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## **Sustainable Local Development and Building Partnerships**

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**Abstract:** Interest for sustainable development is manifested more strongly in terms emphasis and deepening pressure from the gap between growing needs of a growing population amid increasingly scarce resources and difficult to access, if global development policies and liberalization of markets and prices. Enterprises attach importance increasingly higher their social accountability. Their expectations in terms of local public services and hence increase the need for local development efforts, among them a starring role policies adopted by local authorities.

**Keywords:** optimal development, crisis development, natural capital, local politics, partnership.

**JEL Classification:** Q1

### **1. Introduction**

Local sustainable development is at the intersection of several areas of public intervention, in this sense we can consider, in addition to local economic policies, urban policies and planning policies and strategies of global, European and national protection and growth natural capital.

Local sustainable development in the current context of change of economic and administrative restructuring should be seen as a dependent entrepreneurial innovation and supported by societal and institutional mechanisms flexible, with a high degree of cooperation and local and central interaction. Should, however, that those involved in this process have competence, tools and confidence they will be able to carry out what they started. They are based in their approach, the experience of the European Union, concerning: environmental policy, regional development and local policies, local autonomy, legislative and institutional system, as well as effective means in practical terms of these states.

Necessary in this context, to participate in local sustainable development actions, all subjects economic, social, political, ecological, by forming partnerships to achieve objectives such as tapping capable of producing a balanced local development, raising standards life, creating jobs, improving the business environment, more attractive area for new investment, improve local institutional capacity to develop local economic potential, poverty reduction, implementation of local sustainable development strategy in all specific areas.

### **2. Relationship Company Economy-Ecology, Sustainable Development**

Growing number of interdisciplinary scientific papers, developed as the Club of Rome reports or other studies report the emergence and intensification of natural crisis - human economic development. (Adăscăliței, 2004)

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“The economy is in conflict with the earth's natural systems.” Current growth trends “marks a relation of increasingly tense between economy and ecosystem of the planet, which is a growing economic trap.”

Data published by the World Watch Institute in the state of the world title in the title 2004 years nominees show that the twentieth century corresponded to a phase of intense growth, but led to serious depletion of Earth's natural resources.

The results of human actions insofar as they relate to meeting the needs of people living now and in the future, which are included in natural conditions.

When a rapacious economic system destabilizes the surrounding nature, the consequences affect positive character development - producing a crisis occurs development.

*Natural crisis - human development* on Earth can be interpreted as a complex, deeply, the emphasis on a global scale, man-made environment of incompatibility with the requirements of the natural environment, profit in the monetary sense, with the capital - human, compatibility threatening dynamic balance between efficiency, strict economic, social justice and equal opportunities for generations to coexist and succeed in life, the natural environment - human is given to us.

So far, development has been largely subordinated to monetary profit to those who call themselves entrepreneurs. Now, the crisis that kind of economic progress reveals that the development should be reconsidered, in the sense of being centered on the people so that they, together with the communities in which they live, can control the resources for their benefit present and future.

Increasingly strong tension that exists between our spiritual nature - human and natural environment on which economic and social life demonstrates that the development so far, strongly supported by the World Bank and International Monetary Fund, the administrations of the modern economy can not currently be absolute and permanent.

People for action on a global scale, can make new alternative sustainable development need to be followed a few principles:

- a principle of ensuring equal opportunities for future generations, and expression of their property rights to existing assets. Compliance with this principle in view of new development means that the volume of renewable resources used does not exceed the reproductive capacity of the natural environment, depleting resources used does not exceed its capacity of assimilation and neutralization.
- a principle of economic inequality mitigate - the social expression of the right to ensure future generations a healthy life the things needed, safe, fulfilled and productive. In keeping with this principle, it is natural that the most important contributions to economic development - to receive more social, but within the requirements posed by living a normal life, otherwise there is danger not satisfy the vital needs of each, to be disadvantaged chances of future generations, and distribution of economic power to destabilize the balance of referral.
- a principle of biological diversity and spiritual life - cultural expression and maintenance of compliance with development potential, our participation in the evolutionary process, according to creative destruction.
- a population sovereignty, expression of the right people to decide on the use of available resources, according to aspirations to live a normal life, so that the consequences of decisions to be borne by those who took them.
- a principle of mutual responsibility of those who have the resources to administer the ecological interests of future generations and those who possess special knowledge, to share them with those who might benefit from them.

