

CROSS-BORDER REGIONS - INSTITUTIONAL COMPARATIVE ASSESSMENT FRAMEWORK. STUDY CASE ROMANIA-UKRAINE

Lecturer PhD **Marcela SLUSARCIUC**
„Ștefan cel Mare” University of Suceava, Romania
slusarciuc.marcela@usv.ro

Abstract:

The background of the paper is at the confluence of two scientific areas: cross-border regions (CB-R) and institutions. In this paper I intend to approach the relation between institutions and cross-border cooperation (CBC) using the institutional and organizational analysis, exploring the role institutions, norms and organizations have on the CBC using as study case Romania-Ukraine CB-R. The endeavor aims to be inventory mostly, and as an underline of the issues that need further detailed research as having a significant impact on the CBC, with secondary potential outcome - a 'map' of actors involved in the CBC. Aligning together the two areas of research, CB-R and institutions, the main questions to be answered through the paper are: what is the role of the institutions, the norms and of the organizations in the governance of CB-R? and which would be the criteria for a comparative approach between two forms of institutional complex architectures, as to distinguish in a structured manner the similarities and differences, the cooperation points as well as conflictual ones?

Key words: cross-border communities/regions, institutions, economic development

JEL classification: O17, P48

1. INTRODUCTION

In one extended previous research, based on multidisciplinary approach with both, theoretical and on field research, I concluded from the reviewed literature that most of the cross-border areas are weakly developed, mainly in the context of the gravity towards the national centers. I identified aspects that are pressuring on cross-border areas, challenging them against balance and economic and social development aims on long term: the differences between the two neighbouring countries that mark many areas (administrative structures and competences, fiscal and social legislation, small and medium enterprises (SMEs) legal settings and markets, environmental and waste legislation, the exchange rates, transport systems, labor markets, wages levels, social security systems), the possible existence of stereotypes or tensions in the communities, the distance center – periphery (Slusarciuc, 2013). Therefore, the CBC-R governance should be approached differently than the traditional political or territorial sense, as networks of public and private actors that bring together different social systems based on different value systems, decisions being less dependent on the national level. The CB-Rs become forms of institutional building due to the involvement of different types of local governance and the interactions among multilevel governance networks - local, regional, European and even global. In the shaping of these regions it worth to consider the cross-border transfer of the organizational knowledge that is built on repeatedly and good quality interactions, based on principle involvement, mutual understanding, internal legitimacy and mutual commitment, therefore it generates and sustain a capacity for joint projects.

In the framework of institutional and organizational analysis - IOA (Alston, et al., 2018), I will explore the possible role/effects that issues have on the CBC, such: the relation between the outcomes of institutions, and the rights that individuals and groups have to resources (property rights); some forms of organization of production and exchange (markets and firms); the impact of interest groups, legislative, executive and judicial branches, and the bureaucracy; the constitutional rules; beliefs and cultural patterns. The exploration aim is to be more inventory as to underline which of the above needs further detailed research as having a significant impact on the CBC. Also, the consideration of this approach will help drawing a 'map' of actors involved in the CBC.

Aligning together the two areas of research, CB-Rs and institutions, the main questions to be answered through the research are: *what is the role of the institutions, the norms and of the organizations in the governance of CB-Rs? and which would be the criteria for a comparative approach between two forms of institutional complex architectures, as to distinguish in a structured manner the similarities and differences, the cooperation points as well as conflictual ones?*

The aim of the research project, where this paper is part, is to investigate and determine a theoretical institutional architecture for good governance of CB-Rs using as study case Romania-Ukraine CB-R. The specific objectives of the mentioned project are: to identify the theoretical multidisciplinary framework, with accent on the role of institutions and of the organizations in the governance of CB-R; to shape a theoretical institutional complex architecture (as a 3D matrix) that gathers the institutions from the fields: administrative, legal, political, economic, social, cultural or others, as a structured multi-map vision; to identify the criteria for a comparative approach between two forms of institutional complex architectures, as to distinguish in a structured manner the similarities and differences, the cooperation points as well as conflictual ones.

Local authorities are running public affairs within the boundaries of their jurisdiction; therefore, their legal position detain any responsibility for matters outside the administrative unit. In case of the administrative unit along the state border, cooperation with bordering counterparts is not an explicit part of the function. Still, CBC brings advantages on long term for the involved communities: mutual knowledge and trust, economies of scale benefits, better services in some areas (bus routes connecting the whole area irrespectively of administrative borders, continuous learning by fostering exchanges of civil servants; business fostering and stimulation with joint marketing activities, improved sport and leisure services for by building new infrastructure, etc.), management of infrastructure connecting the communities, better visibility and marketing, and not the least, access to external funds (Council of Europe, 2012). On long term these lead to social and economic development and the connection to the area to the rest of the countries, lowering the peripherality effect.

