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and business development and attempts to publish high quality research focusing on the role of institutions and public policy, within both a national and international context. *REBE* encourages cross-disciplinary research work of Romanian and foreign scholars.

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TOURISM IN THE NEW NORMAL: SUSTAINABLE PRACTICES AND ADAPTATIONS POST-COVID IN ROMANIA

*Patrichi Ioana Cristiana**

Abstract

The COVID-19 pandemic has fundamentally altered the landscape of global tourism, compelling the industry to adapt to unprecedented challenges. This paper explores the transformative impact of the pandemic on Romania's tourism sector and examines the sustainable practices and adaptive strategies that have emerged in response. Through a comprehensive analysis of statistical data, industry reports, and case studies, the paper identifies key shifts in tourist behavior, such as an increased preference for domestic travel and rural destinations and highlights the implementation of enhanced health and safety protocols. The study also investigates the role of government initiatives in supporting the sector's recovery and fostering sustainable tourism development. By evaluating the long-term implications of these adaptations, the paper provides insights into how Romania's tourism industry can build resilience and thrive in the post-pandemic era. This research contributes to the broader discourse on sustainable tourism, offering a roadmap for other regions facing similar challenges in the new normal.

Keywords: *Tourism, sustainability, COVID-19, new normal, adaptation, resilience, nature-based tourism, domestic travel, personalized experiences*

JEL Classification: L83, Q01, Q26, Z32

1. Introduction

The COVID-19 pandemic, caused by the novel coronavirus SARS-CoV-2, emerged in late 2019 and rapidly evolved into a global crisis, affecting virtually every aspect of human life and triggered an unprecedented economic downturn.

The COVID-19 pandemic has brought about unprecedented disruptions to the global tourism industry, profoundly affecting travel patterns, business operations, and economic stability. Romania, a country known for its rich cultural heritage and diverse landscapes, has experienced significant challenges as a result of the pandemic. The abrupt cessation of international travel, coupled with stringent lockdown measures, led to a sharp decline in tourist arrivals and revenue, exposing vulnerabilities within the tourism sector. The ramifications of these disruptions extend beyond immediate economic losses, prompting a reevaluation of tourism practices and the necessity for resilient and sustainable strategies. The pandemic has underscored the fragility of the tourism industry

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and highlighted the need for adaptive measures that can withstand similar crises in the future.

The objectives of this study are threefold: first, to analyze the immediate and ongoing effects of the COVID-19 pandemic on Romania's tourism sector; second, to identify and evaluate the sustainable practices and adaptive measures that have been implemented during the post-pandemic recovery phase; and third, to provide insights and recommendations for fostering a more resilient and sustainable tourism industry in Romania moving forward. Understanding the shifts in tourist behavior, the implementation of new health and safety protocols, and the role of government and industry support measures is crucial for navigating the "new normal" in tourism. This paper contributes to the broader discourse on sustainable tourism by highlighting Romania's unique challenges and responses, offering a roadmap for other regions facing similar issues.

2. Literature review

The tourism industry has long been recognized as a significant economic driver (Volkman, 2021), contributing to employment (according to the World Travel & Tourism Council from 2014 to 2019, the travel and tourism industries accounted for a quarter of all newly generated jobs globally), income generation (10.3% of global economy Gross Domestic Product), and infrastructure development in many countries. However, the industry has also been criticized for its environmental footprint, social impacts, and contribution to unsustainable consumption patterns.

The COVID-19 pandemic has had profound economic and social repercussions on the global tourism industry (Seabra, 2022; Hanyuan, 2021), reshaping the landscape in unprecedented ways (Chang, 2021) and altering the essence of hospitality (Rivera, 2020). The sudden and widespread travel restrictions, lockdowns, and safety concerns (Orîndaru, 2021; Gu, 2021) led to a dramatic decline in international and domestic tourism (Iftimoaei, 2023), causing severe revenue losses for businesses across the sector. Travel restrictions, social distancing (Gagan, 2021), quarantine, border closures (Gössling et al., 2020), and public health concerns led to a significant drop in international tourist arrivals (Fong et al., 2020). The World Tourism Organization (UNWTO) estimates that international tourist arrivals fell by over 75% in 2020, representing a loss of 1.4 billion tourists (Unwro.org, 2021). This decline had a devastating impact on the travel and hospitality industries, which rely heavily on tourism revenue. The impact of the pandemic was particularly severe in certain regions, such as Europe and Asia. In Europe, international tourist arrivals fell by 78% in 2020, while in Asia, they fell by 70%. These declines were due in part to the early spread of the virus in these regions.

Economically, countries heavily dependent on tourism faced significant challenges as revenue streams dwindled. Small businesses that rely on tourist spending suffered, impacting local economies (Alves, 2020; Dobrescu, 2020). Governments implemented various measures to support the industry, including financial aid packages and stimulus programs, yet the road to recovery remained uncertain. Also, millions of jobs were affected (Breisinger, 2020; Yan, 2021; Woyo, 2022), particularly in travel agencies, hotels, airlines, and related services, exacerbating unemployment rates, but also in tourism-related industries (Assaf, 2020). Moreover, the reduced tourism activity had a ripple effect on related sectors such as agriculture, retail, and entertainment, further compounding the economic challenges. The decline in tourism also affected public revenues, as taxes and fees associated with travel and hospitality diminished, putting additional strain on public services and infrastructure projects.

Socially, the pandemic significantly disrupted traditional tourism patterns, prompting individuals to reevaluate their travel behaviors due to heightened health and safety concerns (Ronki, 2021). The pervasive sense of uncertainty surrounding the virus catalyzed a shift towards local and nature-based tourism (Gonçalves et al., 2023; Buckley, 2022), as travelers increasingly sought destinations perceived as safer and less crowded, often in the countryside (Candia, 2022). This trend towards local exploration and an appreciation for natural environments reflects a broader movement towards sustainable travel practices.

As people prioritize destinations that offer open spaces and outdoor activities, the tourism industry is witnessing a transformation that could lead to long-term changes. Businesses within the sector are adapting by emphasizing hygiene measures, flexible booking policies, and sustainable practices to meet the evolving demands of cautious travelers. This shift is fostering a more sustainable and resilient tourism model (Galvani, 2020), one that balances economic recovery with environmental stewardship and community well-being.

Furthermore, the pandemic has accelerated the adoption of digital technologies in tourism, from virtual tours to contactless services, enhancing the overall travel experience while ensuring safety. These technological advancements, combined with the growing preference for eco-friendly and local travel, suggest that the changes in consumer behavior may have lasting implications, potentially redefining the future landscape of the tourism industry.

From a tourism perspective, the COVID-19 pandemic significantly impacted the environment. The sharp decline in travel, especially air travel, led to a substantial reduction in carbon emissions, offering a glimpse into the environmental benefits of decreased tourism activity. With fewer tourists visiting natural sites, many ecosystems experienced a period of recovery, allowing wildlife to thrive in less disturbed habitats and resulting in increased

sightings of various species in previously crowded areas. Additionally, reduced tourism activity led to a decrease in pollution and waste generation in popular destinations, leading to improvements in cleanliness and overall environmental health.

The pandemic also prompted the tourism industry to reevaluate its environmental impact and adopt more sustainable practices, emphasizing eco-friendly travel, responsible tourism, and conservation efforts. However, the drop in tourism revenue posed challenges for conservation programs that relied on tourist fees for funding, affecting the ability of protected areas and wildlife reserves to maintain conservation activities. Despite these challenges, the pandemic raised awareness about the environmental impact of tourism and the importance of sustainable travel, with many travelers becoming more conscious of their ecological footprint and seeking more sustainable travel options. Overall, the COVID-19 pandemic offered an opportunity to pause, reorient, and rethink and highlighted the need for a more sustainable and responsible approach to tourism moving forward (Lew et al., 2020).

3. The influence of Covid Pandemic over the tourism industry in Romania

The impact of COVID-19 on Romania has been profound, affecting various aspects of life from healthcare to the economy and social dynamics. Since the pandemic's onset in early 2020, Romania, like many countries worldwide, faced significant challenges and transformations. The impact of COVID-19 on Romania has been profound, particularly in healthcare and the economy. As of the latest reports, Romania has reported over 3.5 million confirmed cases and more than 68,000 deaths due to the virus, highlighting the significant toll on public health infrastructure and resources (Ministerul Sănătății, 2024). The healthcare system faced unprecedented challenges, with hospitals operating at near-capacity, and healthcare workers under immense strain.

Economically, Romania experienced a contraction of 3.9% in GDP in 2020, rebounding to a growth of 7.1% in 2021, albeit unevenly across sectors. Industries like tourism and hospitality, which contribute significantly to the economy, suffered drastic declines due to travel restrictions and reduced consumer spending. The unemployment rate rose to 5.2% in 2021 from 3.9% in 2019, reflecting job losses and economic instability exacerbated by the pandemic. The abrupt and extensive imposition of travel restrictions, lockdowns, and health-related concerns have significantly disrupted tourism dynamics, affecting both inbound and domestic travel. This scientific analysis elucidates the multifaceted effects of the COVID-19 pandemic on Romania's tourism industry by examining key indicators and trends during the pandemic and subsequent recovery phases.

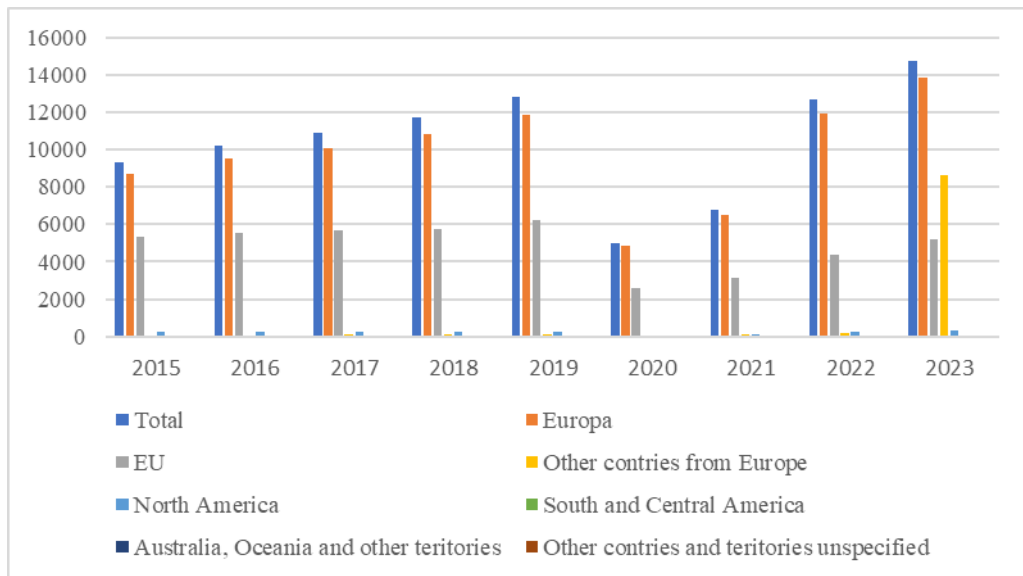
Immediate effects of the pandemic over the tourism were:

- *Decline in Tourist Arrivals and overnights*

The most immediate and observable impact of the COVID-19 pandemic on Romania's tourism industry was a pronounced decline in tourist arrivals. Data from the National Institute of Statistics (INS) indicates a reduction of approximately 60% in the number of foreign tourists visiting Romania in 2020 compared to 2019 (figure 1). This drastic drop can be attributed to a combination of international travel restrictions, fear of virus transmission, and widespread uncertainty, which led to a significant decrease in global tourism.

Foreign tourism, which had been a substantial contributor to Romania's tourism revenue, saw one of the sharpest declines. Popular destinations such as Bucharest, Transylvania, and the Black Sea coast experienced a marked reduction in the number of visitors. Events, festivals, and conferences that typically attracted international tourists were either canceled or postponed, further exacerbating the decline. This downturn had a ripple effect on related sectors, including hospitality, transportation, and entertainment, leading to widespread economic challenges. Domestic tourism also faced significant challenges as national lockdowns and stringent travel restrictions curtailed mobility within the country.

Figure 1. Foreign arrivals in Romania between 2015-2023



Source: National Institute of Statistics, insse.ro, 2024

The INS reported substantial reductions in the movement of domestic tourists, with many opting to stay home due to health concerns and regulatory

limitations. Attractions that usually saw high footfall, such as historical sites, natural parks, and wellness resorts, experienced reduced visitor numbers.

- *Hotel Occupancy Rates*

The COVID-19 pandemic precipitated a significant decline in hotel occupancy rates across Romania, dramatically altering the landscape of the hospitality industry. According to National Institute of Statistics, the average occupancy rate for Romanian hotels plummeted from over 50% in 2019 to approximately 20% in 2020. This precipitous drop reflects not only the reduction in tourist numbers but also the operational challenges hotels faced, such as the necessity to comply with newly instituted health and safety regulations.

The drastic fall in hotel occupancy rates can be attributed primarily to the sharp decrease in both international and domestic tourist arrivals. With stringent travel restrictions and widespread apprehension about contracting the virus, many potential travelers opted to postpone or cancel their trips. Events that typically drew significant numbers of tourists, such as business conferences, cultural festivals, and sports events, were either canceled or held virtually, further reducing the demand for hotel accommodations.

In addition to the decline in demand, hotels faced a multitude of operational challenges. The implementation of health and safety regulations necessitated significant changes in how hotels operated. This included:

- **Enhanced Cleaning Protocols:** Hotels had to adopt rigorous cleaning and sanitization protocols to ensure the safety of guests and staff. This often-required additional staff, specialized training, and the purchase of new cleaning supplies and equipment, increasing operational costs.

- **Social Distancing Measures:** Common areas such as lobbies, restaurants, and conference rooms had to be reconfigured to adhere to social distancing guidelines. This reduced the capacity of these spaces, limiting the number of guests that could be accommodated at any given time.

- **Health Screenings:** Many hotels implemented health screenings, including temperature checks and health questionnaires for guests and staff, to mitigate the risk of virus transmission. This added an extra layer of complexity to hotel operations.

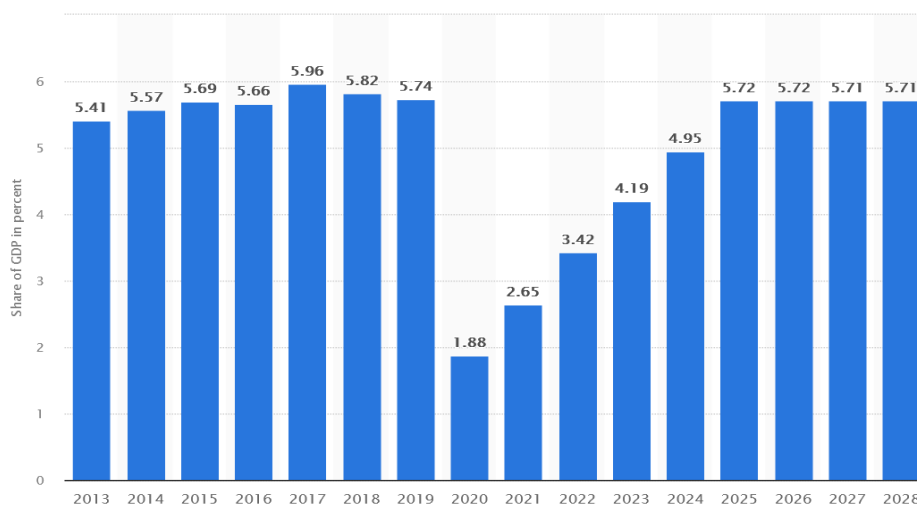
- **Quarantine Requirements:** Some hotels designated specific rooms or floors for guests needing to quarantine, further limiting the number of available rooms for general bookings.

- *Economic Losses*

The economic ramifications of the COVID-19 pandemic for Romania's tourism sector were severe, leading to substantial revenue losses and a significant contraction in economic output. Prior to the pandemic, the Romanian tourism industry contributed approximately 2.5% to the national

GDP in 2019. However, the advent of COVID-19 brought about a dramatic decline in this economic contribution, as illustrated in the bellow figure.