Pollution - the natural phenomenon, but mostly artificial - appears as a barrier to economic and social development and is also a warning, pointing out that natural resources cannot be exploited for a long

time the cruel and irrational, that the resources natural materials and energy are not inexhaustible, that they have used rational and effective in people's interest, without waste and thoughtful.

Thus, the environment, water, air, landscape, etc.. are considered free goods, free! As a result, they are exploited abusively. The social costs are not analyzed and taken into account even for non-renewable resources (oil, copper, coal).

A group of British researchers assessed the goods offered “free” our natural environment and have published the results in impressive numbers in 2011, pointing to huge losses and costs we will face in the future.<sup>1</sup>

*Externalities* are losses / gains incurred by individuals as a result of economic activities and for which no compensation shall be charged.

Negative externalities are a public bad.

Environmental pollution comes from many sources: wastewater discharge into rivers and emissions from various plants, discharge of wastes into seas, the fields extend into the groundwater pollution, air pollution from automobile gas, noise pollution from aircraft noise and vehicles. Environmental effects pass national boundaries, globalizing: tornadoes, storms, earth warming, acid rain, ozone rarefied, restriction of biodiversity, desertification and soil erosion, etc..

*Causes negative externalities* can be:

- a) The interaction between economic and natural system, each activity begins with the transformation of environmental elements and ends by returning the goods in-kind resources from waste, polluted air, dirty water and poisoned .. etc. This relationship is illustrated by Figure 1.:

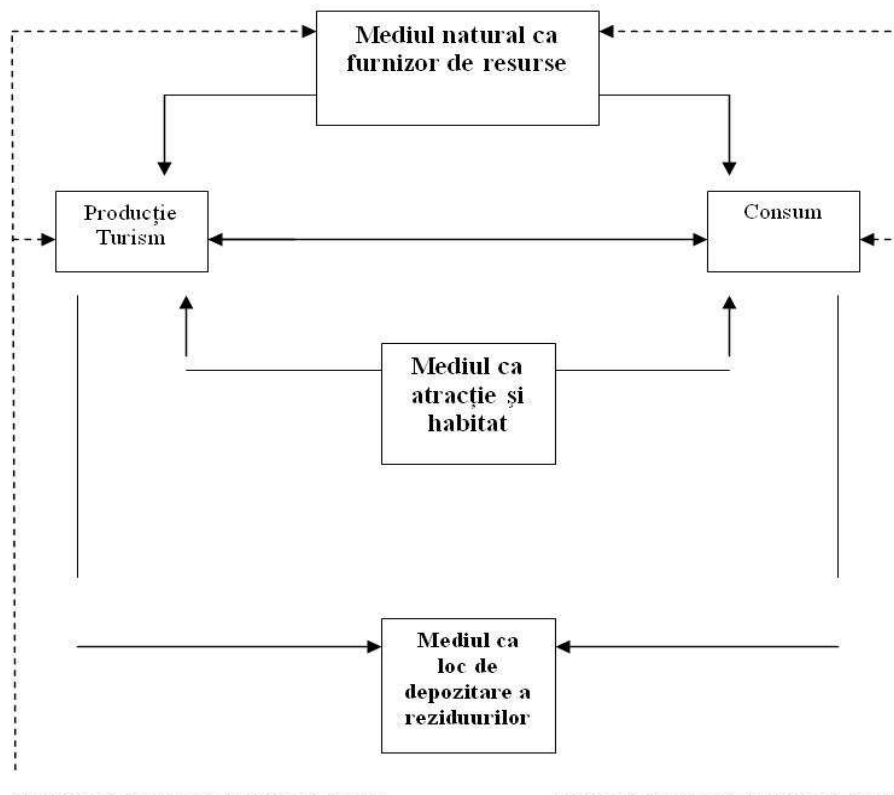


Figure 1. Relationship society - economy – environment

<sup>1</sup> „Jurnalul Național/National Journal”, 06.06.2011, p. 7.

