,

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așa încât fenomenologia economico-financiară din sfera economiei reale să fie pusă în evidență cu mai multă acuratețe.

Clasificare JEL: D24, L25, L60, L70, L80, L90, O12

Cuvinte-cheie: microeconomie, analiza economico-financiară, economia reală

Abstract

The purpose of this study is to give a financial synoptic, annual image of the real economy state using the balance sheets of the economic units. Hence, the paper analyses and evaluates economically some significant indicators (secondary, tertiary, aggregate, etc.) with a higher significance than the known primary indicators; it makes the current calculation of some indicators set by the economic and financial theory which are not currently used. The financial statistics with annual frequency, at the aggregate (national) level are calculated and published in many official documents and reports (NBR, NIS, Government), but most of them are primary macroeconomic indicators which many times do not provide a thorough (structural) image of the studied phenomenon. Within this context, the quantitative and qualitative interpretation of the economic and financial processes from the real economy is rather difficult. It is therefore necessary to process this huge mass of information piled up in the balance sheets of the companies in order to produce significant indicators which reveal more accurately the economic and financial phenomenology of the real economy.

Keywords: microeconomics, economic and financial analysis, real economy

JEL Classification: D24, L25, L60, L70, L80, L90, O12

Use of the economic potential

a. Amortisement of the tangible fix assets

In 2005 - 2010, due to the positive or negative influence of several factors, the economic-financial potential of the agents from the real

economy of Romania has been used in a specific manner depending on the type of measurement indicators that was used.

The use of the economic-financial potential is characterized by us using the following state indicators: amortisement of the tangible fix assets; expenditure with the employed staff; operational expenses and total expenditure.

The *average expenditure for the amortisement of the tangible assets* is one of the most important indicators reflecting the way in which the technical potential is used. Even though significant changes have occurred in the legal provisions for the calculation of the amortisement quotas (the normed duration of service for the tangible fix assets has changed) and in the minimal value for a tangible fix asset, the value of the average expenditure with amortisement per unit increased over 2 times in 2010 compared to 2005, exceeding 99.52 thousands lei in 2010.

The commercial companies from the branch "Production and supply of electrical energy, heat, cooking gas, hot water and conditioned air" had the highest average expenditures with amortisement (over 4.99 million lei) displaying an oscillating trend compared to the year of reference, 2005 (the average expenditures with amortisement were 1.05% higher in 2010 compared to 2005), in correlation with the change of the tangible fix asset structure on which the rate of amortisement is applied.

In the branch of "Other activities of the national economy", in agreement with the average level of the fix assets, the average expenditures with amortisement were the lowest (less than 0.22% from the value of those from the branch of "Production and supply of electrical energy, heat, cooking gas, hot water and conditioned air"), while in the branch of "Real estate transactions, renting and other activities provided mainly to companies" recorded the highest rates of increase (the average expenditures with amortisement were about 7.07 times higher in 2010 than at the end of 2005).

Like in the case of the fix assets, the average expenditures with amortisement differ very much from one branch to the other because of

the complexity of if specific technological processes and of the specific conditions of procurement and sales.

There is an obvious territorial asymmetry between Bucharest-Ilfov region of development, with the highest expenditure for amortisement, and South-West region of development, with the lowest expenditures. Bucharest-Ilfov region of development displayed the highest dynamic, with 2.14 higher expenditure for amortisement in 2010 compared to 2005 and the Centre region of development recorded an increase of just 61.78% for the same period.

The concentration of the activity potential in the real economy, measured by the level of the average fixed assets, lead to the same structure of the average expenditure with amortisement, and it reflects the result of the policies of investment and of using the production capacities from the real economy.

b. Average expenditure with the employed staff

The *average expenditure with the staff* gives a reflection of the human potential at the microeconomic level, being a result of the micro- and macroeconomic policies concerning the labour force (recruitment, employment, utilization, motivation, taxation etc.).

In 2005-2010 the average expenditure with the staff increased (65.07% on December 31, 2010 compared to December 31, 2005), while the average number of employees decreased by 10.78% over the same period.