Figure 2 Share of the GDP of the tourism sector in Romania from 2013 to 2028

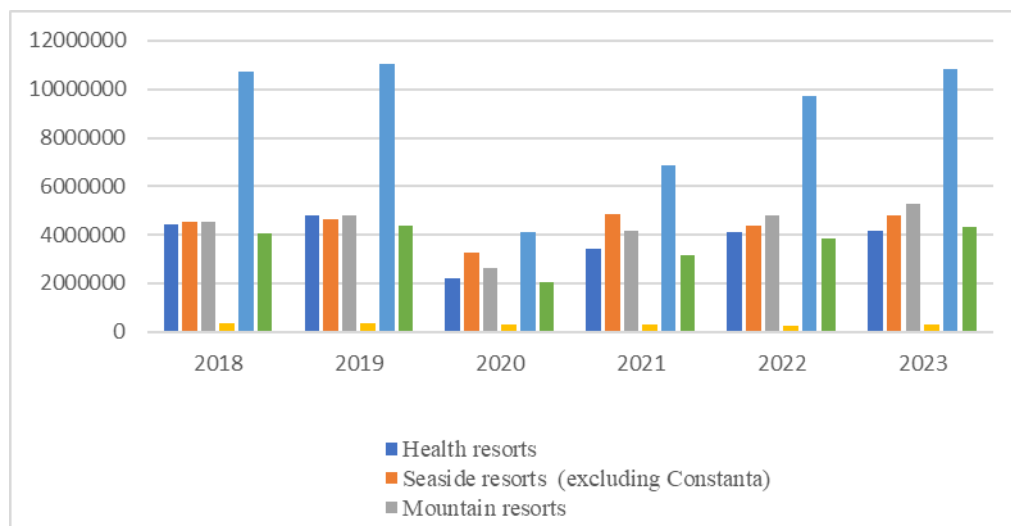


Source: Statista.com, 2024

Numerous businesses within the sector, particularly small and medium-sized enterprises (SMEs), faced financial distress, resulting in closures and layoffs. The sharp drop in tourist arrivals and overnight (figure 3) stays directly translated to a precipitous fall in tourism revenues. Hotels, restaurants, travel agencies, tour operators, and other related businesses experienced a severe downturn in income and thousands of people lost their jobs.

Popular tourist destinations such as Bucharest, Transylvania, and the Black Sea coast saw their visitor numbers dwindle, leading to significant losses in tourist spending. The ripple effect of this decline was felt across the broader economy, impacting suppliers, service providers, and local communities dependent on tourism income. SMEs, which form the backbone of Romania's tourism industry, were particularly hard-hit. Many small businesses lacked the financial resilience to withstand prolonged periods of reduced demand.

The sudden loss of revenue forced numerous SMEs to either temporarily shut down or permanently close their doors. Layoffs and furloughs became widespread as businesses struggled to manage their payroll expenses. The lack of tourists also meant that many seasonal and part-time workers, who form a significant portion of the tourism workforce, found themselves unemployed.

Figure 3. Overnights evolutions between 2018-2023

Source: National Institute of Statistics, *insse.ro*, 2024

In terms of behavioral changes in tourism there was a shift to domestic tourism. As international travel became increasingly restricted, there was a notable shift towards domestic tourism. Romanians began to explore local destinations more frequently, often selecting rural and less populated areas to adhere to social distancing guidelines. This shift provided a temporary uplift to specific regions, although it was insufficient to offset the overall decline in tourist activity. The pandemic also led to changes in accommodation preferences. Tourists increasingly favored private rentals and smaller boutique hotels over larger hotel chains to minimize contact with others, underscoring heightened health and safety concerns during travel. Another trend is a greater focus on personalized experiences.

4. Post-Pandemic Recovery

Before COVID-19, Romania was steadily increasing its tourist numbers year by year. In 2019, Romania welcomed approximately 13.1 million international tourists, marking a significant rise from previous years. However, with the outbreak of COVID-19 in early 2020, international travel restrictions and lockdown measures severely impacted global tourism, including Romania. In 2020, tourist arrivals plummeted to around 4.3 million, a sharp decrease of about 67% compared to 2019. With the introduction of vaccines and the gradual easing of travel restrictions, Romania began to observe a return of tourists in late 2021 and 2022. Nevertheless, the recovery was uneven, with urban tourism rebounding more slowly compared to rural and nature-based tourism. In 2023

there were according to NIS, 13.9 million tourist arrivals, reaching the values before the pandemic.

The tourism industry had to rapidly adapt to new health and safety protocols, which included enhanced cleaning procedures, contactless services, and health certification for establishments. While these adaptations helped rebuild trust among tourists, they also increased operational costs for businesses.

Travelers are seeking more immersive and authentic experiences that allow them to connect with the destination and its culture. This is leading to a demand for smaller, more intimate accommodation, as well as unique and off-the-beaten-path experiences.

The tourism industry is also adapting to the new normal by embracing digital technologies. Online booking platforms, mobile apps, and virtual reality experiences are becoming increasingly popular, as they allow travelers to plan and experience their vacations more efficiently and safely.

The Romanian government introduced several support measures to facilitate the tourism sector's recovery. Here are some measures that could have been taken:

1. **Financial Assistance Programs for Tourism Businesses:** The government might have introduced financial aid packages to support tourism businesses, including grants, loans, or tax relief measures. These could have been aimed at helping businesses cover operational costs, retain employees, or invest in safety measures. Also, vacation vouchers were designed to incentivize domestic travel by providing financial support directly to citizens, thereby boosting spending in the tourism sector. This targeted approach aimed to support local businesses, particularly in tourism-dependent regions, and stimulate economic activity.

2. **Marketing Campaigns to Promote Domestic and Sustainable Tourism:** To stimulate demand and boost the local tourism industry, the government could have launched marketing campaigns encouraging domestic travel. These campaigns might have highlighted the beauty of Romania's natural landscapes, cultural heritage sites, and unique experiences. Moreover, there might have been a focus on sustainable tourism practices to ensure the long-term viability of the industry.

3. **Policy Changes and Regulatory Support:** The government may have implemented policy changes and regulatory adjustments to facilitate the recovery of the tourism sector. This could include streamlining permit processes, revising zoning regulations, or adjusting licensing requirements to make it easier for tourism businesses to operate.

4. **Collaboration Between Public and Private Sectors:** Close collaboration between the public and private sectors is essential for the recovery of the tourism industry. Public-private partnerships might have been formed to

develop and implement recovery strategies, share resources, and coordinate efforts. These partnerships could involve tourism associations, local businesses, government agencies, and non-profit organizations working together to address common challenges and capitalize on opportunities.

The pandemic has likely precipitated long-term changes within the tourism industry. There is an increased preference for domestic travel, heightened awareness regarding health and safety, and a shift towards digital and contactless services. Furthermore, the industry is increasingly exploring sustainable tourism practices in response to a growing demand for responsible travel options.

5. Long-term Implications and Future Trend

In the wake of the COVID-19 pandemic, Romania's tourism industry has undergone significant transformations, with a notable shift towards sustainable practices and adaptations. As the world navigates the complexities of recovery, Romania has embraced a forward-looking approach that not only prioritizes economic revival but also underscores the importance of environmental conservation, community engagement, and responsible tourism. Here are some of the sustainable practices and adaptations that have emerged in Romania's tourism sector post-COVID, also shown in figure 4:

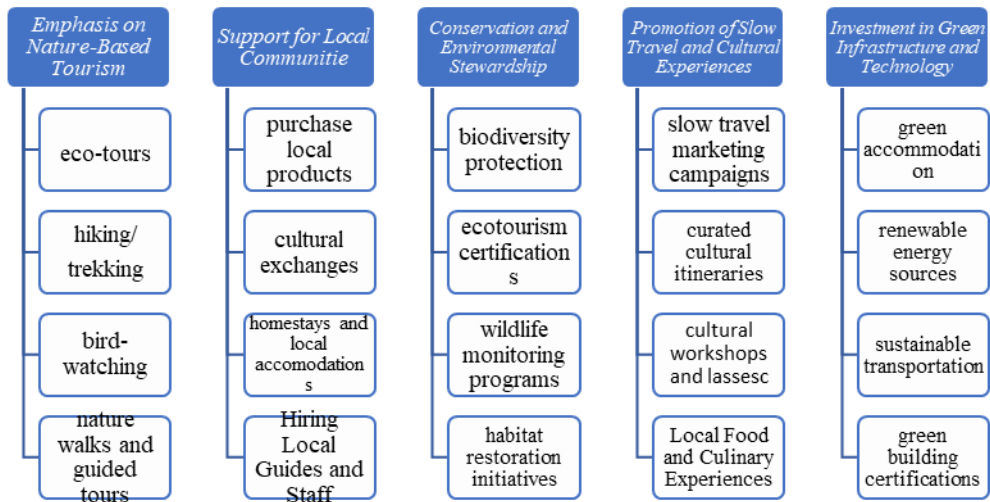
1. ***Emphasis on Nature-Based Tourism:*** With travelers increasingly seeking open spaces and natural environments, Romania has placed a renewed focus on its abundant natural assets. From the majestic Carpathian Mountains to the pristine Danube Delta, the country offers a wealth of opportunities for nature-based tourism. Post-COVID, there has been a concerted effort to promote activities such as hiking, birdwatching, and eco-tours that allow visitors to connect with nature while minimizing their environmental footprint.

2. ***Support for Local Communities:*** Recognizing the vital role that local communities play in the tourism ecosystem; Romania has sought to empower and support them through sustainable tourism initiatives. Community-based tourism projects, homestays, and cultural exchanges have gained prominence, providing visitors with authentic experiences while generating income for rural and marginalized communities. By involving locals in the tourism value chain, Romania fosters social inclusion and ensures that tourism benefits are equitably distributed.

3. ***Conservation and Environmental Stewardship:*** As stewards of some of Europe's most valuable natural habitats, Romania has redoubled its commitment to conservation in the post-COVID era. Sustainable tourism practices prioritize the protection of biodiversity, preservation of ecosystems, and reduction of carbon emissions. Ecotourism certifications, wildlife monitoring programs, and habitat restoration initiatives are just some of the

strategies employed to safeguard Romania's natural heritage for future generations.

Figure 4. Sustainable practices in Romania's post-COVID tourism (author' processing)



4. **Promotion of Slow Travel and Cultural Experiences:** In a departure from mass tourism models, Romania has embraced the concept of slow travel, encouraging visitors to immerse themselves in local culture, traditions, and way of life. Cultural heritage sites, traditional crafts, and culinary experiences take center stage, offering travelers meaningful encounters and a deeper appreciation for Romania's rich cultural tapestry. By promoting slow travel, Romania fosters a more sustainable and authentic tourism experience that benefits both visitors and host communities.

5. **Investment in Green Infrastructure and Technology:** To support sustainable tourism practices, Romania has made investments in green infrastructure and technology. From eco-friendly accommodation options and renewable energy installations to waste management systems and sustainable transportation initiatives, these investments help reduce the environmental impact of tourism while enhancing the overall visitor experience. By harnessing innovation and technology, Romania strives to build a more resilient and sustainable tourism industry in the post-COVID era.

Conclusions

The COVID-19 pandemic has presented an unprecedented opportunity to reshape the trajectory of global tourism, steering it towards sustainability and resilience. By integrating sustainable practices and responding to evolving traveler preferences, the tourism industry stands poised to emerge from the

crisis stronger and more dedicated to fostering positive change. A reimagined tourism sector, rooted in principles of sustainability and social responsibility, has the potential to foster a future that is more equitable, environmentally conscious, and dynamic for destinations and travelers alike.

Romania's post-COVID approach exemplifies a steadfast commitment to cultivating a tourism sector that is resilient, inclusive, and environmentally responsible. Through prioritizing initiatives such as nature conservation, community engagement, preservation of cultural authenticity, and harnessing technological innovation, Romania is laying the groundwork for a future where tourism harmonizes with the natural environment and enriches local communities.

By embracing sustainable practices, Romania not only enhances its attractiveness as a destination but also sets a precedent for global tourism to follow. This transformation not only safeguards natural and cultural heritage but also fosters economic prosperity and social well-being. As Romania and other nations continue to navigate the aftermath of the pandemic, the shift towards sustainable tourism practices promises a future where tourism serves as a catalyst for positive societal and environmental impact, contributing to a more resilient and vibrant global community.

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ECONOMIC TERMINOLOGY ADOPTION IN PEDAGOGY APPROACHES IN LANGUAGE LEARNING FOR ECONOMICS STUDENTS

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Abstract

Economic terminology adoption in pedagogy approaches for language learning in economics students involves integrating economic concepts and vocabulary into language instruction. This approach aims to help students understand and use economic terminology accurately and effectively in their academic and professional lives. The current study makes suggestions on how to improve this integration. The integration of economic terminology tools into the instructional approach enhances language acquisition while providing economics students with the necessary abilities to succeed in the globally linked world of today.

Keywords: *economics curricula, economic terminology, economics students, language learning*

JEL Classification: D83, P36, P46, Z11

1. Introduction

Each learner advances at their own rate when language study materials are customized using adaptive platforms to meet their own needs. This customized method can be very helpful for understanding the subtleties of economic jargon. Including these economic terminology in the teaching methodology enhances language acquisition and gives economics students the specific vocabulary needed for their area of study¹.

Through the use of online collaboration platforms, students studying economics may improve their language proficiency and engage with a community of like-minded academics. This cooperative method develops a friendly and stimulating learning atmosphere while promoting linguistic competency.

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¹ Andrea, P., & Andrea, P. (2023). Use of Electronic Resources in Teaching and Learning EFL in Higher Education.

Students may employ their language abilities in real-world situations through case studies and simulations that center on economic dilemmas. By bridging the knowledge gap between theory and practical applications, this promotes a deeper comprehension of economic principles. Students get real-world experience with economic terms through immersive encounters in economic situations.

By exposing economics students to real-world scenarios, realistic, dynamic, and interactive language learning settings improve their language proficiency. Students' language skills are enhanced by this practical method, which also gives them the confidence to handle real-world economic situations.

Activities for language acquisition with an economics topic may be entertaining and reinforce the use of economic terms. For students studying economics, these exercises turn the difficult process of learning new language into an interesting and dynamic experience.

2. Economic terminology through language learning apps

Students studying economics can improve their vocabulary by using language learning applications designed specifically for their area. These applications frequently include gamified experiences, which add enjoyment to the learning process. Apps for language learning targeted for economics students meet the unique language requirements of those pursuing this subject.

The goal of these applications is to develop a specific language related to economics. By learning concepts like GDP, inflation, fiscal policy, and more, users may make sure they are fluent in the vocabulary used frequently in economic conversation. Economic language learning applications frequently offer realistic problems and examples. This increases the practicality and applicability of the learning process by assisting students in comprehending the real-world applications of economic terminology.

Interactive tests and other gamified components can help to strengthen economic language proficiency. In order to provide an interesting learning environment, these quizzes may contain questions about case studies, policy issues, and economic theory. Students may hear and see economic principles in action by using these applications' audiovisual material. This multimodal technique improves overall language understanding by reinforcing visual and aural learning.

Progress monitoring tools are included in a lot of language learning programs. This might involve monitoring an economics student's ability to comprehend difficult economic literature, use economic terminology, and even take part in simulated economic debates. Students may practice using their language abilities in real-world contexts by using the app to simulate real-world economic issues. This might entail bargaining, putting out financial estimates, or talking about the consequences for policy.

These applications frequently provide writing assignments and grammar that are specific to the subtleties of economic language, in addition to vocabulary. This guarantees that students can appropriately utilize the terminology in written communication in addition to understanding them. It takes more than simply vocabulary to comprehend economic language; one must also comprehend the cultural setting in which economic conversations take place. Apps for language learning can include cultural components, guiding students through the subtle cultural differences in economic language. Students can engage with classmates through collaborative learning experiences made possible by certain applications. In the framework of economics, this promotes a feeling of community and offers chances for dialogue and language exchange. Feedback that is constructive is essential for language development. With the aid of these applications, students may improve their language abilities over time by receiving feedback on their pronunciation, grammar, and use of economic words.

These characteristics come together in language learning applications for economics students to provide a thorough and customized method for learning the language relevant to their subject of study. Real-world economic scenarios can be replicated through case studies and simulations. This might apply to situations including trade agreements, governmental choices, market trends, or financial crises. The next step requires students to use specific economic jargon to examine and present their findings. Through these simulations, students are immersed in a multilingual setting where successful communication is crucial. In order to successfully complete the simulation's tasks, they must apply economic terms and ideas, which improves their language competence.