- b) Look at the business were less reported is the limited capacity of the environment to assimilate waste and residues.
- Lack of advanced technologies and their application (if any) on the processing and storage of waste and waste pollutants;
  - Lack of services markets to manage the industry's productive output and consumption as polluting the natural environment;

A modern concept is eco - economy, created by peeling and correct way to achieve sustainable growth and development processes. First, it outlined the concept of sustainable development more sustainable.

The concept of sustainable development refers to development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This concept was accepted and supported worldwide, being taken from the 1992 Rio Conference, an event which triggered a worldwide monitoring program of the relationships between human activities and environment.

The overall objective of sustainable development is to find an optimal interaction of the four basic systems: economic, human, environmental and technology in a dynamic and flexible operation.

New to the concept of *sustainable development is that it pays special attention to poor segments of the population worldwide*. For this purpose formulated the following minimum requirements:

1. Sustainable human development so you will need to place human beings at the center priorities. Environmental protection is vital but also economic growth should be seen as a means to support human development. Sustainability of the planet's natural resources should be provided to protect human life and human options;
2. For developing countries there can be no preference between economic growth and environmental protection. Growth is not an option but an imperative. The problem is not "how much" to economic growth, but "what kind of growth." Growth without environmental damage can be as large as the rapid growth. Developing countries need to accelerate growth rates, but the strategies that take into account the natural physical environment, primarily through the use of technology energy intensive and less polluting industrial countries will have to continue to develop, but with a different strategic objective to move from quantitative to qualitative elements, and from welfare to quality of life;
3. Each country is obliged to formulate their own environmental priorities. These priorities are very different. Most developing countries consider air pollution as a health hazard and shows more concerned with long-term degradation of the quality of life (eg, from global warming). On the contrary, developing countries are troubled more than life itself than its quality. Immediate interests such as providing drinking water in quantities sufficient to support crops stop erosion pass before any other concern for the needs of survivors. But how expensive protective actions, and financial strength is lacking, it appears that *poverty is an enemy of the environment be as great as wealth itself*.

The term sustainable development turns to concepts like "sustainability" or "long term support" or "reliability" and so on. These notions can get very different meanings depending on who they use or location of use. Scarcity of resources has never benefited human creativity and entrepreneurial spirit, a prerequisite for the prosperity of society.

If in most advanced market economy, sustainable development is seen as an obstacle to environmental protection, but rather as a means to improve welfare standards and prolong life expectancy in developing countries - including which Romania - allocation of environmental resources depends directly on the growth rate. Crisis and economic stagnation can provide funds for technological and managerial restructuring, investment in anti-pollution equipment and plant control and protection, training and environmental education specialists.

Currently, for most Romanian, issues such as inflation and providing job-related move ahead of environmental protection. Although the concept of "sustainable development" entered the official

media, not few are those who treat it with suspicion, as a whim or political alibi of the Western world. Experience has shown that as the expansion of production and distribution systems more modern and dynamic, increasing the need for management and protection of natural resources, pollution in all forms. Ignoring this reality raises the cost of pollution and social and economic viability of the price ecosystems. Expert evaluations show that the total reduction in emissions of pollutants requires the allocation of 5-6% of GDP, and rapid restoration of the environment requires the allocation of 8.10% of GDP. Analysis shows that increased environmental pressures and degradation effects have been globalized. The main causes of these undesirable developments should be sought in some kind of restrictions, other than investment or technology that occur in the environmental policies and actions. It's about the difficulties of harmonizing the various benefits on both in terms of economic rationality and social rationality.

In Romania, the acceptance of sustainable development concept faces a number of difficulties, from the semantic and pragmatic to identify content. *Are priority issues need to stop the degradation of natural capital* during the preparation conditions for preserving its economic and social development perspective.

The essence of sustainable development is given to the preservation of that heritage of present and future welfare, which includes not only human capital produced by labor and the stock of scientific and technological knowledge, but also natural capital.