In the branch of "Production and supply of electrical energy, heat, cooking gas, hot water and conditioned air", the commercial companies have, in average, the highest values of the expenditure with the staff (over 6.56 million lei), with a trend of slight decrease in 2010 compared to the year of reference, 2005 (1.03%). In 2010, this branch recorded the most significant reductions at this chapter of expenditures (20.26% !).

In the branch of "Other activities of the national economy", the average expenditure with the staff is the lowest (about 45.70 thousands lei), but they displayed a strong increase (63.47% higher min 2010 compared to 2005).

In 2010, in the branch of the “Extractive industry”, the average expenditure with the staff represented 66.98% of the 2005 level, while the number of employees was about 31.94% of the 2005 number.

Territorially, in this case too, there is obvious asymmetry, Bucharest-Ilfov region of development recording the highest expenditure with the staff, while South-West region of development recording the lowest expenditure with the staff.

The highest rates of increase were recorded in Bucharest-Ilfov region which, in 2010, increased the average expenditure with the staff by 88.28% compared to 2005, while the rate of increase was of just 22.80% for South region of development.

Due to the concentration of the activity potential in Bucharest-Ilfov region of development, the low rates of increase of the average expenditure with the staff from South, West and North-West regions of development influenced less the national results.

c. Average operational expenditure

One of the synthetic indicators that reflect the way in which the basic potential of the commercial company is used is the *average operational expenditure*.

In 2005-2010, the average operational expenditure increased a lot for the entire real economy (65.71% on December 31, 2010 compared to December 31, 2005). In this case too, the commercial companies from the branch of “Production and supply of electrical energy, heat, cooking gas, hot water and conditioned air” reported the highest values for the average operational expenditure (more than 74.09 million lei), oscillating each year around the value of reference from 2005 (in 2010, the average operational expenditure increased by 6.01% compared to 2005, but was 15.44% lower than in 2009). In the branch of “Other activities of the national economy”, the average operational expenditure displayed the lowest value (151.56 thousands lei), while in the branch of “Health and social work” the rate of increase was the highest (3.41 times higher on December 31, 2010 compared to December 31, 2005).

The complexity of the specific technological processes and the specific conditions of procurement and sales determined differences between the different economic branches.

Territorially, there is obvious asymmetry, Bucharest-Ilfov region of development recording the highest value of the average operational expenditure, while South-West region of development recording the lowest value.

The general increase, in all regions of development, of the average operational expenditure per unit, in 2010 compared to 2005, must be correlated with the evolution of the results indicators for the same period, in order to capture the extent to which the level of the operational expenditure is sustainable on the medium term.

d. Average total expenditure

The *average total expenditure* is the synthetic indicator measuring the utilization of the economic potential of the commercial companies from the real economy. In 2005-2010, important increases of the average total expenditure were noticed (69.39% increase on December 31, 2010 compared to December 31, 2005). The commercial companies from the branch of "Production and supply of electrical energy, heat, cooking gas, hot water and conditioned air" recorded the highest average total expenditures (over 77.50 million lei) with a trend of increase (6.89%) in 2010 compared to the year of reference, 2005. For this indicator too, the branch of "Other activities of the national economy" reported the lowest average total expenditures (7.14% from the average for the entire economy, and 0.20% from the value reported for the branch of "Production and supply of electrical energy, heat, cooking gas, hot water and conditioned air"). The branch of "Health and social work" recorded the highest rates of increase of this indicator (3.49 times higher on December 31, 2010 compared to December 31, 2005).

Like in the case of the potential indicators, the average total expenditures differ very much from one branch to another due to the complexity of the specific technological processes and to the specific conditions of procurement and sales.

Territorially, Bucharest-Ilfov region of development recorded the highest value of the average total expenditures, while South-West region of development recorded the lowest value.