Collaborative activities are a common feature of simulations, reflecting the need for collaboration in the workplace. In the setting of economics, students collaborate to examine data, make decisions, and present their results, developing cooperation and effective communication skills. Students may be given decision-making tasks through case studies in which they must defend their decisions with economic terminology. This strengthens their grasp of economic concepts and improves their capacity to explain and justify their choices. Multimedia components like graphs, charts, and video clips are used into case studies and simulations to improve the learning process. In order to bridge the gap between textual and visual communication in economics, students learn to evaluate visual data and successfully express their thoughts.

Students may be required to analyze the language used in economic policies as part of simulations that center on policy analysis. This might involve analyzing the effects of trade agreements, regulatory frameworks, and monetary and fiscal policy and communicating these conclusions both orally and in writing. Students can encounter the linguistic barriers related to crisis management by simulating economic crises. They have to be able to speak

clearly under pressure, expressing plans and solutions using exact economic jargon.

By including feedback systems into simulations, educators may provide students with constructive criticism on their language usage. Students are encouraged to evaluate their communication abilities, pinpoint areas for development, and apply what they have learned to new situations through reflection tasks. Multidisciplinary case studies may be created to help students learn how to effectively connect with professionals in various industries². Students are better prepared for the variety of communication challenges they may face in the workplace by this cross-disciplinary contact.

Case studies and simulations should be designed with the most recent advancements in the sector and the state of the economy in mind. By doing this, you can make sure that students are prepared for the dynamic nature of the economics profession by exposing them to the most recent jargon used in the subject.

Language simulations and case studies provide economics students with a dynamic and captivating method of language learning by integrating these components. Along with improving language proficiency, they also foster communication, critical thinking, and problem-solving skills in the setting of actual economic difficulties.

3. Economic terminology learning through collaborative platforms

Students can participate in group conversations, exchange ideas, and work together to solve language-related problems by using collaborative platforms. This fosters collaboration in addition to increasing linguistic competency. Online collaboration tools may be very helpful for students studying economics who are also learning a language. These platforms enable language exchange, offer chances for engagement, and build a feeling of community. Learning economic terminology through collaborative platforms is increasingly recognized as a powerful pedagogical approach. Here's a detailed discussion of its importance:

1. Enhanced Engagement and Motivation- Collaborative platforms facilitate interactive learning experiences that can significantly increase student engagement. Unlike traditional lecture-based learning, these platforms encourage active participation, discussion, and problem-solving among peers. This interactive environment makes learning economic terminology more engaging and less monotonous.

2. Contextual Learning- Economic concepts are often complex and abstract. Collaborative platforms allow students to discuss and apply these

² Ashrafova, I. (2024). Teaching English to Economy and Finance Majors at Nakhchivan State University.

terms in various contexts, making them easier to understand and remember. For example, students can participate in group discussions about current economic events, debates on policy implications, or collaborative projects that involve economic analysis.

3. Peer Learning and Feedback -Collaborative learning environments enable students to learn from each other. When students work together, they can share different perspectives and understandings of economic terminology. Peer feedback is invaluable as it provides diverse insights and constructive criticism, helping students refine their use of economic language.

4. Development of Communication Skills- Economics students need to communicate complex ideas clearly and concisely. Collaborative platforms require students to articulate their thoughts and arguments effectively, both in writing and orally. This practice helps students become more adept at using economic terminology in a professional context, preparing them for real-world communication.

5. Real-Time Problem Solving- These platforms often include tools for real-time collaboration, such as chat rooms, discussion boards, and video conferencing. This immediacy allows students to solve problems collaboratively as they arise, using economic terms and concepts. Real-time interaction mimics professional environments where quick, collaborative problem-solving is essential.

6. Exposure to Diverse Perspectives -Collaborative platforms often bring together students from diverse backgrounds and with different levels of understanding of economic concepts. This diversity fosters a richer learning experience, exposing students to a wider range of perspectives and applications of economic terminology.

7. Practical Application of Knowledge- Through collaborative projects and simulations, students can apply economic terminology to practical scenarios. This hands-on approach helps bridge the gap between theoretical knowledge and practical application. For instance, students might collaborate on creating business plans, analyzing market trends, or debating economic policies, using the correct economic terms throughout the process.

8. Building a Professional Network- Collaborative platforms can also help students build a professional network. By working with peers on projects and discussions, students form connections that can be valuable in their future careers. These networks often extend beyond the classroom, providing ongoing opportunities for professional growth and collaboration.

9. Accessibility and Flexibility- Many collaborative platforms are accessible online, allowing students to engage in learning activities anytime and anywhere. This flexibility supports continuous learning and accommodates diverse schedules, making it easier for students to practice and master economic terminology at their own pace.

10. Enhanced Retention Through Interaction- Studies show that interactive learning methods improve retention rates compared to passive learning. Collaborative platforms, with their emphasis on discussion, debate, and collaborative problem-solving, help students retain economic terminology more effectively.

Some of the most common examples of Collaborative Platforms in Economics Education are presented as follows:

- Moodle and Blackboard: These platforms offer forums, group assignments, and peer review features that facilitate collaborative learning.
- Google Workspace: Tools like Google Docs, Sheets, and Slides enable real-time collaboration on projects and presentations.
- Microsoft Teams and Slack: These communication platforms provide channels for discussion, file sharing, and collaborative work.
- Kahoot! and Quizlet: These tools offer interactive quizzes and flashcards that can be used collaboratively to reinforce economic terminology.

Thus, using collaborative platforms to study economic terms offers a dynamic and productive learning environment. Through participation, peer interaction, contextual learning, and practical application, these platforms provide economics students with the language skills required for success in both their academic and professional endeavors.

4. Business terminology learning through the use of interactive E-books

Learning business terminology through interactive e-books is an innovative approach that leverages technology to enhance comprehension and retention. Interactive e-books incorporate multimedia elements such as videos, audio clips, animations, and interactive quizzes. These features make learning more engaging compared to traditional textbooks. By capturing students' attention, interactive e-books help maintain interest and motivation, which are crucial for mastering business terminology.

Interactive e-books provide a multisensory learning experience. Students can read the text, listen to audio explanations, watch videos that illustrate complex concepts, and interact with diagrams and charts³. This multisensory approach caters to different learning styles, helping students understand and remember business terminology more effectively.

Many interactive e-books include quizzes and exercises that provide instant feedback. This immediate reinforcement helps students understand their

³ Churiyah, M., Putri, O. M., Arief, M., Dharma, B. A., Sukmawati, E., & Zainuddin, Z. (2023, November). Project Based Learning Interactive E-Book: A Solution to Self Regulated Learning and Student Learning Outcomes. In BISTIC Business Innovation Sustainability and Technology International Conference (BISTIC 2023) (pp. 132-142). Atlantis Press.

mistakes and correct them in real-time, facilitating better learning and retention of business terminology.

Interactive e-books can be designed to adapt to individual learning needs. Features such as adjustable reading levels, customizable glossaries, and adaptive quizzes allow students to learn at their own pace. Personalized learning paths help ensure that each student masters business terminology according to their own progress and understanding.

Interactive e-books often include case studies, real-world scenarios, and problem-solving exercises. These elements allow students to apply business terminology in practical contexts, bridging the gap between theoretical knowledge and real-world application. By seeing how terms are used in actual business situations, students gain a deeper understanding of their relevance and usage.

Some interactive e-books feature simulations that mimic business environments and decision-making processes. These simulations provide hands-on experience with business terminology, enabling students to practice and apply what they have learned in a controlled, risk-free environment⁴.

Interactive e-books are accessible on multiple devices such as tablets, smartphones, and computers. This accessibility allows students to learn business terminology anytime and anywhere, providing flexibility that traditional textbooks cannot offer. Additionally, features like text-to-speech and adjustable font sizes make learning more inclusive for students with different needs.

Interactive elements such as flashcards, pop-up definitions, and interactive glossaries help reinforce key business terms. The repetitive and engaging nature of these tools enhances retention and ensures that students not only memorize terms but also understand their meanings and applications.

Many interactive e-books include features that allow students to highlight text, make annotations, and share notes with peers. This collaborative aspect fosters a sense of community and enables peer learning. Discussing and sharing insights about business terminology with classmates can deepen understanding and provide new perspectives.

Interactive e-books can be easily updated to reflect the latest trends and changes in the business world. This ensures that students are learning the most current and relevant terminology, keeping their knowledge up-to-date with industry standards⁵.

Examples of Interactive E-Books in Business Education

Pearson's Interactive E-books: These often include multimedia resources, interactive quizzes, and real-world business scenarios.

⁴ Block, D. (2010). Globalization and language teaching. *The handbook of language and globalization*, 287-304.

⁵ Ghafar, Z. (2024). The Impact of Electronic Books on Learning English Language in the Digital Era: An Overview. *JOURNAL OF DIGITAL LEARNING AND DISTANCE EDUCATION*, 2(7), 635-644.

McGraw-Hill Connect: This platform offers e-books with adaptive learning tools, interactive exercises, and integrated simulations.

Kognity: Provides interactive textbooks with embedded quizzes, videos, and real-time feedback mechanisms.

The use of interactive e-books for learning business terminology provides a modern and effective educational experience. By enhancing engagement, offering personalized learning paths, enabling practical application, and ensuring up-to-date content, interactive e-books equip business students with the terminology skills necessary for academic and professional success. The interactive and multimedia features of these e-books make the learning process more dynamic and adaptable, catering to the diverse needs of students in the digital age.

5. Gamification

Language learning games can be exceptionally effective for helping students master economics terminology by making the learning process engaging and interactive. Here's how these games can be tailored to the specific linguistic needs of economics students:

Games can create immersive scenarios that replicate real-life economic situations, such as managing a virtual economy, running a business, or making investment decisions. For example, students might play as central bank officials making decisions on interest rates and inflation, using relevant economic terms to progress. Role-playing elements allow students to act as economists, policy advisors, or financial analysts, solving problems and achieving goals through the correct application of economic terminology.

Incorporating adaptive flashcards into games can use spaced repetition to enhance memory retention. These flashcards present economic terms with definitions, examples, and contextual usage. Gamified quizzes reward accuracy and speed, featuring various question types such as multiple choice, fill-in-the-blank, and matching terms with their definitions. As students improve, the game adapts, presenting more challenging terms and rewarding correct answers with points or badges.

Simulation games allow students to manage an economy or business, applying economic concepts and terminology to make strategic decisions. These simulations provide real-time feedback, explaining why certain decisions were correct or incorrect based on economic principles. For instance, students might manage a country's economic policies, balancing budgets and trade, requiring them to use terms like GDP, fiscal policy, and trade balance.

Interactive storylines can guide students through economic scenarios where their decisions shape the narrative. Each choice requires the correct use of economic terms and illustrates the outcomes of different economic strategies. For example, a storyline might involve a student starting a new business,

navigating challenges like securing funding and managing costs, and using terms like equity, variable costs, and pricing strategy.

Team-based challenges encourage students to work together to solve economic problems, communicating using economic terminology. Competitive elements can motivate students to engage deeply with the material. For instance, a multiplayer game might have teams manage competing firms in a market, negotiating and strategizing using economic terms.

Games can be customized to match the student's proficiency level, with progress tracked to adapt the difficulty of tasks and complexity of terms. Achievements and rewards motivate continuous learning, with badges or points awarded for mastering specific sets of terms. A game might start with basic economic terms and gradually introduce more complex terminology as the player advances.

To maximize their effectiveness, games should align with the economics curriculum. Integrating game activities with classroom lessons and assignments ensures a cohesive learning experience. For example, a game can complement an economics course, with each level corresponding to a textbook chapter, unlocking new challenges as students progress through the course.

Developing captivating and contextually appropriate experiences is a necessary part of designing language learning games especially for economics terms. These games may make learning economic terminology enjoyable and efficient by immersing students in real-life circumstances, offering adaptive challenges, facilitating interactive learning, and connecting with instructional information. In order to prepare students for academic and professional success in the subject of economics, the objective is to promote a profound and practical grasp of the language.

6. Conclusion

Collaborative platforms function as important points of trade for resources related to multilingual economics. Through the integration of articles, films, and more resources, students may gather a varied library that enhances their comprehension of economic jargon in a real-world setting. By providing a variety of real materials, this collection of resources supports a multimodal approach to language learning, facilitating the acquisition of economic vocabulary.

Furthermore, the incorporation of interactive electronic books and additional tasks offers a holistic learning environment for economic vocabulary. These electronic books provide a flexible and dynamic learning environment that is in line with the dynamic and ever-changing field of economics⁶. Students

⁶ Ssemugenyi, F. (2023). Teaching and learning methods compared: A pedagogical evaluation of problem-based learning (PBL) and lecture methods in developing learners' cognitive abilities. *Cogent Education*, 10(1), 2187943.

may practice comprehending complicated words through interactive elements, which enables them to have a deeper and more contextual knowledge of the terminology used in economic conversation.

The learning process is made more engaging and motivating by the incorporation of game components. By allowing students to engage meaningfully with language through educational games centered around economic principles, learning becomes more pleasurable and memorable. Students can improve their language proficiency and get a deeper comprehension of economic concepts through gamification.

Using online platforms to communicate with native speakers or other language learners gives economic terms a more practical meaning. For students studying economics who want to communicate well in their subject, this kind of contact is essential. Students who are exposed to real-world language use are better able to acquire the practical command of economic words that is necessary for success and competency in the workplace.

To summarize, there is a strong foundation for the efficient acquisition of economic terminology through the use of collaborative platforms, interactive e-books, and educational games. All of these resources work together to create a dynamic, interesting, and useful language learning environment that gives students the tools they need to successfully negotiate the linguistic nuances of the economics field.

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BUDGET DEFICITS AND THEIR ECONOMICAL AND SOCIAL IMPACT IN ROMANIA AND THE EUROPEAN UNION

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Abstract

Budget deficits present a complex issue with significant economic and social repercussions. This paper analyzes the evolution of budget deficits in Romania and the European Union (EU), comparing them with other major global economies, and examines public debt levels, the current economic and social impacts of budget deficits, and their consequences on economic growth, employment, social cohesion, and macroeconomic stability. It identifies indicators that can provide insights into how budget deficits may affect investor confidence and, consequently, lead to a decline in foreign investments, which has major implications for the economy.

Keywords: *budget deficit, public debt, economic impact, social impact.*

JEL Classification: E620, H6, H63, H74

1. Introduction

The budget deficit is a major concern in contemporary economic policy, with extensive implications for fiscal sustainability and social welfare. In the context of globalization and economic integration, budget deficits have become a central issue for EU member states, including Romania, a country with a transitioning economy. This paper aims to deeply analyze the impact of budget deficits on the economy and society, focusing on relevant case studies and empirical data to highlight the evolution and consequences of this phenomenon. This work contributes to a deeper understanding of the impact of budget deficits, providing a solid foundation for the future development of economic and social policy in Romania and within the EU.

The budget deficit has emerged as a central issue in contemporary economic policy, profoundly influencing fiscal sustainability and social welfare. Within the context of globalization and economic integration, the management of budget deficits has become a critical concern for member states

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of the European Union (EU), including Romania, which is navigating a transitional economy. This article aims to provide an in-depth analysis of the economic and social impacts of budget deficits, drawing on relevant case studies and empirical data to elucidate the evolution and consequences of this phenomenon.

The study begins by exploring the theoretical underpinnings of budget deficits and their multifaceted effects on national economies. It examines how deficits can affect economic growth, public investment, and fiscal stability, and considers the short-term and long-term implications for consumption, national savings, and investment. Furthermore, the article investigates the neutrality of budget deficits in the long run, particularly when financed by public debt, and the subsequent impact on economic activity, tax revenues, and public expenditure.

In analyzing the evolution of budget deficits, this paper compares Romania's fiscal performance with that of other EU member states and major global economies. It highlights the challenges and trends observed during periods of economic crisis, such as the 2008 financial crisis and the COVID-19 pandemic, and their effects on national budgets. By comparing Romania's fiscal policies and outcomes with those of countries experiencing both higher and lower deficits, the study provides a comprehensive overview of the fiscal landscape.

Additionally, the article addresses the social repercussions of budget deficits, examining their impact on employment, income distribution, and social cohesion. It considers how fiscal austerity measures, increased taxation, and reduced public spending can exacerbate economic inequalities and affect vulnerable populations. The role of investor confidence, credit ratings, and government bond yields is also discussed to understand how budget deficits influence foreign investment and economic stability.

Through a thorough analysis of budget deficits in Romania and the EU, this paper aims to contribute to the broader understanding of fiscal policy's role in achieving sustainable economic growth and social equity. The findings offer valuable insights for policymakers, public authorities, and stakeholders involved in economic and social governance, providing a foundation for developing future fiscal strategies that balance economic development with social welfare within an integrated and competitive European framework.