Each government can act for the purposes of creating cross - the economy by establishing cross - pollution tax on the “polluter pays”, but also by measures such as taxes and subsidies policy recalibration, following the imposition of rules favorable supply environment, setting standards appropriate product labeling and programs.

Eliminating subsidies and transferring destructive, at least in part to these funds for renewable energy forms, energy efficient, clean production methods and transport will give a boost to Clean Development transition.

The introduction of environmental taxes is another measure to make market prices reflect a more appropriate way the entire cost of environmental disturbance from economic activities.

### 3. Consumption and Sustainable Development

“Consumption threatens human welfare and the environment when it becomes an end in itself” (Hakweil & Mastuy, 2004, p. 15) where the primary purpose of an individual or measure the success of economic policies of governments.

Private consumption expenditures reached \$ 20,000 billion in 2000 to \$ 4.800 billion in 1960, much of this increase due to the advanced prosperity in many parts of the world which have widened disparities between the level and spent between countries - see Table 1.

**Table 1. Consumer spending and population by region in 2000**

Region	Share of private consumption expenditure	Share of world population
	[percent]	
S.U.A. and Canada	31,5	5,2
Western Europe	28,7	6,4
East Asia and Pacific	21,4	32,9
Latin America and Carribean	6,7	8,5
Eastern Europe and Central Asia	3,3	7,9
South Asia	2,0	22,4

Australia and New Zealand	1,5	0,4
Middle Africa and North Africa	1,4	4,1
Sub-Saharan Africa	1,2	10,9

Increased demand for consumer goods leads to an increase at least proportional to consumption of factors of production: agricultural raw materials, minerals, metals, wood, plastic, etc..

Pressure on natural resources is suffocating for example, stocks of virgin forests for the production of paper and totaling 19% of total world production of wood and 42% of wood harvested for industrial use. By 2050, production of paper and cardboard may represent more than half of world demand for industrial wood. Part of total paper fiber coming from recycling recorded a modest increase from 20% in 1921 to 38% today. Paper consumption will grow in light of FAO projections, almost 30% by 2011, which worsens the impact of recycling on forest reserves.

Social roots of consumer habits, consumption is a part of the social act by which people express their personal and group identity. Social motivators are insatiable consumption engines, in contrast with decent conditions. Globalization has reduced prices and stimulate consumption. Technological innovations have increased production efficiency and capacity to extract resources, increased and diversified offer of goods and services consumption, extend and globalizing markets - food production and consumption of fast food in India increased by 40% annually! .. Expanded markets enable increased division of labor in the production and distribution of goods, achieving economies of volume by comparative advantages, leading to reduced production costs, means of stimulating consumer demand are more sophisticated and subtle - credit cards, government grants.

Negative effects that accompany the consumption boom is amplified from year to year: the problem of waste, threatening ecosystems.

An interdisciplinary international team of experts, said the study published in 2002 in the journal "Science", that all ecosystems are withdrawn to make room for people and their homes, farms, shops and factories.

An indicator of the impact on global ecosystems is human consumption is "ecological footprint" which measures the amount of land necessary productive economy to produce resources and absorb waste.

Calculations show that the Earth provides 1.9 biologically productive hectares per capita to provide resources and assimilate waste, but the man of today use 2.3 ha (9.7 ha for the average American, to 0.47 ha for a Mozambican).

"Fingerprint analysis shows that total consumption levels had exceeded the Earth's ecological capacity since the late 70 or early 80" - see Figure 2.

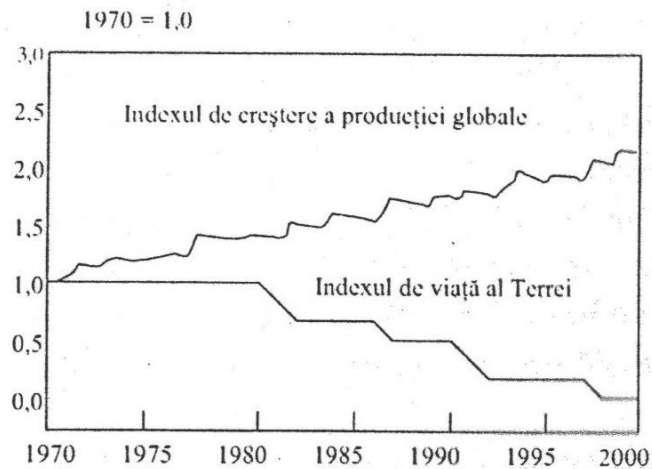


Figure 2. Changes in economic activity and ecosystem health, 1970 – 2000

Source: The World Watch Institute, state of the world, 2004, p. 23

On a similar trend, threatening to humanity, is positioned main types of resources and environmental features - see Table 2.

