

PUBLIC FINANCIAL EDUCATION AND SUSTAINABLE DEVELOPMENT

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Abstract: *Education and sustainable development are two concepts that subsist and influence each other. At present, humanity faces a series of existential problems, of a sanitary, economic, ecological, social nature, etc., on the solution of which the future of our children depends.*

These issues require a change of attitude in the first place and a responsibility of people that is achieved only through education, this being the key to a sustainable future and a fit society.

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JEL Classification: *H52, H75.*

Introduction

Education has several components, of which financial education is perhaps one of the most important. In the nature of the Romanian is to make public policy, to give his opinion about budgets, salary, pension, allowances, although in most cases it is spoken in ignorance.

In order to eliminate these inconveniences, it is necessary for financial education to include a public component, and to be applied first of all to political and governmental decision-makers, and then to the large mass of the population.

Financial education must address both personal financial resources but more importantly public ones because it would be counterproductive correlated with sustainable development.

As currently discussed, the focus is on increasing public spending, a politically maintained perception, without understanding the context of limited budget revenues, which may create deficits and public debt in the future, which are the opposite of sustainable development.

The examples that require financial education are innumerable, but let's stop at two, topical. The first is the increase of pensions, which for the retired can be an option without understanding the reverse of the medal in case of a limited volume of resources. The solution may be to increase taxes and duties, with an effect that would nullify the increase.

The second example would be the sanitary, medical one, which needs to be reformed, but also its future performance is hit by the same barrier of public financial resources. One of the solutions is public financial education, whose purpose would be at least to make or support financial decisions as correct as possible.

The Romanian citizen, financially educated in public finance, will be more disciplined in spending public money, which will lead to the design, understanding and application of optimal, efficient public policies, which will have as a goal a sustainable development.

Currently, as a result of structural changes on the labor market, corroborated with the changes in education, the effect of scientific progress, of the advance of scientific research, new ways of approaching the economy are required in direct compatibility with producers' requirements, consumer expectations, and market evolution at global level. Any economic act, in the sphere of production and consumption, must be circumscribed to the concept of economy, in the sense of rational use of economic resources, and to the concept of utility, respectively to the choice of a good that meets the needs of such a consumer, by taking into account the preference-income ratio (budget). For this reason, the individual, through his actions, is circumscribed to the economic act, in the sense that his education becomes a premise of the level of well-being that can be achieved, following a accumulation of factors: educational, cultural, economic, environmental, social-political, regional, etc. Through ecoeconomics and the concepts of smart economy or circular economy, the individual will corroborate a series of aspects that interpose the human-material-natural (environment) ratio by using resources in conditions of economic sustainability.

The need to study economics is not a problem or a goal of economists or practitioners in economics alone. Saving is a constant of everyday life, whether we choose goods to consume them, whether we make family budgets or budgets of a productive society. Making economics is in fact the way of an individual to integrate into society, to efficiently manage resources for the purpose of one's own well-being, and consequently, also for the welfare of others, respectively of the community.

The problems that reside in society, generated by a high consumption, by the identification of solutions for remedying some malfunctions, for increasing the quality and eco-efficiency of an asset, have the solution in answering the fundamental questions in the economy: For whom do we produce? What do we produce? Under what conditions do we produce? By what means do we produce?

The answer is identified in the rational management of economic resources, in the use of environmentally friendly technologies that are compatible with the principles of sustainability, in the free fluctuation of supply and demand, in particular, in the design of prices according to the absorption capacity of

products and their competitiveness. An important role in this process is played by economic actors, the state, businesses, and households and abroad.

Understanding the role of economic actors

Through actions focused on human development and entrepreneurship, the society will ensure a potential to generate rational economic behaviors, based on the efficient use of resources, on the awareness of the danger of resource depletion and implicitly of the possibility of market expansion. The economic process must be based on the breeding capacity of pre-existing economic factors with limited duration of use, which implies taking into account a limited stock of green capital.

The problem with the economy is how exactly it's going to potentiate this stock of green capital. In this respect, the process of producing and distributing incomes to support the actions of producing economic welfare is taken into account. The following shall be taken into account:

- production of economic goods allocated through the market, aiming at the intensive use of economic resources;
- generating economic incomes that ensure the premises for a decent standard of living;
- defining the term 'decent' and identifying those limits that allow the maintenance of expected levels of economic use at the various fluctuations in the level of income;
- imposing a certain institutional amount of income generated by tax levels;
- the degree of affordability of the real economy, generating taxable income, of passive beneficiaries, as a component part of the nominal economy, as a whole. It is taken into account that the sustainable use of economic resources involves the process of engaging in the economic activity of all labor resources, generating an active, creative, participatory behavior.
- transferability of economic resources, including at the level of local economy, which implies approaching the economy on the principle of relative advantages, efficiently capitalizing on the productive potential, increasing the degree of complementarity between economic regions, establishing market relations strictly on competitiveness criteria.