2. Analysis of Budget Deficits and Their Economic and Social Impact

Budget deficits are imbalances with significant implications for national economies, and their effects on economic growth and public investments vary depending on their size and management. This section analyzes the impact of the budget deficit using specific data and figures for the Romanian and EU economies. Many analysts believe that budget deficits negatively impact economic growth and development, as demonstrated by the evolution of key

macroeconomic variables over various periods and countries. In the short term, budget deficits can reduce consumption due to decreased national savings, leading to higher interest rates and lower investments, subsequently affecting consumption again.

Several opinions exist in the literature regarding the impact of budget deficits on economic activity. In the short term, the effects on consumption are considered, while in the long term, the focus is on national savings, investments, and labor demand. Additionally, the neutrality of the budget deficit in the long term is debated, particularly when it is financed by increasing public debt, suggesting that budget deficits result from decreased economic activity, reducing the tax base and budget revenues. High budget deficits also reduce state investment expenditures, impacting job changes and budgetary expenditures in social or employment areas. Subsequent measures to finance the budget deficit, such as reducing budgetary expenditures, increasing taxation, or raising public debt, exacerbate the negative impact on the labor market in both the short and long term.

Below is an analysis of the evolution of budget deficits in major global countries to observe global connections and trends.

Table 1.1. Evolution of Budget Deficits in Major Global Countries (% of GDP)

| Country | 2006 | 2007 | 2008 | 2009 | 2011 | 2013 | 2015 | 2017 | 2019 | 2020 | 2021 | 2022 |
|---------|------|------|------|-------|------|------|------|------|------|-------|-------|------|
| France | -2.4 | -2.6 | -3.3 | -7.2 | -5.2 | -4.1 | -3.6 | -3.0 | -3.1 | -9.0 | -6.5 | -4.9 |
| Germany | -1.7 | 0.3 | -0.1 | -3.2 | -0.9 | 0.0 | 1.0 | 1.3 | 1.5 | -4.3 | -3.7 | -2.6 |
| Italy | -3.6 | -1.3 | -2.6 | -5.1 | -3.6 | -2.9 | -2.6 | -2.4 | -1.5 | -9.7 | -9.0 | -8.0 |
| Japan | -3.0 | -2.9 | -4.1 | -9.7 | -9.0 | -7.6 | -3.7 | -3.1 | -3.0 | -9.1 | -6.2 | -7.8 |
| Russia | 7.8 | 5.6 | 4.5 | -5.9 | 1.4 | -1.2 | -3.4 | -1.5 | 1.9 | -4.0 | 0.8 | -2.2 |
| UK | -2.8 | -2.6 | -5.1 | -10.0 | -7.5 | -5.5 | -4.5 | -2.4 | -2.2 | -13.0 | -8.3 | -6.3 |
| USA | -2.0 | -2.9 | -6.6 | -13.2 | -9.7 | -4.5 | -3.5 | -4.8 | -5.7 | -14.0 | -11.6 | -5.5 |

Source: IMF, <https://www.imf.org/external/data>,

From the table above, it is evident that budget deficits tend to increase during economic crises when national economies shrink, and governments try to offset declining consumer spending with increased public expenditure to support the economy. The United States had the largest budget deficits during the analyzed crises, with values of -13.2% in 2009 and -14% in 2020. The UK followed with -10% and -13%, respectively. Germany had the smallest budget deficits, with -3.2% in 2009 and -4.3% in 2020, managing budget surpluses between 2013 and 2019, a rarity among the analyzed countries. Russia also shows a different trend post-2014, recording budget surpluses in some years.

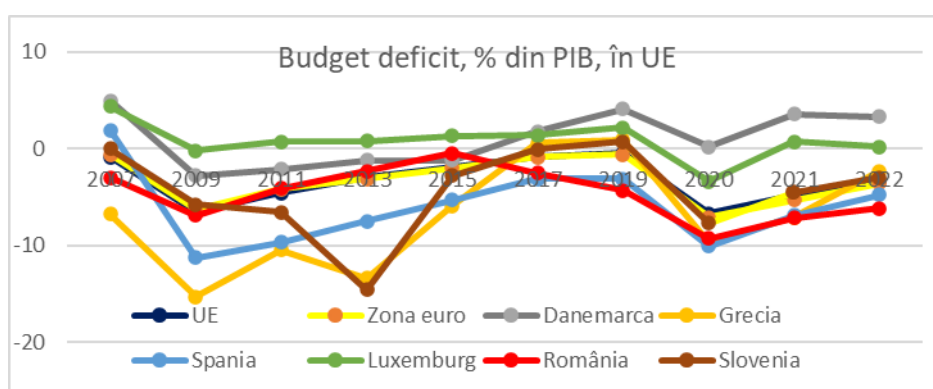
Romania will be analyzed in comparison with the EU and Eurozone averages and countries with the largest and smallest budget deficits in the Union during the period 2007-2022.

Table 1.2 Evolution of Budget Deficits in the EU and Romania (2007-2022, % of GDP)

| Time | 2007 | 2009 | 2011 | 2013 | 2015 | 2017 | 2019 | 2020 | 2021 | 2022 |
|-------------|------|-------|-------|-------|------|------|------|-------|------|------|
| EU-27 | -0.9 | -6.6 | -4.6 | -3.0 | -1.9 | -0.8 | -0.5 | -6.7 | -4.8 | -3.4 |
| Eurozone-19 | -0.6 | -6.3 | -4.2 | -3.1 | -2.0 | -0.9 | -0.6 | -7.1 | -5.3 | -3.6 |
| Denmark | 5.0 | -2.8 | -2.1 | -1.2 | -1.2 | 1.8 | 4.1 | 0.2 | 3.6 | 3.3 |
| Greece | -6.8 | -15.3 | -10.5 | -13.4 | -5.9 | 0.6 | 0.9 | -9.7 | -7.1 | -2.3 |
| Spain | 1.9 | -11.3 | -9.7 | -7.5 | -5.3 | -3.1 | -3.1 | -10.1 | -6.9 | -4.8 |
| Luxembourg | 4.4 | -0.2 | 0.7 | 0.8 | 1.3 | 1.4 | 2.2 | -3.4 | 0.7 | 0.2 |
| Romania | -3.0 | -6.9 | -4.1 | -2.3 | -0.5 | -2.5 | -4.3 | -9.3 | -7.2 | -6.2 |
| Slovenia | 0.0 | -5.8 | -6.6 | -14.6 | -2.8 | -0.1 | 0.7 | -7.7 | -4.6 | -3.0 |

Source: Eurostat, <https://ec.europa.eu/eurostat/databrowser>,

Graph 1.1 Evolution of Budget Deficits in the EU and Romania (2007-2022, % of GDP)



Source: Eurostat, <https://ec.europa.eu/eurostat/databrowser>,

Analyzing the graphical evolution of budget deficits in the EU and Eurozone, it is clear that they are almost similar. Romania's path is not far off, except that it records a higher deficit from 2018-2019 and achieves the second largest budget deficit in the Union in 2020, after Spain, with only the UK recording more, but it had just exited the EU. The EU average recorded the highest deficit in 2020, at 6.7% of GDP, caused mainly by the COVID-19 crisis, very close to the deficit recorded following the 2008 global economic crisis when the EU average was 6.6% of GDP.

In recent years, Romania's budget deficit trend reflects a worrying tendency, directly impacting economic growth and public investment capacity. Official data from the Ministry of Finance and Eurostat show that in 2022, Romania recorded the largest deficit in the EU at 6.2% of GDP, with a 2021 deficit of 7.2% of GDP, down from 9.3% in 2020.

Increasing the budget deficit in the EU can negatively affect economic growth through its impact on fiscal stability and investor confidence. Countries

with large budget deficits may be less capable of financing necessary public investments to stimulate economic growth and respond to social needs and may face difficulties fulfilling financial commitments for joint European projects and accessing EU funds (according to European Commission data).

This significant increase in the budget deficit can negatively influence economic growth through several mechanisms:

1. Higher Financing Costs: A high budget deficit may force the government to borrow substantial amounts from the financial market. Increased demand for government bonds can raise financing costs, making it harder for the private sector to access capital and diverting financial resources to interest payments instead of productive investments.

2. Capital Expenditure Restriction: To reduce the budget deficit, the government may need to adopt fiscal austerity measures, including cutting capital expenditures. This can negatively affect infrastructure development, education, health, or research and development investments, all essential for long-term economic growth.

3. Impact on Investor Confidence: A high budget deficit can affect investor confidence in a country's fiscal stability. Domestic and foreign investors may become more reluctant to invest in an economy with fiscal sustainability risks, reducing the investment flows needed for economic growth and job creation.

The economic crisis of 2008 triggered a significant increase in public debt globally. Below is an analysis of the evolution of public debts in major global economies.

Table 1.3 Evolution of Public Debts (2007-2021, % of GDP)

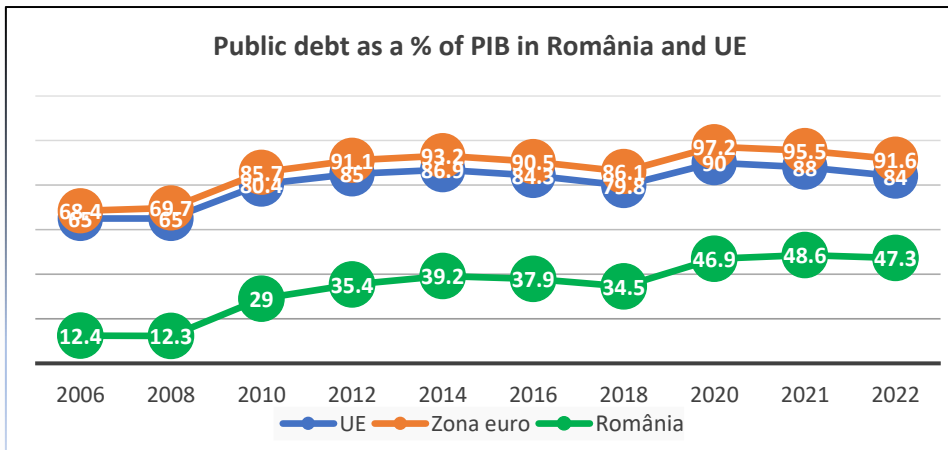
| Country | 2007 | 2008 | 2009 | 2011 | 2013 | 2015 | 2017 | 2019 | 2020 | 2021 |
|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| France | 51.19 | 55.25 | 67.05 | 69.64 | 74.75 | 76.61 | 79.55 | 80.87 | 92.98 | 91.76 |
| Germany | 39.52 | 40.05 | 44.41 | 50.00 | 49.54 | 45.34 | 41.32 | 37.42 | 44.43 | 46.27 |
| Italy | 97.82 | 100.42 | 109.80 | 113.19 | 126.34 | 130.03 | 129.56 | 129.94 | 150.85 | 146.55 |
| Japan | 135.45 | 143.28 | 158.07 | 177.91 | 189.14 | 189.86 | 193.93 | 199.79 | 221.43 | 221.32 |
| Russia | 6.75 | 6.09 | 7.78 | 8.89 | 11.06 | 14.15 | 13.49 | 13.16 | 18.54 | |
| UK | 41.98 | 49.78 | 63.71 | 80.14 | 83.85 | 86.06 | 85.05 | 83.89 | 102.63 | 102.97 |
| USA | 45.17 | 53.41 | 64.97 | 78.53 | 85.14 | 86.91 | 88.98 | 93.11 | 119.37 | 115.28 |

Source: IMF, <https://www.imf.org/external/data>,

Public debts have increased significantly in these countries, with Japan leading at 221% of GDP, followed by Italy. The USA nearly tripled its public debt from 45% in 2007 to over 115% in 2021, similar to the UK. Germany managed to keep its debt percentage relatively stable, with only a 15% increase over the last 15 years. Russia, while maintaining lower GDP values at 18.5%, also tripled its public debt in the past 15 years.

In EU countries, public debts have substantially increased, with the EU average rising by about 50% over 15 years, reaching 91.6% in the Eurozone and 84% in the EU. Although Romania's public debt remains below the EU average, it has quadrupled from 12.4% to 47.3%, representing one of the highest increases alongside Estonia and Latvia.

Graph 1.2 Evolution of Public Debts in the EU and Romania (% of GDP)



Source: Eurostat, <https://ec.europa.eu/eurostat/databrowser>,

Measuring the impact on investor confidence in the context of a high budget deficit can be challenging due to multiple variables and the subjective perception of financial markets. However, several indicators can provide insights into how budget deficits may affect investor confidence:

- **Credit Rating Scores:** Credit rating agencies like Standard & Poor's, Moody's, or Fitch evaluate sovereign credit risk, including the budget deficit level and fiscal sustainability. A downgrade may indicate a negative perception of a country's ability to honor its debts and maintain fiscal stability.

- **Government Bond Yields:** Government bond yields reflect the cost investors are willing to pay to purchase government debt. Rising yields can indicate increased risk perception associated with investments in government debt, which may be influenced by the budget deficit level.

- **Foreign Capital Flows:** A decrease in foreign capital flows can reflect reduced investor confidence in a country's fiscal and economic stability.

- **Domestic Financial Market Volatility:** Excessive volatility in domestic capital markets can reflect investor uncertainty about a country's economic and fiscal outlook. Increased volatility may suggest concerns about fiscal sustainability and can affect access to capital for local businesses and investments in development projects.

Budget deficits also have social impacts, affecting employment and income distribution, with implications for social cohesion and living standards. Budget deficits can lead to different effects on the labor market:

- **Increased Unemployment:** If the government decides to cut spending to control the budget deficit, this can lead to layoffs in the public sector and reduce aggregate demand, affecting the private sector as well. Simultaneously, increasing taxes to cover the deficit can discourage investments and consumption, leading to reduced employment.

- **Economic Stimulus Programs:** In some circumstances, budget deficits can be used to finance economic stimulus programs, which can create jobs and reduce unemployment. This is often a strategy used during economic recessions and represents a positive effect of deficits.

Budget deficits can affect income distribution through regressive fiscal policies. When indirect taxes (VAT, excise taxes) are increased to reduce the deficit, this can disproportionately impact lower-income individuals, exacerbating economic inequalities. Budgetary expenditure cuts can affect social programs (e.g., social assistance, education, health), essential for vulnerable populations, leading to increased inequalities and a deterioration in the quality of life for low-income individuals. If the deficit is financed through external or internal borrowing, the debt burden may lead to future reductions in social transfers or subsidies, negatively impacting income distribution.

Budget deficits and associated measures for their reduction can impact social cohesion:

- They can generate dissatisfaction and social tensions, especially if the population perceives these measures as unfair or ineffective. Austerity measures and the perception of an unfair distribution of fiscal burdens can exacerbate polarization among different socio-economic groups, weakening social cohesion.

- Financing deficits through money printing or borrowing can lead to inflation, as observed in recent years in Romania, eroding citizens' purchasing power. High deficits can also lead to higher interest rates, negatively affecting investments and consumption.

Conclusions

The social impact of budget deficits largely depends on how these deficits are managed and the economic and fiscal policies adopted to control them. A balanced and well-thought-out approach can mitigate negative effects and promote sustainable and equitable economic growth. Budget deficits are not just an economic issue but also a social one, with varied and interconnected impacts within the European and Romanian context. For Romania, prudent management of the budget deficit is crucial for ensuring sustainable economic growth and improved social cohesion. Fiscal policies and reform measures must consider the complexity of this phenomenon and strive to balance economic

and social development needs within an integrated and competitive European framework.

Increasing the budget deficit can reduce the government's investment capacity and negatively affect its ability to respond to current and future economic and social challenges. Therefore, coherent and sustainable fiscal-budgetary policies are essential to promote stable economic development and maximize the benefits of public investments for all citizens.

Managing the budget deficit remains a major challenge for many EU member states, and lessons learned from other countries' experiences can provide important guidelines for effective fiscal-budgetary policies. Policies that promote gradual fiscal consolidation, improve fiscal-budgetary transparency, and stimulate productive investments are crucial for ensuring long-term economic growth and financial stability within the EU.

Economic Impact

1. **Growth and Investment:** The analysis reveals that budget deficits have a significant impact on economic growth and public investment. High deficits often lead to increased borrowing costs, reducing the government's capacity to finance infrastructure and other critical investments. This, in turn, hampers long-term economic growth and development.