Table 2. Global resources and ecological trends

Fuels and air	Global consumption of coal, oil and natural gas was 4.7 times higher in 2002 than in 1950. The level of carbon dioxide in 2002 was 19% higher than in 1960, is estimated to be 31% higher than the onset of the industrial revolution in 1750. Researchers have linked global warming trend of the twentieth century with the accumulation of carbon dioxide and other greenhouse gases.
Degradation of ecosystems	More than half of Earth's water areas of wetlands in flood plains to have been lost, largely because of drainage and sanitation for human settlements and agriculture. About half of the original forests that covered the earth were also lost, while another 30% were degraded or fragmented. In 1999, overall use of fuel wood, timber, paper and other wood products was more than double that of 1950.
Level sea water	Sea level rose by 10-20 centimeters in the twentieth century, an average of 1-2 millimeters per year as a result of continental ice mass melting and ocean expansion from climate change. Small countries in the form of the island, which generates only as a percentage of emissions of greenhouse gases, is likely to be flooded by ocean waters.
Ground	Approximately 10-20% of the world's arable land suffers from some form of degradation, and 70% of mountainous areas are degraded. In the last half century, land degradation has reduced food production by about 13% of arable land and pastures 4%.
Fish	In 1999, the total quantity of fish caught was 4.8 times higher than the amount of fish caught in 1950. In just 50 years of fishing fleets have caught at least 90% of large predatory ocean fish: tuna, merlin, swordfish, shark, cod, halibut, turbot and others.
Water	High pumping groundwater leads to decline in agricultural areas - key in Asia, North Africa, Middle East and the United States. Groundwater quality is deteriorating, also as a result of infiltration of fertilizers and pesticides, petroleum substances leaking from tanks, chlorinated solvents and heavy metals from industrial and radioactive waste removed from nuclear facilities.

Premise consumption economy - unlimited consumption is desirable - appears as a fundamental threat to the natural world, which triggered a new form of global fight to change the consumption pattern in the sense of sustainable consumption.

Raw materials and labor from developing countries, yet cheap, excessive consumption are factors stimulant. Similarly, government policies of subsidizing fuel prices remain low, timber, metals and ores, encouraging increased consumption - see table 3.

**Table 3. Estimated global value of harmful subsidies and environmental externalities**

Sector	Grants	Quantifiable Externalities [billion dollars]	TOTAL
Agriculture	260	250	510
Fossil fuels, nuclear energy road transport	100 400	200 380	300 780
Water	50	180	230
Fishing	25	no data	25
Forestry	14	78	92
Total	849	1088	1937

A means of stopping consumption of these used by the European Union since 2004 is the application of “eco-taxes” for energy-intensive companies.

With all the warning signs of relationship drawn on “state of the world”, Western Europe, North America and Japan continue to consume resources at levels incompatible with sustainable development. Pressures, as engines of sustainable development from residents and beneficiaries appear on Earth resources more actively exercising the options for a healthy life in a healthy and sustainable world. Interest in organic food growing fast. Consumption of “good” and should not be much, but rather healthy, clean health status of people. Increased demand for food has led to expansion of intensive, industrial, animal and stimulating the use of different plant and animal growth, which have been shown to increase, on the one hand, the degree of toxicity of food, on the other Party, intoxication natural environment - soil and water - lasting negative effects. In a very suggestive figure shows the efforts and results involving the consumption of meat on the environment and life.