As is known, the state is an economic actor whose functions are related to objectives such as achieving welfare, increasing the standard of living, assisting and protecting the low-income population, ensuring a social balance in terms of equity and social justice relations.

The most important objective, with major implications on the overall economic mechanism, is the function of orientation of the economic activity through economic policies, outlining a certain trend of growth and economic development in agreement with the political doctrine of the state.

Economic policies influence the economic mechanism through a system of levers and instruments, both directly and indirectly, which, through the relations of mutual, systemic interaction, give consistency or not to the economic act.

In the post-Decembrist Romanian economy, the lack of systemic approach to economic policies and as a result of the succeeding in time of several governments whose political doctrines were not compatible and complementary with the liberalist economic doctrine, specific to the market economy, led to the formation of a fragile economic mechanism, uncompetitive with the mechanism of the European Union as a whole. The causes would be, on the one hand, the low productivity of the factors of production and, on the other hand, the existence of an unfavorable competitive environment.

In our opinion, the increase in productivity comes from a sustained investment effort towards those sectors and branches of the economy where there are relative advantages through the quality-price ratio on both local and regional or world markets. An active economic policy must identify the sectors of the economy where such competitive advantages exist, intervene through fiscal and monetary levers aimed at attracting and preserving investment. Frequent changes in economic policy, either as a result of changes in the political environment or as a result of the influence of pressure groups, make the attitude of investors to be oscillating, with direct repercussions on the level of production, and implicitly on jobs.

Another element that influences productivity is the endowment with factors of production, viewed both qualitatively and quantitatively. From a quantitative point of view, Romania has a high volume of factors of production, which was, and still constitutes, a comparative advantage. If we look at it from a qualitative point of view, the statistics show that the workforce is increasingly under-skilled, with training that is not entirely found in the structure of current jobs, with a low motivation, which constitutes a relative loss, with a direct effect on the decrease in productivity. In this respect, the economic policy of the state should take into account social programs to raise awareness of the population on the importance of education in the current society, to prevent school dropout, while ensuring a minimum income per family.

As is well known, competition is the key to the success of an economy. In Romania, the fiscal instability transmitted to the business environment, as a result of a lack of budgetary forecasting and a rigidity of the budgetary policy instruments, including the lack of transparency regarding the process of redistribution of budget revenues, combined with high credit costs in the economy, make the profitability and efficiency of the actions taken by private entrepreneurs to be low. This reinforces the belief that Romania is not yet a functioning market economy, that the action and pressure of interest groups create huge dysfunctions both in the mechanism of allocating resources and in the mechanism of redistribution of benefits.

It is difficult to show who is to blame for Romania's lack of competitiveness and for its inability to capitalize on its own and borrowed resources in order to achieve an optimal level of well-being. One solution would be to increase production and create outlets by actively promoting economic potential. There are many opportunities to attract human capital for productive purposes, especially in agriculture, tourism, artisanal industry, light industry, but I believe that the Romanian workforce lacks the capacity to get involved, the motivation and, above all, coordination and organization. Perhaps the anguish acquired during the years of the communist regime has not yet been overcome, or perhaps the high level of corruption in the administration leads to a lack of motivation and involvement, but Romania cannot develop economically and socially if it imports

most of the consumer products, if it exports a significant volume of raw materials and if it executes a limited number of economic operations within a product in Lohn regime leaving untapped resources and wasted inputs.

We believe that it is opportune to actively involve the state through social policies and to restructure employment, to attract civil society and private interest in rethinking and reconfiguring the market system in Romania in order to create premises for the conservation and efficient exploitation of domestic economic potential. Romania must also implement a mix of fiscal, budgetary and monetary policies that will shape an attractive and stimulating business environment, in which the action of interest groups is aimed only at increasing the added value and at enhancing internal and external competitiveness.

Conclusions

In essence, the factors that drive economic growth can be synthesized in those who support the development of entrepreneurship. Entrepreneurship aims to increase the income level of the entrepreneur and society, which contributes to supporting economic growth and development.

It is very interesting how today's society develops entrepreneurship and initiative as determinants for achieving primordial economic objectives, such as employment and wealth creation. Through entrepreneurship, the individual empowers his creative energies in order to obtain sources of income for himself and the community to which he belongs, becomes motivated to increase the quality of the services offered to consumers, creates economic goods that meet the needs of demand being constrained to the efficient use of resources precisely by the need to provide reliable economic goods through the quality-price ratio, is interested in its image on the market proliferated by the image of the products made and marketed. In fact, the entrepreneur identifies with the community to which he belongs, is part of the local governance system, generates community welfare and advocates for a fair governance system. It is, in this way, a promoter of the country management system.

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