2. **Inflation and Interest Rates:** Persistent budget deficits can lead to higher inflation and interest rates. As governments borrow more to finance their deficits, they increase demand in the financial markets, which can push up interest rates. Higher interest rates make borrowing more expensive for businesses and consumers, potentially stifling economic activity.

3. **Fiscal Sustainability:** The long-term sustainability of fiscal policies is jeopardized by high budget deficits. Continuous borrowing increases the national debt, making it more challenging to manage in the future. This can lead to a vicious cycle where increasing debt levels require more borrowing just to service existing obligations.

Social Impact

1. **Employment:** Budget deficits can have mixed effects on employment. While government spending can stimulate job creation in the short term, especially during economic downturns, long-term deficits may necessitate austerity measures. These measures often include cuts to public sector jobs and social programs, increasing unemployment and reducing social support systems.

2. **Income Distribution:** The study shows that budget deficits can exacerbate income inequality. When governments raise indirect taxes (such as VAT and excise duties) to finance deficits, the burden disproportionately falls on lower-income households. Additionally, cuts in social spending adversely affect those who rely most on public services, widening the gap between rich and poor.

3. **Social Cohesion:** Persistent budget deficits and the measures taken to address them can undermine social cohesion. Austerity measures, perceived as unfair, can lead to social unrest and increased polarization within society. Ensuring fair and equitable fiscal policies is crucial for maintaining social harmony.

Investor Confidence

1. **Credit Ratings and Bond Yields:** High budget deficits negatively impact a country's credit rating, reflecting perceived risks of fiscal instability. Lower credit ratings can lead to higher bond yields as investors demand greater returns for increased risk. This further raises the cost of borrowing for governments and can deter foreign investment.

2. **Foreign Investment:** The analysis indicates that high budget deficits can deter foreign investment. Investors seek stable and predictable economic environments, and high deficits signal potential future instability. This can result in reduced capital inflows, affecting economic growth and development.

Policy Recommendations

1. **Fiscal Consolidation:** It is essential for countries, including Romania, to adopt gradual and sustainable fiscal consolidation strategies. This involves carefully balancing spending cuts and revenue increases to reduce deficits without stifling economic growth or exacerbating social inequalities.

2. **Transparent and Accountable Governance:** Improving fiscal transparency and accountability is critical. Governments should ensure that budgetary processes are open and that fiscal policies are clearly communicated to build investor and public trust.

3. **Strategic Public Investment:** Prioritizing strategic public investments that yield long-term economic benefits, such as in infrastructure, education, and healthcare, can help stimulate growth and improve social outcomes. These investments should be designed to maximize economic returns and social welfare.

4. **Social Protection Measures:** Implementing social protection measures to mitigate the adverse effects of fiscal consolidation on vulnerable populations is crucial. Policies should aim to protect the most disadvantaged groups from the brunt of austerity measures and ensure that economic growth is inclusive.

5. **Debt Management:** Effective debt management strategies are necessary to ensure that public debt remains at sustainable levels. This includes setting clear targets for debt reduction, improving debt servicing mechanisms, and exploring options for restructuring or refinancing existing debt where feasible.

Future Research Directions

Further research is needed to explore the nuanced impacts of budget deficits on different economic sectors and social groups. Comparative studies between countries with varying fiscal policies can provide deeper insights into best practices and successful strategies for managing budget deficits.

Additionally, the role of international financial institutions and their policies on national budget deficits warrants closer examination to understand the broader global economic context.

By adopting these recommendations and focusing on sustainable fiscal management, countries can better navigate the challenges posed by budget deficits, promoting stable economic growth and enhancing social well-being in the long term.

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EXPERIENTIAL TRAVEL – FAST GROWING TOURISM TREND SHAPING THE INDUSTRY

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Gina Gilet Dobrotă (Lefter)**

Abstract

Over the years travelers have significantly changed their perspectives of tourism, with high impact on their purchasing behavior. From mass to niche tourism, from traditional to modern tourism, the changes are becoming more noticeable, from one year to another. More than that, due to the economic and political context, which have majorly affected tourism, the revival initiatives are shifting the image of tourism to new and interesting trends. One of these trends, the experiential travel, also known as immersion travel has had the fastest growing rate, as customers have expressed their request for an entire experience, rather than acquiring products and services. The unique and authentic experience, the connection to the local environment and culture, represent the essence of experience travel. Experiential travel has gained more popularity among tourists, transitioning from mass to tailor made tourism services, supporting sustainable practices for the entire community. This paper tries to underline the importance of tourism trends, focusing on experiential travel, as changes redefine the tourism demand, in this post-pandemic, economically and politically challenged reality.

Keywords: *experience tourism, niche, trends, responsible travel.*

JEL Classification: Z30

1. THE TRAVEL AND TOURISM INDUSTRY - MAJOR TRENDS

The travel and tourism industry has been deeply influenced by the negative events of our current times, affecting the entire activity. This has led to implementing new and strategic initiatives, focusing on the revival of tourism worldwide. The strategic directions and also, the importance of tourism for consumers, have had a significant result, adjusting to the new social, political and economic dynamics. This translates to an increase in the tourists' arrivals and tourism receipts all over the world, as seen below¹.

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¹ <https://static.poder360.com.br/2023/09/relatorio-Organizacao-Mundial-Turismo-ONU-2022.pdf>

Table 1. International tourist arrivals – millions

| | 2019 | 2020 | 2021 | 2022 |
|-------------------------|-------|-------|-------|-------|
| World | 1465 | 407 | 456 | 963 |
| Europe | 743.9 | 239.6 | 304.9 | 594.5 |
| Asia and Pacific | 360.1 | 59.1 | 24.8 | 100.5 |
| Americas | 219.3 | 69.9 | 81.5 | 155.6 |
| Africa | 69.1 | 18.7 | 19.6 | 46.5 |
| Middle East | 73 | 19.8 | 24.9 | 65.6 |

Source:

<https://static.poder360.com.br/2023/09/relatorio-Organizacao-Mundial-Turismo-ONU-2022.pdf>

All of the regions have registered positive results, underlining the growth from one year to another, with a high rate (more than double for some regions), but still not reaching the numbers from 2019.

As numbers show, the international tourist arrivals have considerably increased after the pandemic period, continuing it's ascending during these challenging times, as well. The need for travel has emerged, changing the experience of tourism as it was. Nevertheless, it has created the opportunity for new types of travel and the revival of tourism sector overall.

Table 2. International tourist receipts – USD billions

| | 2019 | 2020 | 2021 | 2022 |
|-------------------------|-------|-------|-------|-------|
| World | 1494 | 559 | 638 | 1031 |
| Europe | 584.3 | 249.3 | 327.4 | 548.6 |
| Asia and Pacific | 441.2 | 126.2 | 90.6 | 131.4 |
| Americas | 330.6 | 125.4 | 140.3 | 243.9 |
| Africa | 38.9 | 14.9 | 17.5 | 31.6 |
| Middle East | 99.2 | 43.5 | 62.5 | 75.9 |

Source:

<https://static.poder360.com.br/2023/09/relatorio-Organizacao-Mundial-Turismo-ONU-2022.pdf>

The numbers reflecting the international tourist receipts are also showcasing the revival of tourism activities, with increasing results, especially at regional level. The information from the second table is consistent to the idea mentioned before, painting an image of the importance of tourism strategies for redefining tourism for all generations.

Over the recent years, the tourism and travel industry has undergone a significant transformation, adjusting to new economic and political challenges. Profoundly affected by Covid 19 pandemic, wars and economic instability,

tourism has shifted towards an important experience, focusing on safety and responsible practice.

Even though sustainable travel has always been the major objective of tourism strategies all over the world, nowadays consumers are aligned with these practices, as their choices are illustrating this. The green traveler is considering new and responsible options for tourism experience, generation new trends in the tourism and travel industry.

According to customers' preferences and habits of consumption, many trends in tourism converge towards²: *bleisure travel- the business and leisure experience, automation, personalization, hi tech travel, sustainable tourism, ecotourism, experience tourism, wellness travel and others*. As technology has become part of everyday activities, tourism experiences have developed a digital-friendly and hi-tech environment, but also underlining the impact of responsible travel.

As studied, tourism tends reveal the niche characteristics of travel, for instance³: *urban tourism, family travel, luxury travel, cooler destinations as result of climate change impact etc*.

Other trends shaping the future of travel are considered to be⁴: *astro tourism – focusing on seeing and experiencing astronomical phenomena, eco-diving, home swapping – as an alternative solution to expensive accommodations, such as hotels or AirBnBs, sports tourism, cool destinations, wellness and longevity tourism practices, private group travel and others*.

In terms of fastest growing travel categories in the world 2023-2024, these are represented by⁵:

- Rail Travel – 35.6%
- Duty Free Shopping – 24.9%
- Museums and Cultural Sites – 17.9%
- Festivals and Leisure Events, Food and Dining, National Park and Nature Reserves, Attractions, Experiences, Guided Tours, Retail Shopping, Theme Parks and Medical Tourism – approx. 10-15%.

As it may be concluded, the future of tourism is focusing on digital and AI elements, transitioning to specific niche travels, experience travel with a purpose, based on tourism sustainable initiatives.

2. REINVENTING TOURISM – THE EXPERIENTIAL TRAVEL

New and emerging trends are shaping the future of travel, from one year to another, defining tourism as one of the most diverse and dynamic industry in

² <https://pro.regiondo.com/blog/tourism-trends-2018-2/>

³ <https://forwardkeys.com/global-travel-trends-2023/>

⁴ <https://www.cntraveler.com/story/travel-trends-2024>

⁵ <https://www.euromonitor.com/article/top-trends-for-travel-in-2024>

the world. Modern and experienced tourists have different requirements, especially in regard to the new generations.

An important trend, which has been consisted over the last years, is represented by *experiential or immersive travel*. The idea of travel experience is not a new one, as tourists have always tried to capture the essence of a destination. Nowadays, the search for authenticity in travel has reached the top preferences for tourism.

Table 3. The experiential tourism-concepts

| | |
|--|---|
| Growth drivers for experiential tourism | <ul style="list-style-type: none"> ✓ Increase of social media usage and importance ✓ Increasing demand for authentic experience ✓ Increasing awareness of sustainable tourism |
| Benefits of experiential tourism | <ul style="list-style-type: none"> ✓ Rise in customers satisfaction and loyalty ✓ Unique differentiation from competitors ✓ Promotion of responsible destination development |
| Challenges in experiential tourism | <ul style="list-style-type: none"> ✓ Insufficient infrastructure/ facilities for unique activities ✓ Deficiency of trained staff for these activities ✓ Resistance to change in the organizations ✓ Diversity of consumers' expectations ✓ Management of environmental and social impact of activities |

Source: <https://www.galagents.com/blog/the-rise-of-experiential-travel-how-to-create-unforgettable-experiences-for-your-guests/>

The unique, authentic and memorable experience, the immersion into culture, history and tradition of destinations are deeply appealing to the consumers, connecting guests with the local culture and community. Experiential tourism⁶ has led to important initiatives of hotels to engage in partnerships with local artisans, chefs, performers etc. for showcasing local cuisine, guided tours and excursions to local attractions, or cultural activities. Therefore, hotels are offering authentic and meaningful stay for their guests contributing, as well, to the local economy and promoting sustainable tourism practices.

The 2024 Hilton Trends Report⁷ identifies important segment of travelers that are prioritizing experience (85%), many of them focusing on exploring the unknown (81%), trying the local cuisine (64%) and learning about traditions and customs (48%).⁸

Experiential travel offers the opportunity to create a meaningful stay, providing the guests with unique memories, that determines an increase in attraction as compared to the conventional travel. There are different aspects

⁶ <https://theilha.com/top-travel-trends-in-2023-what-you-need-to-know/>

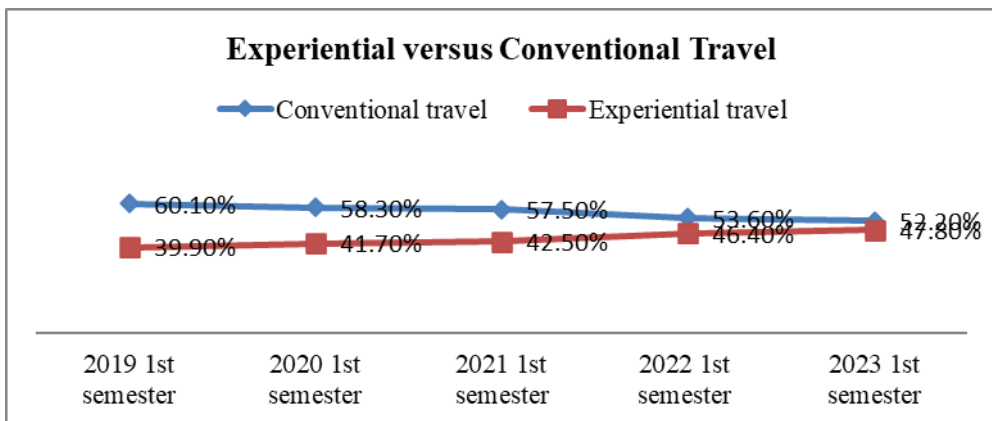
⁷ <https://stories.hilton.com/2024trends>

⁸ <https://www.forbes.com/sites/angelinavillaclarke/2023/11/12/travel-trends-2024-report-part-1-authenticity-and-the-rise-in-ai/>

that are to be found in this concept⁹: *uniqueness, sustainability, authenticity and local culture, volunteering, culinary experience.*

In terms of *uniqueness*, immersive or experiential travel is accentuating the special characteristics of any destination, regardless of its size. This is the case for unknown or small destinations that have a special appeal based on unique trades, rather than its notoriety, as a famous tourist destination.

As for *sustainability*, travelers that are interested in experiential travel, are also defined by responsible travel, as they are supporting the preservation of local culture, traditions, customs and other aspects, by choosing to immerse in the community and contributing to the local economy. Helping the development of communities, socially and economically, is also a result of experiencing the *local culture and volunteering*. *Culinary experience* or culinary tourism is more and more appreciated in terms of experiencing a destination. Cooking classes, food tasting, local markets and restaurants and others represent the essence of culinary experience, being one of the best opportunities to learn and embrace a community.



Source:

<https://mabrian.com/blog/evolving-traveller-behaviour-the-rise-of-experiential-travelling/>

The Mabrian study¹⁰ presents the evolution of *conventional* travel in comparison to *experiential* travel, with data from the 1st semester 2019- the 1st semester of 2023. As number shows there is an increase of experiential travel, to reach almost 50% in 2023. In the context of the study, the experiential travel is represented by activities such as: Wellness, Active Lifestyle, Nature, Food and Cuisine and the traditional travel is characterized by: Arts and Culture, Nightlife, Family Activities, Sun bathing and Shopping¹¹.

⁹ <https://heritagehotelsofeurope.com/experiential-tourism-a-rising-trend/>

¹⁰ <https://mabrian.com/blog/evolving-traveller-behaviour-the-rise-of-experiential-travelling/>

¹¹ <https://www.webintravel.com/400-million-online-interactions-point-to-the-rise-of-experiential-travel/>

Table 4. The tourist interest for travel - Conventional travel

| | 1 st Semester % | | | | |
|-------------------|----------------------------|------|------|------|------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| Arts and Culture | 29.3 | 27.2 | 21.1 | 24.1 | 24.9 |
| Nightlife | 5.6 | 5 | 7.1 | 4.8 | 4.6 |
| Family Activities | 6.7 | 8.3 | 11.1 | 6.2 | 6.9 |
| Sunbathing | 11.6 | 9.7 | 6.6 | 12.9 | 9.1 |
| Shopping | 6.9 | 8.2 | 11.7 | 6.2 | 6.7 |

Source:

<https://mabrian.com/blog/evolving-traveller-behaviour-the-rise-of-experiential-travelling/>

The tourist preferences have suffered changes and mutations, in the previous table Arts and Culture is dominating the charts of Conventional travel – 24.9% followed by Sunbathing and Family Activities – 9.1%, at a considerable distance and so on.