Like in the case of the operational expenditure, the level and evolution of the average total expenditure by region must be discussed within the context of the development strategy of each company and, in general, for the entire economy. On the long term, after such evolution, it is a question whether the asymmetry recorded in the evolution of the total costs in 2005-2010 may continue in the future. Will the development focused only on Bucharest-Ilfov region lead in the future to a proper utilization of the material, human and financial resources? The strategies of intervention in the real economy should be changed at least in terms of the level at which the resources are used, so that the resources and sources “migrate” towards regions such as South, South-West and West.

Appendix 1

Evolution of the level of utilization of the economic-financial potential of the economic agents active in the real economy of Romania, by area of activity, 2005 – 2010

a. Average expenditure with tangible fix assets amortisement

No.	Branches of the real economy	Tangible fix assets amortisement on 31 December 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1	Agriculture, forestry and fisheries	104.649	79,96	134,50	181,01	224,48	256,58
2	Extractive industry	3.097.764	62,57	94,64	135,68	127,24	139,21
3	Processing industry	234.297	90,54	125,05	158,60	180,86	204,51
4	Production and supply of electric power, heat, cooking gas, hot water and conditioned air	4.998.337	83,94	74,07	114,68	115,20	101,05
5	Water distribution, salubrity, waste management, decontamination activities	253.647	96,31	137,77	246,06	244,30	243,26
6	Constructions	72.774	86,20	138,56	182,90	199,51	223,63
7	Wholesale and retail trading, reparation of cars and motorcycles	35.419	99,12	161,84	246,12	247,67	253,61
8	Transportation and storage	136.325	87,39	136,08	157,56	180,93	190,20
9	Hotels and restaurants	33.970	100,46	163,99	238,92	228,44	254,02
10	IT and telecommunications	31.158	66,35	78,09	15,29	14,77	16,27
11	Real estate, rents and services provided to enterprises	248.271	78,11	175,94	258,54	419,04	707,02
12	Professional, scientific and technical activities	27.055	95,51	149,96	194,81	223,01	244,31
13	Activities of administrative services and activities of support services	28.614	88,45	99,46	130,53	131,32	155,62
14	Education	17.270	103,16	139,60	193,32	181,18	190,66
15	Health and social assistance	33.041	117,60	200,60	294,55	331,63	390,83
16	Activities of shows, culture and recreation	282.462	94,39	126,92	357,25	315,70	373,88
17	Other activities of the national economy	11.322	88,29	136,65	167,42	194,65	213,86
	Total	99.520	83,55	123,19	173,68	179,89	204,54

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

b. Average expenditure with the employed staff

No.	Branches of the real economy	Average expenditure with the employed staff at December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1	Agriculture, forestry and fisheries	153.847	70,00	107,11	128,00	126,27	128,77
2	Extractive industry	4.117.503	67,28	65,54	77,84	73,27	66,98
3	Processing industry	584.009	89,63	125,75	156,97	152,24	164,12
4	Production and supply of electric power, heat, cooking gas, hot water and conditioned air	6.561.474	94,28	87,60	134,49	126,72	98,97
5	Water distribution, salubrity, waste management, decontamination activities	865.965	91,07	136,11	281,48	271,82	263,19
6	Constructions	190.535	82,35	121,07	139,23	120,40	127,40
7	Wholesale and retail trading, repair of cars and motorcycles	98.254	94,68	163,73	244,98	221,71	229,26
8	Transportation and storage	286.828	82,88	145,21	169,46	183,30	185,68
9	Hotels and restaurants	78.772	93,83	149,89	203,77	176,72	179,51
10	IT and telecommunications	158.634	84,90	94,98	74,51	66,20	78,11
11	Real estate, rents and services provided to enterprises	75.203	72,57	143,05	215,82	198,58	209,96
12	Professional, scientific and technical activities	109.013	97,84	158,33	165,48	165,71	182,04
13	Activities of administrative services and activities of support services	334.757	93,17	121,61	366,13	325,26	397,58
14	Education	57.722	88,85	149,01	156,38	145,16	169,90
15	Health and social assistance	100.825	100,85	178,46	267,31	301,58	346,94
16	Activities of shows, culture and recreation	338.109	80,97	112,65	239,36	211,16	246,56
17	Other activities of the national economy	45.700	82,06	132,30	166,42	163,89	163,47
	Total	208.782	85,69	127,42	171,32	156,27	165,07