#### 4. Partnerships in Sustainable Local Development

Participation of all actors needs to protect human life from the fact that natural capital is the only way to ensure sustainable development of each community. Four types of structures can occur which can be summarized in the following table:

**Table 4. Forms of partnerships and Features**

STRUCTURE CRITERIA	1: PROJECT	2: CONTRACT 3: COOPERATION	4: PRIVATIZATION
1. Risk Sharing	- The municipality assumes the risks	- Profit-sharing agreement and risk sharing	- Reducing risks through joint participation
2. Optimizing profit	-All profits are municipal	- Sharing profits in proportion to the risk sharing	- Distribution in proportion to the risk acceptance
3.Coordinated development plan	- Integrated in the municipal area	- Agreement on profit-sharing contract	- Cooperative interdependence
4. Stages	-The municipality is not involved	- Feedback when working outside the contract	- After the decision feedback cooperation difficult
5. Marketing potential	- Entirely the responsibility of the municipality	-Extension of the acquisition	- Extension of the acquisition



In comparing the features can be recognized that structures 2 and 3 must be made within the scope of national legal national, striking a balance between independence and democratic government, on the one hand, and private sector interests on the other.

Proper functioning of the PPP is subject to the assumptions that:

- ✓ existence of a common goal;
- ✓ benefits conferred upon each party and proportional to the risks involved;
- ✓ be made arising from *public policy* goal, with certain characteristics:
  - it would be part of the development plan *strategy*;
  - *partner* have *initiator* role in *local development* and economic *guarantor* of spending public money for their achievement (as in public services);
  - to establish a structure (usually belonging to public authorities) to monitor the timeliness and quality of the public good.
- ✓ is a limited partnership.

The main condition is to benefit both sides (Table 5).

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**Table 5. Benefits of the partners with public**

Partners	Give	Receiving
The private sector	Money Benefits in kind products Access to distribution channels Access to customers promotion volunteers	Technical knowledge Brand preference Higher sales Notoriety Social effects Increasing the number of employees loyal
Non-profit sector	Technical knowledge Understanding Networks Volunteers Credibility Access to distribution channels Promotion	More resources Visibility Technical knowledge National network of public institutions and contacts Support for targets
Other public institutions	Influence Access to target markets Technical knowledge Access to distribution channels	Support for institution mission More resources visibility

Of course, companies have different resources (not many quantities) that can support public institutions. They have attracted. First there must be clear objectives initiative.

## 5. Conclusions

“Local sustainable development and building partnerships” addresses a highly topical issue, both theoretical and practical aspect. This explains the concern of states and governments of the world, but closer to our interests, EU and the Romanian authorities for a territorial organization and administration, economic, social and environmental as effective as not to be scattered more difficult to obtain resources for the development and growth.

By the same token, the crisis of traditional system development model - bureaucratic public management shows that it is necessary to rethink the terms of the policy, strategy and tactics on the evolution of human society globally and locally.

Sustainable development as a concept aimed at the participation of all political, economic and social environment to optimize the relationship between human, economic, technological, natural (ambient) is the general uptake and sparks debate and urgent strategies to correct man's mode of action for a positive climate for future generations.

In the framework of sustainable development must blend harmoniously balanced central government policy to local development policies.

It gives an important place to identify the causes that led to imbalances in the natural products, emphasizing the negative role of poor waste management, intensive consumption of the population, industry, widening gaps between rich and poor, increasing negative externalities.

From this analysis emerged the necessity to essential changes in the structure plan economic development - social, in which participation is broader and more specifically, to expand the resource base to extend public services market in order to enhance areas, underdeveloped regions and localities in proximity to communities in terms of level of civilization by:

- alternative policies and mechanisms macroeconomic partnerships;
- appeal to social and cultural criteria, in addition to economic development in the use of local resources;
- improving ambient environmental / natural;
- support SMEs and other types of activities paying taxes;
- development of human resources of the community;
- local solidarity, communication.

Particular emphasis was placed on rationale, role, opportunity, benefits such cooperation models can generate public interest. The paper refers to the types of partnerships and, even if new areas are underrepresented. Therefore, a special place was given to highlight the important role particularly for the establishment of partnerships in our country in terms of local development of the law 178 / 01.11.2010, whose elements of great stimulation for the establishment of partnerships are reported in this paper license.

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