Table 5. The tourist interest for travel - Experiential travel

| | 1 st Semester % | | | | |
|------------------|----------------------------|------|------|------|------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| Wellness | 3.6 | 4 | 4 | 4 | 4.7 |
| Active Lifestyle | 13.6 | 14.2 | 12 | 16 | 17.2 |
| Nature | 9.7 | 10 | 8.4 | 13.6 | 12 |
| Food and Cuisine | 13 | 13.4 | 18.1 | 12.7 | 13.9 |

Source:

<https://mabrian.com/blog/evolving-traveller-behaviour-the-rise-of-experiential-travelling/>

The table above present the evolution of tourist interest for experiential travel, Active Lifestyle being ranked first – 17.2%, Food and Cuisine second – 13.9%, followed by Nature - 12% and others.

Analyzing the numbers from both tables, there is blended image of travel intentions, highlighting the rise of experiential travel importance, the Active Lifestyle and Food and Cuisine finding itself on top three of consumers' motivations for travel in 2023.

Engaging in experiential travel has risen in popularity as a result of the connection to different cultures and communities, as opposed to a traditional, impersonal travel and will be on tourist bucket lists, offering them a travel purpose.

Moreover, this meaningful travel is supporting sustainable development, many tourists are trying to decrease the impact on the environment and local communities and also supporting small, locally owned businesses and reducing their carbon footprint¹².

¹²<https://www.linkedin.com/pulse/why-experiential-tourism-one-fastest-growing-sectors-travel-black/>

3. EXPERIENTIAL TOURISM – IMPACT OF SOCIAL MEDIA

Over the years, tourism development has been determined by various factors, shifting towards new trends, digital technology being one of the strongest influencers. The rise of social media has generated important changes in day-to-day life, having also an impact on travel behavior.

Researching tourism destinations, booking reservations, travel reviews, tips and tricks of locals and others are nowadays, just a click away. Popular social platforms have changed travel trends from mass tourism destinations to niche, to new and adventurous ones, to a different tourism experience.

From the point of view of the consumers, social media provides the opportunity of easy to find information, facilitating not only the research, but also the choice. Major opportunities are also met by companies and destinations' authorities, as they benefit as well from the impact of social media. Tourism companies are using social media data in order to create proper strategies, focusing on their target audience, taking important steps in defining the best marketing campaign online.

These platforms enable the reach of large audiences and build relationships with people all over the world, as well as tracking the impact of their marketing campaigns, monitor customer engagement and conversions, for best results. International Tourist Research Centers shows that 88% of tourism businesses actively employ social media platforms in order to promote travel¹³. According to surveys, around 43% of travellers are only considering a destination, previously based on finding it on social platforms, the hashtag "travel" having over 74.4 billion views on TikTok and Instagram having over 624 million posts regarding travel.¹⁴

If other travel trends are less influenced by social media, experiential tourism is strongly related to these platforms. Influencers are generating travel content of new and emerging destinations, of tourism hidden gems, or even popular ones, but with the focus on connection to the culture and locals and an immersive experience.

The social media information is built around¹⁵: *destination discovery* – Influencers introduce new and exciting destinations, providing the opportunity of every destination to reach the desired audience; *the quest for aesthetic travel* – influencers are operating with an aesthetic content meant to attract more, as travelers are prioritizing this aspect in choosing a destination; *experience-driven travel*- influencers are encouraging experiential travel, by seeking unique and immersive experience to share on social media.

¹³ <https://www.interglobe.com/social-media-and-its-impact-on-travel>

¹⁴ <https://www.interglobe.com/social-media-and-its-impact-on-travel>

¹⁵ <https://www.linkedin.com/pulse/influencer-effect-how-social-media-6g9kf/>

Social media has help transitioning from sightseeing to experiencing the culture and communities. Due to the large number of travel bloggers and influencers, there is a constant demand for unique and exciting content and therefore an increase of tourists seeking out different experiences. It has also been influenced by popular culture that encouraged travellers to explore off beat experiences, as well as destinations known for the famous cinematic productions that were filmed in¹⁶.

The difference between traveling and traveling with a purpose is the reflected in the experiential travel that encompasses the activities of cultural immersion, but also sharing their story on social media, gaining a large audience as well. From this online visibility, destinations will benefit, as it play the role of a catalyst for tourism growth and economic development.¹⁷

Another important aspect of is FOMO – the fear of missing out, which can be strongly related to new and exciting images of experiential tourism posted on social media platforms. Seeking unique features of travel experience, more people are attracted to online posts, and based on FOMO concept are trying to keep up to the novelties in term of travel and tourism. This also translates to a continuous growth of experiential travel under the influence of social media.

4. CONCLUSION

Needless to say, tourism is facing major transformations, in accordance to different generation of consumers and overall behavior tendencies. Social media and its fast development have also accentuated the changes in tourists' interests worldwide, changes which have defined tourism not only as a mean to travel but, more important, to travel with purpose, to have a meaningful and authentic experience, the *experiential travel*.

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SPECIFIC LABOR MARKET RISKS IN THE TOURISM INDUSTRY

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Abstract

Risks are considered to be an integral part of the business environment (this being a topic that raises much interest) and analysing their presence on the Tourism Labour Market started with the theoretical approaches drafted by experts, on the nature and the types of risks. Identifying, researching and analysing the risks' particularities on the Labour Market have revealed the sensitivity of the Tourism Labour Market in face of the multitude of factors influencing it. The studies and the office research actions conducted, show the importance of defining a risk management system within the companies in this field. Risk analysis in the field of Tourism is divided and uneven, it focuses relatively and restrictively on risk as a set of negative results that need to be avoided, either by individuals, by legal entities or by those who are in charge of managing touristic destinations. Due to the general framework and to the specificity of the Tourism Industry, identifying the knowledge limits and assessing both systematic and unsystematic risks, are essential for all types of tourism.

Keywords: *Tourism, Risks, Labour Market*

JEL Classification: *Z22, Z30.*

Tourism, through its complexity, defines a dynamic industry that is constantly changing under the effect of the variety of activities carried out and especially of changes on multiple levels. A brief analysis of profile companies highlights fierce competition between firms (in particular small ones), which gives rise to the need for efficient management to successfully cope with these pressures. Efficient management draws attention to human resources as the most important resource, a proven fact in the field of services and tourism as a link between producers and consumers.

Unlike other fields, tourism requires a constant involvement of human resources, the quality of the services offered being dependent on those who offer them on the one hand, but also on the client's involvement on the other, which shows the determining role of human resources both as a provider and as a stimulator of consumption. The growing difference in tourism services lies in the development of human resources and the quality of service.

In the context of globalization and technological progress, the adaptation of personnel to the changes that have occurred is the most obvious proof of the strong competition between companies in the field and how they differentiate

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their offer. It can be argued that the development of a tourism business must be supported by a coherent strategy for the use of human resources focusing on anticipating, assessing and managing labor market risks.

The labor market in tourism faces a series of risks generated by its characteristics¹:

- the nature of tourist demand; it has an uneven character, with seasonal and off-season peak periods;
- the nature of employment; many jobs are temporary, part-time and require a low level of professional training;
- inappropriate management practices and working conditions;
- the important role of tourism workers.

A review of these considerations proves a logical chain and it is necessary to approach them as a whole system from cause to effect. Seasonality leads to low interest of employers in training temporary staff, which results in a limited payment system, but also to adverse effects on the quality of tourism services, leading to inadequate management practices.

To correctly portray the risk situations, other characteristics of the tourism labor market must also be considered:

- a direct employee-client relationship with an emphasis on high consumption of “live work”², with a predominant human presence in carrying out activities. The growing trend towards a decline in direct relations due to the introduction of high-performance technologies in the tourism sector should not be overlooked. The new trends cause changes in the role of the tourism employee, who is not being eliminated but rather encouraged to adapt to the new ways of booking, purchasing, etc. and who needs to be in touch all the time with all the relevant changes;
- a strong influence on consumer behavior is another characteristic of the staff that through their skills and knowledge stimulate the interest of tourists and determines their satisfaction and loyalty;
- the need for a high level of training, with multiple knowledge and constant training of employees, in contrast to those who do not require a certain professional training. Regardless of the required level of training, the phenomenon of globalization produces important changes in the labor market and the development of workers' skills and knowledge can be a risk factor determined by³: the need to acquire new skills to deal with new technologies with emphasis on information technologies; retraining; the role of human

¹ Darren Lee-Ross, Josephine Pryce, *Human Resources and Tourism*, Channel View Publications, 2010, p.12

² Firoiu D., *Resurse umane în turism*, Editura ProUniversitaria, București, 2007, p. 61

³ Becherel L.C., *The impact of globalization on HR management in the tourism sector*, Tourism Recreation Research, 2002

resources in new strategic alliances and groups; new skills needed, correct behavior concerning the modern and experienced consumer;

➤ fluctuation of human resources, an aspect supported by seasonality and the low level of wages for certain categories of personnel, a fact that also causes migration to other fields of activity;

➤ ethnic diversity, the preponderance of young employees, etc.

Risks and their perception in the tourism labor market focus on human resources and their transformation under the impact of external and internal factors⁴: among the external ones are mentioned – legislation, consumer preferences, the economy, demographic factors (population in terms of numbers and financial status), globalization of tourist activities, etc. Internal factors refer to work procedures, organizational culture, medium and long-term strategies, managers and their experience.

All these factors illustrate the impossibility of accurately defining the characteristics of the labor market in the tourism sector, as numerous influences require managers to further study and solve the risk situations, thus created or potential.

From the perspective of the tourism company, we can therefore speak of a *strategic component* represented by risks associated with the human resources strategy, which involves determining the need for employees, the fair ratio of secondary and primary jobs (i.e. the large size of secondary markets), the integration of motivational factors in defining the personnel policy, adjusting the specific processes of human resources for tourism activity, etc. Anticipating these risks relating to personnel policy is important in any organization, though in the tourism sector it has become an essential component in which the company's competitive strategy is juxtaposed with success. Eliminating risky practices or mitigating them is a priority for the tourism worker whose transparent actions demonstrate their ability to meet the demands of the job, being overworked or having major discrepancies between the level of training and the services provided.

Under the impact of the global economic situation, tourism activity suffers a decline in terms of allocated expenditure, in direct relation to the level of income of the population. Thus, tourism changes its importance in consumption, referring to the concept of leisure; less affected is the business one, but in some situations, there are also budget reductions for employee travel. Of course, boosting the tourism industry by diversifying offers and attracting tourists through programs with differentiated budgets (low-cost air travel, last-minute offers, all-inclusive and other offers) are some of the ways to counteract *economic risks*. These reductions also have an impact on the

⁴ Hayes D.K., Ninemeier J.D., *Human Resources Management in the Hospitality Industry*, John Wiley & Sons, 2009

financial situation of tourism organizations of any kind and thus on human resources management.

As a way to face the challenges and risks of human resources, employers turn to one of the human resources development techniques through⁵: *job enlargement* (broadening the area of competencies) - the variety of tasks causes an increase in interest and work motivation; *job rotation* encourages teamwork and new knowledge; *job enrichment* (improvement of responsibilities) increases the decision-making capacity of employees and *job sharing* (division of tasks) favors the fair distribution of tasks and responsibilities.

The particularities of work in tourism have their own impact on risks and as a result, managers must constantly find methods, policies and strategies to identify the sources of risk because human resources and their contribution define tourism performance.

Risk analysis in the tourism industry is fragmented and uneven, it focuses relatively and restrictively on risk as a set of negative outcomes, which must be avoided either by individuals, legal entities or those who manage tourist destinations. Due to the general framework and the specificity of the tourism industry, the identification of knowledge limits and the assessment of both systematic and non-systematic risks are essential for all forms of tourism.

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TECHNIQUES FOR ASSESSING AND PERCEIVING ENVIRONMENTAL TAXES AND IMPLEMENTATION POSSIBILITIES NAD THE FINANCIAL IMPACT IN EUROPE

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Abstract

This article examines the increasing significance of environmental taxes in the context of global environmental protection and climate change mitigation, with a focus on the European Union (EU). By analyzing specialized literature, it develops a framework to understand how environmental taxes promote sustainable economic and social development. The first section defines the importance of these taxes in combating climate change and environmental degradation, while addressing implementation challenges and benefits. The second section focuses on practical aspects of tax administration, including techniques for assessing economic and social impacts, setting and adjusting tax rates, and strategies for public communication to enhance support. The article reviews the current state of environmental tax policies in Europe, noting progress and areas for improvement. Key findings indicate that environmental taxes are effective in generating revenue and encouraging sustainable practices. The data from 2013 to 2022 show a consistent increase in EU environmental tax revenues, despite economic disruptions like the COVID-19 pandemic. This trend reflects the EU's commitment to sustainability. It calls for an integrated approach to optimize these taxes' implementation and adjustment, supporting the EU's long-term sustainability goals.

Keywords: *environmental taxex, fiscal revennues, European Union, sustainability*

JEL Classification: H7, H70, H71, O13. Q580

1. Introduction

In the context of global concerns regarding environmental protection and combating climate change, the implementation of environmental taxes is increasingly important to ensure a balance between economic development and the conservation of natural resources. In recent years, the issue of environmental taxes has become more significant in the context of global environmental protection efforts.

By analyzing the specialized literature, a fundamental conceptual framework emerges for understanding the breadth and role of this topic within the specific context of Europe. Understanding environmental taxes within the

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specific context of our country can offer numerous perspectives on how these taxes can contribute to stimulating sustainable economic and social development in Europe.

By analyzing the impact of these taxes on the environment, the economy, and society as a whole, effective strategies can be identified and adopted to use these instruments to ensure a balance between economic progress and the preservation of natural resources. This paper aims to examine the role and impact of environmental taxes. In this regard, environmental taxes have become a fundamental tool in efforts to preserve natural resources and reduce negative environmental impacts.

The first part of the article aims to provide a comprehensive understanding of this fundamental domain. It will explore the general context of environmental taxes, offering concise definitions and highlighting the importance of environmental taxes in the current context of climate change and environmental degradation. Additionally, it will focus on the implications and barriers faced in the implementation of environmental taxes in Europe. Both the advantageous aspects, such as their potential to reduce pollution and promote a sustainable economy, and the challenges and obstacles encountered in their effective application will be analyzed.

Furthermore, the article aims to conduct a thorough analysis of the current state of environmental taxes in Europe, focusing on existing policies and practices, as well as progress and shortcomings in their implementation. The second part of the article, concentrates on the practical aspects of implementing and administering environmental taxes within the specific context of our country. It examines techniques for assessing the economic and social impact of environmental taxes, methods for setting and adjusting them to maximize efficiency and equity, communication and education strategies for gaining public support for environmental taxes, and implementation possibilities in Romania.

The article can contribute to a deeper understanding of environmental policies and practices in Europe providing relevant information and analyses for policymakers, public authorities, and other organizations involved in environmental management. Thus, the results and recommendations of the article can influence the development and implementation of future environmental protection policies and strategies in the country.

2. Environmental taxes in the European current context

Significant research in the field of environmental taxes highlights various perspectives and theories that explore both theoretical aspects and practical implications. The sources consulted for this paper emphasize the necessity of a critical analysis in evaluating environmental taxes, highlighting both their

benefits and limitations in terms of their capacity to reduce environmental impact.

According to experts in the field (Sângeozan, 2011), the economic theory of environmental taxes represents an important branch of economics that explores the impact and effectiveness of using taxes to regulate and reduce negative environmental impacts. This approach aims to internalize environmental costs into economic decisions, thereby encouraging more ecologically responsible behaviors.

Environmental taxes in Europe play a fundamental role in protecting the environment and responsibly managing natural resources, counteracting the negative impact of human activities on ecosystems. These taxes are designed to internalize the costs associated with pollution and to promote sustainable behaviors across various sectors, including industry and daily life. They represent an essential mechanism for applying the "polluter pays" principle, assigning financial responsibility for environmental impact to those who generate pollution or contribute to environmental degradation.

"The purpose of environmental taxes is to discourage the excessive use of natural resources and to promote innovation in clean and sustainable technologies." (Todor, 2011).

However, there are also criticisms of the theory of environmental taxes. Experts argue that "these taxes can negatively affect the competitiveness of firms, especially in a global context, and can lead to the relocation of pollution to regions with lower environmental protection standards." (Sasu, 2011).

Governments and organizations worldwide are increasingly concerned with adopting and modifying fiscal policies, particularly environmental taxes, in the face of growing challenges related to climate change and environmental degradation. Thus, in the current context, we observe the following evolutions:

- Global increase in carbon taxes: Numerous countries have imposed or increased taxes on carbon emissions in recent decades. To reduce greenhouse gas emissions, countries like Canada, Sweden, and Norway have implemented significant CO₂ taxes. The EU's Emissions Trading System (ETS) has been expanded and strengthened. This system functions as a carbon tax, placing a price on carbon emissions and incentivizing their reduction.