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

c. Average operational expenditure

No.	Branches of the real economy	Average operational expenditure, at December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1	Agriculture, forestry and fisheries	1.674.796	74,44	123,15	157,80	159,95	165,81
2	Extractive industry	23.302.433	74,11	80,82	100,71	79,83	85,38
3	Processing industry	4.859.785	91,10	123,83	164,64	146,53	175,93
4	Production and supply of electric power, heat, cooking gas, hot water and conditioned air	74.065.311	91,93	82,62	148,61	125,36	106,01
5	Water distribution, salubrity, waste management, decontamination activities	6.297.116	103,88	141,55	180,72	143,63	178,56
6	Constructions	1.663.603	94,27	137,09	165,44	141,45	157,79
7	Wholesale and retail trading, reparation of cars and motorcycles	2.029.674	89,11	144,95	208,06	169,62	191,91
8	Transportation and storage	1.700.543	86,36	127,82	146,20	142,67	165,80
9	Hotels and restaurants	528.679	93,74	145,18	223,83	178,98	189,36
10	IT and telecommunications	801.365	88,43	103,15	76,17	63,30	71,59
11	Real estate, rents and services provided to enterprises	1.092.565	71,82	158,39	205,11	198,65	228,81
12	Professional, scientific and technical activities	547.122	98,11	151,31	185,22	168,86	189,96
13	Activities of administrative services and activities of support services	813.792	100,05	104,78	151,39	113,05	136,63
14	Education	222.456	99,46	134,85	167,23	137,45	156,78
15	Health and social assistance	379.325	102,79	172,80	257,76	284,83	340,98
16	Activities of shows, culture and recreation	2.067.271	94,94	124,44	231,45	207,08	240,43
17	Other activities of the national economy	151.568	92,23	130,25	151,48	138,21	145,50
	Total	2.061.350	87,16	127,37	170,72	144,94	165,71

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

d. Average total expenditure

No.	Branches of the real economy	Average total expenditure on December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1	Agriculture, forestry and fisheries	1.751.710	74,32	125,07	161,30	164,01	168,22
2	Extractive industry	26.637.572	73,50	79,14	104,15	79,32	92,40
3	Processing industry	5.207.383	90,46	124,93	170,38	149,66	180,30
4	Production and supply of electric power, heat, cooking gas, hot water and conditioned air	77.502.299	91,00	81,84	148,63	124,29	106,89
5	Water distribution, salubrity, waste management, decontamination activities	6.533.881	103,86	142,24	185,69	147,22	182,12
6	Constructions	1.737.704	93,69	137,25	167,78	144,33	160,89
7	Wholesale and retail trading, repair of cars and motorcycles	2.090.484	88,98	146,06	211,49	171,83	194,07
8	Transportation and storage	1.815.406	86,06	128,09	149,19	143,43	169,77
9	Hotels and restaurants	570.110	93,42	147,48	230,61	183,26	196,18
10	IT and telecommunications	834.765	85,21	100,82	73,21	60,49	68,70
11	Real estate, rents and services provided to enterprises	1.604.013	72,08	175,32	260,94	244,31	295,98
12	Professional, scientific and technical activities	575.458	98,27	152,28	188,86	169,59	194,71
13	Activities of administrative services and activities of support services	831.791	92,38	100,03	143,97	98,80	119,05
14	Education	228.767	99,25	136,12	170,49	140,54	159,03
15	Health and social assistance	398.765	102,73	175,84	266,28	292,15	349,67
16	Activities of shows, culture and recreation	2.234.395	93,63	124,00	242,74	213,09	252,14
17	Other activities of the national economy	155.942	92,21	131,54	152,94	140,50	147,48
	Total	2.181.338	86,66	128,04	174,89	147,12	169,39