- Expansion of taxes on polluting products: To reduce waste and promote the use of reusable items, several nations have introduced taxes on single-use products, such as packaging, bags, and other plastic items.

- Higher taxes on polluting vehicles: To promote electric or hybrid vehicles, many cities and nations have imposed taxes on internal combustion engine cars. For example, London has an Ultra Low Emission Zone (ULEZ) where vehicles not meeting emission standards must pay an additional fee. In Norway, the number of electric vehicles has rapidly increased due to significant fiscal incentives.

- Adoption of environmental taxes in emerging economies: Recognizing the importance of combating pollution and climate change, countries like China and India are beginning to implement environmental fiscal policies, such as pollution taxes and incentives for renewable energy.

Also, the trends in this can be summerized like this:

- Integration of environmental tax systems globally: To prevent financial distortions and provide an adequate framework for reducing greenhouse gas emissions, there is a trend towards harmonizing and integrating environmental tax systems globally.

- Green taxes and the circular economy: The transition to a circular economy, where resources are used more efficiently and waste is minimized, will require the use of environmental taxes. Fiscal policy can lead to a more sustainable economy by encouraging recycling, reuse, and waste reduction.

- Digitalization of environmental tax collection: The collection and management of environmental taxes are becoming more efficient due to technological advancements. Pollution and emissions can now be tracked in real-time using technologies such as IoT and blockchain. These technologies enable stricter compliance and effective tax management.

- Increased public awareness and political support: As the public becomes more aware of environmental issues, politicians are more likely to support the implementation and increase of environmental taxes. Public information and education campaigns have the potential to increase acceptance of these taxes and promote environmentally friendly behaviors.

- Focus on social justice and equity: Future environmental fiscal policies will pay greater attention to the impact on low-income households and aim to avoid regressive effects through compensatory measures. To facilitate the transition to a green economy without adversely affecting vulnerable populations, funds raised from environmental taxes can be redistributed as subsidies and assistance.

The trends in environmental taxes reflect shifts in public perception of environmental protection and the increasing demand for greener policies.

It is essential to recognize that the imposition of environmental taxes is an effective and particularly important way to address environmental issues and promote sustainable development. The establishment and adjustment of these taxes are complex processes that involve careful consideration of several factors, including economic efficiency and social justice.

A key method in implementing environmental taxes is the concept of "internalization of external costs." This principle considers that activities that produce pollution or exploit natural resources should bear the costs associated with the damages caused to the environment and society as a whole. By implementing taxes that equate to these costs, an economic incentive is created to reduce pollution and use resources more efficiently.

An effective approach for evaluating external costs and determining the appropriate level of environmental taxes is the use of cost-benefit analysis. "This process involves a careful assessment of the costs and benefits of an environmental activity or policy to determine the optimal tax level that maximizes net benefits to society" (Bebeșelea, 2013). It is crucial that this assessment is conducted meticulously and takes into account all relevant elements, including the direct and indirect costs of pollution, public health benefits, and the impact on the economy.

Another highly effective method in implementing environmental taxes is the "polluter pays" principle. This principle holds that those responsible for pollution should bear the corresponding costs associated with it. Therefore, it is justified that environmental taxes be adjusted in accordance with the amount of pollution generated by each economic entity. This can be achieved by instituting variable rates based on the level of pollution or the consumption of natural resources.

It is also essential to distinguish between different categories of pollution and their effects on the environment. Certain activities or goods may have a greater impact on the environment than others and, consequently, should be taxed appropriately. For example, air pollution may have more severe consequences on public health compared to noise pollution, which justifies adjusting tax levels to reflect these differences.

Social equity is also a key element in the imposition of environmental taxes. It is fundamental that these taxes do not impose a significant burden on certain segments of the population, such as low-income families or marginalized communities. Therefore, it is useful to consider the financial levels and social impact of environmental taxes to ensure they are applied fairly.

To encourage innovation and efficiency in resource management, environmental taxes should also include incentives for adopting greener and more efficient technologies. This can be done by providing tax exemptions or reductions for investments in green technologies and sustainable practices.

Public involvement and transparency in the process of setting environmental taxes are also fundamental elements. "Decisions regarding the level and implementation of environmental taxes should be made transparently and be subject to public debate" (Bebeșelea, 2013). This active participation helps build public trust and acceptance and can generate greater compliance and support for environmental policies.

In parallel with societal progress and technological advancement, it is also useful to periodically review environmental taxes and adjust them in accordance with changes in the economic, social, and environmental spheres. Continuous evaluation of the effectiveness and relevance of environmental taxes and their adjustment to respond to new challenges and opportunities is fundamental.

To optimize efficiency and equity in the establishment and adjustment of environmental taxes, it is essential to adopt an integrated perspective that examines the interactions between economic, social, and environmental factors. "By implementing coherent environmental policies and applying fair and effective environmental taxes, we can play a significant role in conserving the environment and promoting sustainable development for future generations" (Bebeșelea, 2013).

In conclusion, optimizing the methods of establishing and adapting environmental taxes to ensure maximum efficiency and equity is a fundamental and complex process in addressing environmental issues and promoting sustainable development.

Techniques for collecting environmental taxes focus on the specific processes used to apply and collect these taxes. These techniques are essential to ensure the efficiency and equity of environmental taxes, which aim to promote sustainable practices and reduce harmful effects on the environment.

The main techniques for collecting environmental taxes are presented in the following table:

Table no.1 Techniques for collecting environmental taxes in Europe

| Name of the technique | Description |
|----------------------------------|---|
| Direct Taxation | Taxes on carbon emissions: A direct tax on CO2 emissions from industrial, transportation, and other sectors. For example, companies must pay a certain amount for each ton of carbon dioxide produced. Taxes on polluting substances: A tax applied to goods that cause pollution, such as fossil fuels, plastics, etc. |
| Emissions Trading Systems | Emission permits: Companies receive or purchase permits allowing them to release specific amounts of pollutants. A company can sell its surplus to other entities if it emits less than its permit allows. Emissions market: Creating a market for trading emission permits, thus stimulating market mechanisms to reduce total emissions. |
| Resource Use Taxes | Water usage taxes: A tax applied to the amount of water used in households and businesses to promote more efficient use and reduce consumption. Taxes on minerals and natural resources: A tax on the extraction and use of natural resources, such as minerals, oil, and natural gas. |
| Waste Management Taxes | Landfill fees: A tax on the amount of waste deposited to promote recycling and waste reduction. Packaging fees: Taxing producers and importers of packaging to promote recycling and reduce unnecessary packaging. |
| Transportation and Vehicle Taxes | Vehicle emissions taxes: Taxes based on the level of CO2 and other pollutants emitted by vehicles. For example, vehicles with |

| | |
|--|--|
| | larger engines and higher emissions must pay higher taxes. Congestion charges: A tax imposed in densely populated urban areas to reduce traffic and pollution. The London congestion charge is a notable example. |
| Subsidies and Incentives | Eliminating subsidies for fossil fuels: Removing subsidies that support the use of fossil fuels and other polluting practices. Incentives for green technology: Tax reductions and financial incentives for businesses and individuals who implement green technologies and sustainable practices, such as solar and wind energy and electric vehicles. |
| Return Systems | Deposit-return schemes for packaging: Implementing a deposit on packaging that is refunded to customers when they return the packaging for recycling. |
| Creating Efficient Administrative Structures for Collecting and Monitoring Environmental Taxes | These structures require the creation of specialized institutions equipped with adequate resources, such as environmental administrations or environmental tax collection agencies. |
| Monitoring Compliance and Enforcing Penalties for Violations | Authorities have the capacity to monitor and control the activities of organizations and identify any deviations or irregularities quickly and accurately. |
| Utilizing Technology to Facilitate Reporting and Collection of Taxes | Authorities can simplify and digitize the reporting and collection processes using advanced technology, such as complex information systems and dedicated online platforms. |

Source: own resource

In conclusion, strategies for collecting environmental taxes are fundamental to the implementation of environmental policies. These include various techniques and processes designed to promote pollution reduction, sustainable resource use, and the adoption of green practices. To achieve environmental goals and create a sustainable future, it is essential to appropriately apply and effectively manage these taxes.

3. Financial dimensions of environmental taxes on a European level

To promote sustainability, the European Union (EU) employs a variety of fiscal instruments. The primary mechanism for reducing greenhouse gas emissions in the EU is the Emissions Trading System (ETS). ETS revenues amounted to approximately 30 billion euros in 2021. Numerous energy efficiency and renewable energy projects are funded through these revenues. Since 2021, the EU has imposed a tax of 0.80 euros per kilogram on unrecycled

plastic waste. The revenues generated are allocated to the EU budget to finance environmental projects.

Green infrastructure, such as electric transport networks and renewable energy grids, is financed from the funds raised through the EU's environmental taxes. For example, the Just Transition Fund has 17.5 billion euros available to assist regions affected by the transition to a greener economy.

Taxes are assessed based on the amount of carbon dioxide emitted into the atmosphere by various industries and transportation sectors.

Regarding the level of total environmental taxes collected at the level of the European Union, we analyzed their total annual evolution but also by components and a continuous increase is observed both in total and by components (table no.2)

Table no. 2 Evolution of total environmental tax revenues, transport taxes and pollution/resource taxes in Europe, annually, in millions of euros

| Taxes | Total environmental | | Fiscal revenues | | | | | | | |
|-------|--------------------------|------------|-----------------|------------|------------|------------|------------|------------|------------|------------|
| Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| EU | 285,120.45 | 291,985.16 | 300,019.96 | 311,234.91 | 317,643.75 | 325,790.48 | 331,207.19 | 301,734.32 | 329,721.01 | 320,823.83 |
| Taxes | Shipping taxes | | | | | | | | | |
| EU | 53,622.4 | 54,668.85 | 56,740.08 | 58,429.41 | 59,936.27 | 61,954.09 | 62,543.49 | 57,419 | 59,231.81 | 60,104.29 |
| Taxes | Pollution taxes/resource | | | | | | | | | |
| EU | 10,020.85 | 10,422.43 | 10,949.37 | 10,936.37 | 11,080.71 | 11,052.36 | 11,092.44 | 11,060.2 | 11,818.56 | 12,333.38 |

Source: own research based on Eurostat,

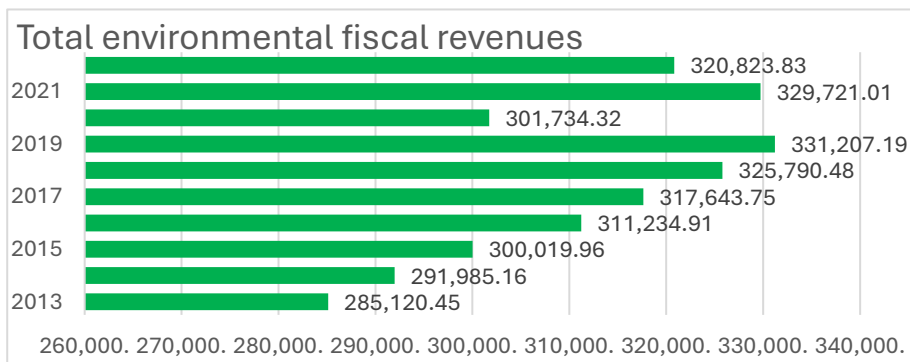
https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Environmental_tax_statistics_-_detailed_analysis

The Graph no 1. demonstrates a general upward trend in environmental tax revenues over the given period. Starting from 285,120.45 million euros in 2013, the revenues have shown fluctuations but have generally increased to 320,823.83 million euros in 2022. A noticeable decline occurs in 2020, with revenues dropping to 301,734.32 million euros. This decline could potentially be attributed to the economic impacts of the COVID-19 pandemic, which might have affected economic activities and thus tax revenues. The overall increase in environmental tax revenues reflects the EU's commitment to implementing fiscal measures aimed at promoting sustainability and environmental protection.

The fluctuations, especially the decline in 2020, highlight the sensitivity of tax revenues to broader economic conditions. The sharp recovery in 2021 suggests resilience and possibly an increased emphasis on environmental taxes post-pandemic.

The decrease in 2022, though minor, could indicate adjustments or the stabilization of tax revenues after the significant rebound in 2021.

Graph no. 1 The evolution of total environmental fiscal revenues in the EU, annually, in millions of euros



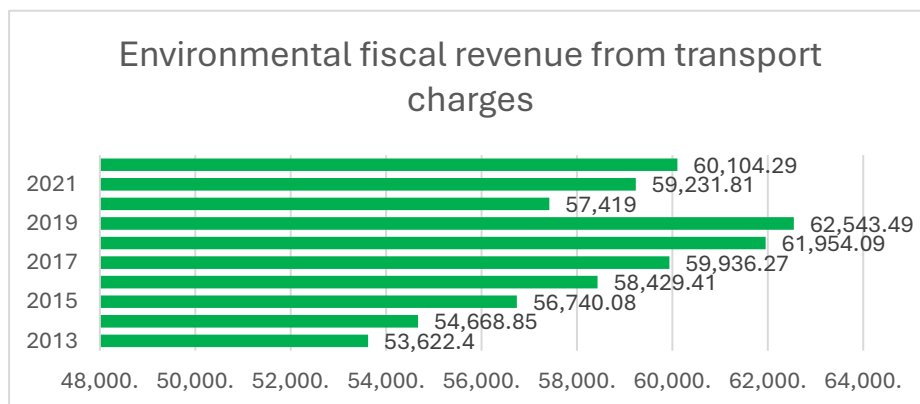
Source: Eurostat 2024,

https://ec.europa.eu/eurostat/databrowser/view/env_ac_tax/default/table?lang=en

The graph no 2 shows a general upward trend in revenue from transport charges over the given period, though there are fluctuations in certain years. Starting at 53,622.4 million euros in 2013, the revenue peaks at 62,543.49 million euros in 2019 before slightly declining and stabilizing around 60,104.29 million euros by 2022.

The highest value in the period is recorded in 2019 at 62,543.49 million euros. A noticeable decline occurs in 2020, with revenues dropping to 57,419 million euros, which may be linked to the economic impacts of the COVID-19 pandemic affecting transport activity and related charges. A recovery is observed in 2021, with revenues increasing to 59,231.81 million euros.

Graph no. 2 The evolution of environmental fiscal revenues from transport taxes in the EU, annually, in millions of euros



Source: Eurostat 2024,

https://ec.europa.eu/eurostat/databrowser/view/env_ac_tax/default/table?lang=en

The sharp decline in 2020 aligns with the broader economic downturn due to the pandemic, which significantly reduced transportation activities and, consequently, the related charges.

The recovery in 2021 and 2022 indicates a return to pre-pandemic levels of transport activity and fiscal revenue from these charges.

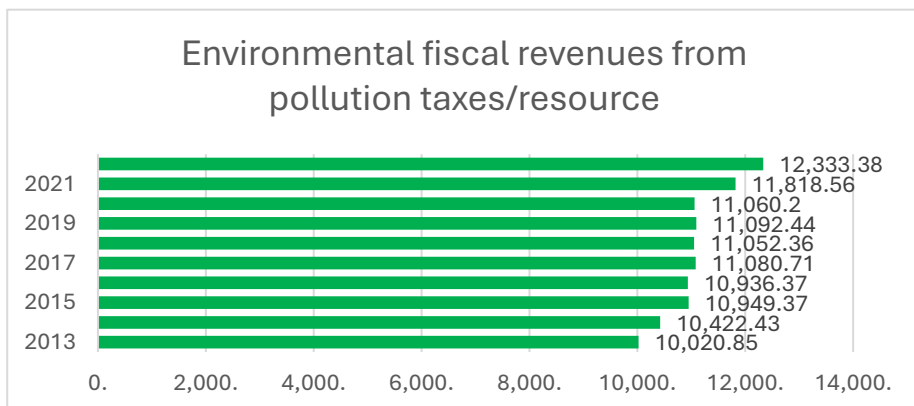
The graph no. 2 presents a generally positive trajectory for environmental fiscal revenue from transport charges in the EU, despite a notable dip in 2020 due to the pandemic. The recovery in subsequent years underscores the robustness of these fiscal measures. Continuous adaptation and enhancement of transport charges will be crucial for maintaining their effectiveness in reducing emissions and promoting sustainable transportation.

The graph no. 3 demonstrates a consistent upward trend in revenues from pollution taxes and resource charges over the given period. Starting at 10,020.85 million euros in 2013, the revenues steadily increased, reaching 12,333.38 million euros by 2022.

The steady increase in revenues from pollution taxes and resource charges reflects the EU's strengthening of fiscal measures to address environmental pollution and resource exploitation.

The consistent rise in these revenues suggests a growing commitment to internalizing the environmental costs associated with pollution and resource use, thus promoting more sustainable practices.

Graph no 3. The evolution of environmental fiscal revenues from pollution/resource taxes in the EU, in millions of euros



Source: Eurostat 2024,
https://ec.europa.eu/eurostat/databrowser/view/env_ac_tax/default/table?lang=en

The graph no. 3 presents a clear upward trajectory in environmental fiscal revenues from pollution taxes and resource charges in the EU from 2013 to 2022. This trend underscores the effectiveness and growing importance of these

fiscal instruments in achieving environmental and economic goals. Continuous enhancement and strategic implementation of these taxes will be crucial in maintaining their impact and supporting the EU's long-term sustainability objectives.

4. Conclusion

This article explores the critical role of environmental taxes in the European Union (EU) within the broader context of global environmental protection and climate change mitigation. It underscores the necessity of balancing economic development with the conservation of natural resources through strategic fiscal measures. The findings reveal that environmental taxes are instrumental in generating revenue while promoting sustainable practices and reducing environmental impacts.

The comprehensive analysis indicates that the implementation and adjustment of environmental taxes are complex processes that require careful consideration of economic efficiency and social equity. The consistent increase in environmental tax revenues from 2013 to 2022, despite economic disruptions like the COVID-19 pandemic, reflects the EU's robust commitment to sustainability. The effectiveness of these taxes in reducing pollution and encouraging resource efficiency is evident.

Key techniques for implementing environmental taxes, such as internalizing external costs and adhering to the "polluter pays" principle, are highlighted as essential strategies. The article emphasizes the importance of cost-benefit analysis in setting appropriate tax levels and the need for social equity to ensure that taxes do not disproportionately burden low-income populations.

Additionally, the study identifies global trends such as the harmonization of environmental tax systems, the transition to a circular economy, and the digitalization of tax collection as pivotal to the future of environmental fiscal policies. Increased public awareness and political support are also crucial for the successful implementation of these taxes.

In conclusion, the optimization of environmental tax policies requires an integrated approach that considers economic, social, and environmental factors. Continuous evaluation and strategic enhancements are necessary to maintain the effectiveness of these taxes in achieving long-term sustainability goals. The findings and recommendations of this study provide valuable insights for policymakers and stakeholders involved in environmental management, supporting the development and implementation of future environmental protection strategies in the EU.

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METAPHORS AND WAR. A LOOK AT THE ISRAEL-HAMAS CONFLICT THROUGH THE LENS OF ROMANIAN ONLINE MEDIA

Andreea-Nicoleta Soare*

Abstract

The war between Israel and the Gaza-based organization Hamas has shocked the entire world, provoking strong waves of criticism from world leaders and international organizations. The atrocities committed both in Israel and in the Gaza Strip, which affected Israelis and Gazans alike, hit the headlines immediately after the October 7th attack on Israel. This study aims at having a look at how Romanian journalists presented the conflict and its effects on civilians through metaphors, during the first month of conflict. The study will focus on the metaphors used in the headlines to describe the war, based on the two associations identified: war and religion, war and extreme weather, war and blood.

Keywords: *war, Israel-Hamas conflict, online media.*

JEL Classification: Z00.

1. Introduction

On Sunday morning, October 7th, the Middle East woke up in the middle of a new – yet old – conflict, after the members of the Hamas organization, mostly based in the Gaza Strip, entered the south of the Israeli territory and started to attack the civilians while a barrage of missiles was heading towards the whole country. Caught by surprise, the Israelis needed a few hours to start a defensive military operation, as a response to those attacks, and then to turn it into an offensive operation against Hamas. However, both what happened on the first day of the war, October 7th, in Israel, and what followed next in Gaza, once the Israelis entered the Strip, had a huge effect on civilians from both sides. Four months after the war started, the number of casualties on the Gazans' side rose to more than 20.000¹ – according to the Palestinians' Health Ministry – and on the Israelis' side there were more than 1.200 civilians brutally killed and tens, if not hundreds, of soldiers as well. All of these things led to hundreds of headlines in the Romanian online media, whose journalists often used metaphors to describe the war and, in that way, to get closer to the reader.

Since forever, the media has characterized reality better than any other historical document as it is essential for the development of the language. The

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¹ At the time I write this article, 2nd of January 2024.

Romanian journalistic language has also changed a lot in the last two decades. The journalists started to write articles that would give more and more a sense of familiarity and closeness to the reader, which led also to fuzzy borders between the discursive genres in the online media. After the fall of communism, the language used in the media became more modern, marked by elements of orality, the use of many verbs in the headlines, the personalization of the discourse by the journalist, the use of puns, etc. (Radulescu, 2009: 335). It is also noticed that journalists nowadays use more and more, in the headlines, the ellipse, the argotic expressions, the terms and expressions from the folk culture, ironies, warnings that provoke or anticipate certain emotions in the readers, linguistic constructions that anticipate the questions of the readers, quotes or wrong constructions used by different famous people in Romania, anaphora which provoke the interest of the readers or famous sayings (Soare, 2023). However, when it comes to big tragic events, such as wars, conflicts and natural disasters that directly affect people, journalists tend to use metaphors and metonymies to describe the events they write about and to impress the readers by creating certain emotions related to those events: compassion, fear, empathy, terror, anger, etc. Emotions lead, then, to engagement and engagement leads to more views for the articles. In this study, I will focus only on metaphors, not on metonymies.

2. Literature review

The use of more familiar entities to understand abstract concepts is something that happens daily, in different discourse types, but especially in the news headlines, as journalists are trying to impress the readers with their stories.

According to Lakoff and Johnson (1980: 5) the essence of metaphor is "understanding and experiencing one kind of thing in terms of another". This definition of metaphor, based on cognitive linguistics, has been, however, controversial, but still important for the studies that followed on this concept. Cognitive linguistics argues that people "speak metaphorically because they think, feel, and act metaphorically" (Tendahl, Gibbs 2008: 1825). Another important direction in the studies on metaphors is the relevance theory, which claims that "human cognition is geared to the maximization of relevance, such that each act of ostensive communication conveys a presumption of its optimal relevance" (Sperber and Wilson 1995, apud Tendahl, Gibbs Jr. 2008: 1824), meaning that using metaphors while speaking is some kind of a "loose talk", as Gibbs and Tendahl call it, which is sometimes the best way to achieve relevance. According to these authors, "even though verbal metaphors do not represent a completely accurate state of affairs, listeners can efficiently infer the appropriate contextual meanings of metaphors by following interpretive strategies based on the principle of optimal relevance" (Tendahl, Gibbs 2008:

1824). Both cognitive linguistics and the relevance theory aim to present a theory of metaphor based on cognition.

Some new theories in the field argue that these two directions are, actually, complementary, not different. Metaphors have also been studied from their pragmatic perspective as well, as a "communication tool, either to deliberately create ambiguity in a deniable manner or to extend word meaning beyond the public lexicon, which puts some fundamental mechanisms of abstract thought to figurative use" (Forgacs 2022: 48).

As I was writing earlier, journalists use metaphors a lot in the headlines and this has been seen, for example, as a coercion tool (Molek-Kozakowska, 2014), hiding the intention of trying to shape the receivers' perception of the covered issue. The author claims that the use of the metaphor as a coercive strategy can be categorized as:

- a. simplification (reducing a complex entity to a simple one);
- b. imaging (using primary image schemata for abstract entities);
- c. animalization (mapping animal attributes onto humans);
- d. confrontation (presenting interpersonal relations/stakeholders' interest as inherently oppositional and conflict-laden);
- e. (de)legitimization (adding or reducing the value of something by means of representing it as a more/less positive entity);
- f. emotionalization (drawing from affect-laden source domain);
- g. dramatization (mapping routine processes/entities into extreme/superlative ones) (Molek-Kozakowska 2014: 159).

In this study, I will divide the examples based on the most frequent associations I observed in the headlines when it comes to the aforementioned topic: religion, bad weather and blood. Often, journalists described in their articles the situation on the ground, in Gaza, as apocalyptic scenarios and the use of Israeli military equipment targeting the Gazan territory as bad or extreme weather. Most likely, they chose religion and bad weather as these are common, understandable topics for the majority of the readers and so it helps them to make the correct connections between the simple topic and the abstract meaning, hence, they can correctly interpret the message. As for the categories developed by Molek-Kozakowsk, I think *dramatization* is the category the analyzed examples would fit in, as apart from the attack themselves, the statements, declarations, or the geopolitical situation in the region surrounding the war are exaggeratedly presented by the authors of the articles.

3. Methodology

The present study analyses the articles written between October 7th and November 7th in Romanian online news publications referring to the Israel-Hamas war. The data obtained was classified according to the identified associations between war and religion, extreme weather and blood.

4. Results of the study

a. Religion-based metaphors

As the situation on the ground, in Gaza, quickly turned into a desperate one for the civilians there, many of the news headlines in the Romanian media have associated the images and videos posted on social media by the Gazan journalists with apocalyptic scenes from the Bible.

(1) **Hell on Earth** in the Gaza Strip after a devastating Israeli attack against Hamas (ro. S-a declanșat iadul pe pământ în Fâșia Gaza după un atac devastator israelian împotriva Hamas), newsweek.ro, 9.10.2023.

(2) **The Gaza hell**, an open space prison with no way out (ro. În iadul din Gaza, o închisoare în aer liber fără căi de evacuare!), cronicadiasporei.ro, 12.10.2023

(3) **Hell on Earth**: images filmed on the streets of Gaza (ro. Iadul pe pământ: imaginii filmate pe străzile din Gaza), stiripesurse.ro, 12.10.2023

(4) The dramatic story of a Romanian who has seven kids, who got out of the **Gaza hell**. “The house was still standing, I locked it and I left”. How they survived the hunger (ro.Drama româncei cu șapte copii, scăpată din iadul Gaza. ”Casa a rămas în picioare, am închis-o și am plecat”. Cum au supraviețuit foametei), gandul.ro 8.11.2023.

(5) The **apocalyptic announcement** of prime-minister Netanyahu: he is asking the people to leave Gaza because he will turn it into ruins (ro. Anunț apocaliptic al premierului Netanyahu: cere populației să părăsească Gaza deoarece o va transforma în ruine), stiripesurse.ro, 8.10.2023)

In (1), (2), (3) and (4) Gaza is seen as *hell* due to the heavy attacks by the Israeli armed forces and the destruction they left behind. The metaphor used here, “hell on Earth”, underlines the Bible scene becoming a reality for the people of Gaza. This metaphor is utilized to not just compare the two situations and give readers a better understanding of the conflict but also to create emotion and empathy for the reader. The lexical choice, using the worst scenario of the Bible, the “hell”, seen as a punishment for people who have done bad things during their lives, next to the noun “Earth” is deliberately used to underline that in Gaza the worst after-life scenario is developing while the readers are just continuing their lives unbothered.

In (5), an announcement made by the prime minister of Israel is seen as “apocalyptic” for the people of Gaza as it refers to the consequences of such a warning not being followed. The use of the noun referring to religion aims at creating emotion and at underlining the magnitude of the events in the Gaza Strip. All five examples can be described as novel metaphors, rather than conventional ones, as associating WAR with RELIGION is quite uncommon.

c. Extreme weather-based metaphors

Apart from using scenarios from the Bible to present the conflict from Gaza, Romanian journalists also used extreme or bad weather to discuss the

Israeli attacks targeting the Gaza Strip territory. Most often, the missile attacks were seen as heavy rains because they involved the launch of several missiles at once. The same metaphor was used also for the attacks of the Hamas militants against the Israeli territory, that took place on October 7th.

(6) **Bombs rain** over Gaza Strip. The Israelis say they have launched around 6.000 projectiles (ro. Ploaie de bombe asupra Fâșiei Gaza: Israelienii susțin că au lansat aproximativ 6.000 de proiectile), stiripesurse.ro, 12.10.2023

(7) **Missiles rain** over Israel – The Palestinians have launched a massive attack during the first hours of the morning (ro. Ploaie de rachete asupra Israelului - Palestiniienii au lansat un atac masiv la primele ore ale dimineții), stiripesurse.ro, 7.10.2023

(8) **Israel thunders and lightens** after the peace summit organized by Ehypt (ro. Israel tună și fulgeră după summitul pentru pace organizat de Egipt), stiripesurse.ro, 22.10.2023.

(9) **Storm in the Persian Gulf**. The geopolitics of the Israel-Palestina war (ro. Furtună în Golful Persic. Geopolitica implicațiilor războiului Israel – Palestina), ziarulnational.ro, 16.10.2023

The presentation of missiles or bomb attacks as “rain” is something common in the Romanian online news media. It is based on the association of the launch of dozens of attacks at once, by advanced weaponry, towards the target, having huge consequences on the attacked side, with the rain, a natural phenomenon which cannot be stopped and, in some extreme cases, can produce death. In (6) and (7), the metaphor of the rain was used to describe both the attacks on Gaza and Israel, followed, in (6), by the exact number of projectiles that were fired by the Israelis in a short period. The figures underline even more the magnitude of the attack because it gives the reader a glimpse of what such an attack involves. The implicature here is that one cannot defend himself/herself or take cover when such attacks are launched.

In (8), another weather-based metaphor is used, wherein the reaction of the Israeli government is seen as “thunder and lightning”, which accentuates the disagreement, dissatisfaction and anger on the Israeli side. Another metaphor that associates the war or the consequences of the Israeli-Hamas war with weather phenomena is (9), which presents the security dynamic in the Persian Gulf as a “storm” because of the unpredictability and lack of control over the Israel-Hamas war. These examples, as well as the ones in the first category, can be included in the novel metaphors section.

c. Blood-based metaphors

Some other metaphor examples I have identified in the Romanian news articles from the first month of the Israel-Hamas war are the ones related to blood. As conventional wars, unfortunately, cause victims, the association between blood and attacks related to the war seems quite understandable, as in phrases such as “bloody attack”, because it implies the consequences of the

attack itself on the population. However, it is quite uncommon to use the same adjective "bloody" for things that somehow stay outside of the battlefield, as we see in (10), (11) and (12).

(10) VIDEO The **Bloody answer** of Israel "in the entire Gaza Strip", after Hamas released two American hostages (ro. Răspunsul sângeros al Israelului "în toată Fâșia Gaza", după ce Hamas a eliberat doi ostatici americani), stirileprotv.ro, 21.10.2023

(11) 29 dead people, the **bloody death toll** of the fifth day of bombings in Gaza. The Catholics in Jerusalem are praying for peace (ro. 29 de morți, bilanțul sângeros al celei de-a cincea zi de bombardamente în Gaza. Catolicii se roagă la Ierusalim pentru pace), antena3cnn.ro, 21. 10. 2023

(12) The Saturday attack, the **bloodiest day** since the Holocaust. "The September 11th of Israel (ro. Atacul de sâmbătă, cea mai sângeroasă zi de la Holocaust încoace: "11 septembrie al Israelului"), evz.ro, 09.10.2023.

In all these three examples, (10), (11) and (12), the adjective *bloody* is used for things that are directly connected to the war. In (10), the *answer* of Israel is *bloody* because, after enabling the implicature, the reader can understand that the answer is, actually, the attack that Israeli conducted on Gaza's territory as a response to Hamas's actions. The adjective *bloody*, therefore, is related to the consequences of the attack on the civilians: death or heavy wounds. In (11), the adjective *bloody* is used for the death toll of the fifth day of attacks because it refers to the victims of the attack. The same thing happens in example (12), where the *day* is *bloody* because it refers to the high number of Israelis brutally killed by the Hamas militants. Here as well the metaphors used in the headlines are included in the novel metaphors category.

5. Conclusions

As presented, the Romanian journalists used quite uncommon metaphors in the first month of the Israel-Hamas war to underline the seriousness and the consequences of the war on civilians, who were and are the main victims of any war. All these metaphors used familiar things such as religion, weather, or blood to talk about an abstract thing: death. The purpose of the use of such metaphors is, indeed, growing both positive and negative feelings in the readers: empathy, kindness, fear, or anger. As the war is unfortunately not over yet, I only focused on the headlines from the first month of the war, but I think that another look at all the headlines used during the war in the Romanian online publications deserves attention as well.

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