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

Appendix 2

Evolution of the level of utilization of the economic-financial potential of the economic agents active in the real economy of Romania, by area of activity, 2005 – 2010

a. Average expenditure with tangible fix assets amortisement

No.	Development Regions	Tangible fix assets amortisement at December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1.	NORTH-WEST	35.511	89,04	136,46	188,66	209,53	178,76
2.	NORTH-EAST	34.169	100,04	151,00	201,70	216,55	191,59
3.	SOUTH-WEST	30.549	82,05	134,31	198,54	173,06	164,67
4.	SOUTH-EAST	34.644	94,59	142,84	203,94	208,74	198,58
5.	SOUTH	36.775	82,33	127,73	193,41	187,47	169,07
6.	CENTRE	40.015	92,25	133,08	181,04	181,90	161,78
7.	WEST	38.499	88,83	131,81	182,78	185,16	165,40
8.	BUCHAREST-ILFOV	313.885	79,28	115,19	165,11	167,29	214,33
	Total	99.520	83,55	123,19	173,68	179,89	204,54

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

b. Average expenditure with the employed staff

No.	Development Regions	Average expenditure with the employed staff on December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1.	NORTH-WEST	91.048	85,79	124,37	158,24	149,18	132,93
2.	NORTH-EAST	81.848	91,38	130,01	161,78	150,89	126,89
3.	SOUTH-WEST	72.004	86,74	136,63	193,59	154,69	130,04
4.	SOUTH-EAST	83.844	91,82	133,47	173,56	156,83	128,13
5.	SOUTH	91.339	83,57	123,06	160,00	140,25	122,80
6.	CENTRE	103.207	91,19	133,31	175,58	156,12	136,50
7.	WEST	103.566	85,49	123,30	158,16	132,88	125,49
8.	BUCHAREST-ILFOV	608.385	82,92	124,96	174,97	157,62	188,28
	Total	208.782	85,69	127,42	171,32	156,27	165,07

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

c. Average operational expenditure

No.	Development Regions	Average operational expenditure on December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1.	NORTH-WEST	836.358	85,47	122,61	161,43	147,23	128,14
2.	NORTH-EAST	787.617	93,59	129,06	162,22	140,71	130,23
3.	SOUTH-WEST	769.079	84,69	129,60	178,89	139,84	131,47
4.	SOUTH-EAST	861.677	90,76	129,65	174,33	152,53	141,25
5.	SOUTH	849.126	77,01	106,10	145,71	117,81	109,75
6.	CENTRE	870.329	91,27	127,59	166,56	138,05	129,83
7.	WEST	857.416	85,36	120,42	159,19	123,70	122,43
8.	BUCHAREST-ILFOV	6.193.173	86,40	128,91	176,58	146,18	188,91
	Total	2.061.350	87,16	127,37	170,72	144,94	165,71

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance

d. Average total expenditure

No.	Development Regions	Average total expenditure at December 31, 2010 (lei)	Dynamics (2005=100%)				
			2006	2007	2008	2009	2010
1.	NORTH-WEST	869.444	85,19	123,39	164,63	149,93	129,85
2.	NORTH-EAST	818.859	93,23	129,65	164,53	142,99	132,00
3.	SOUTH-WEST	790.430	84,45	129,88	181,21	141,36	132,16
4.	SOUTH-EAST	891.046	90,55	131,95	177,23	155,29	142,74
5.	SOUTH	874.892	76,67	106,45	147,84	119,36	110,51
6.	CENTRE	905.534	91,02	128,82	170,92	140,90	131,68
7.	WEST	897.959	84,92	121,78	164,15	126,82	124,65
8.	BUCHAREST-ILFOV	6.612.399	85,76	129,28	181,32	148,03	193,53
	Total	2.181.338	86,66	128,04	174,89	147,12	169,39

Source: calculated on the basis of the annual reports of the economic-financial situations of the economic agents active in the real economy of Romania at the end of each financial year, Ministry of Public Finance