2. METHODOLOGY

In this paper I intend to approach the relation between institutions and CBC using the institutional and organizational analysis, exploring the role institutions, norms and organizations have on the CBC using as study case Romania-Ukraine CB-R.

The comparative framework that I intend to set up has some general dimensions that allow to start a comparative institutional analysis customized for other borders with their specificities but is mostly focused having as study case Romania-Ukraine cross-border area which is more known by me from previous researches and practical activity. The use of the comparative framework would be as a tool in cases that there is a joint acknowledged desire for cooperation and development of a CBC-R, in order to have an image of the interacting institutions, norms and organizations that affect the cooperation and may be improved for a better outcome, to help for the good governance of a territory with common resources and different institutional approaches, leading on long term resilience of the region. The theoretical endeavor subject of this paper will be followed by several on field researches on the study case selected, as to allow adjustment to the institutional comparative frame.

Finding the answers for the questions mentioned before is the core of the paper and is based mostly on the study of the relevant scientific literature and documents about institutions, commons, governance completed with the results of my previous researches and the working experience in the CBC areas. The methods used for the activity of literature and official documents review are specific, namely, statutory analysis (for the international treaties, constitutions or other legal provisions), comparative analysis of the documents, norms or organizations, a mixed approach of analysis and structured synthesis. The further field research will suppose official statistical data (wide platforms as World Justice Project, Eurostat database, World Value Survey, national agencies databases, etc.), questionnaires and interviews with representatives from the main organizations

included in the network of the CB-R.

The main limitations/shortcomings related to the wider research topic I am focused are about the complexity of the issue that needs a longer time and a team of researchers from different fields to cover most of the domains, the territorial size of the research unit, the possible low cooperation on field research from some of the targeted organizations and the low knowledge of one of the area languages. Still, as I consider this project as a life-time research, I assume the need for cooperation and I already identify possible researchers that can help with the research domains I am less familiarized with. In the case of the territorial size, I envisage the possibility to narrow to a smaller unit, such as Suceava-Cernivetska, that is easier to explore, and the information availability is better. In terms of the last two limitations, I assume that the previous work experience in the area of cross-border programmes and projects in the Romania-Ukraine area and the cooperation with different stakeholders will help me to easy the field work.

Some of the statements referring to the CBC in general or particular, even if appear to be normative, are based on the own previous researches or work in cross-border area, and on scientific literature, reports and official documents, policies and documents which were presented during relevant actions and other similar informational sources. One main source that I rely on my statements is the review of the previously identified cases, useful for collecting lessons learnt, instruments or models that can contribute to the development of CB-Rs but mostly to identify the institutions/actors involved in cooperation. For the selected cases I considered, partially or entirely, few elements, up to the case: the existence of a historical encouraging or conflictual context, existence of written treaties or agreements, diplomatic exchanges at national level, partnership relations, financing framework for cooperation, existence of a development strategy of the area, involved actors (public administration, civil society, enterprises, universities, etc.), relevant characteristics of the cross-border area. Part of the cases were reviewed in previous researches about connected topics (Slusarciuc, 2013a).

The paper is focused to select the IOA concepts that are useful for the CBC-R exploration, and third that adds few more areas to be searched. The landscape that I want to give through this paper is as a ‘workshop’ (CB-Rs and CBC) where I spread on the table ‘tools’ that I take from the IOA ‘box’, I select the proper ones for the long-term project that I envisage, while I describe how I can use them, and I also propose other tools to use.

3. INSTITUTIONAL AND ORGANIZATIONAL ANALYSIS MILESTONES RELEVANT FOR CB-R

I acknowledge that the institutional dimension is challenging to be tackled because of the difficulties generated mostly by the complexity of the field, the multidisciplinary approaches existent in literature. The research on CB-Rs with EU neighbour countries is even more difficult, leading often to limitations or not very relevant conclusions.

On the other side, my incipient searches in literature about institutions showed few starting references useful for the research. In the last decades there were brought to the economic scientific scene two areas consistently debated – the one of the institutions in the meaning that Douglas North launched (institutions are the rule of the game or, more conventional, they are the constraints created by people to give a form to the human interaction, conduct codes, good practices, traditions, unwritten and written rules) (North, 2017) and the one of the common pool resources (Ostrom, 1990). A CB-R may be considered as the meeting place of two institutional systems, with similarities and differences. I also think that there are new institutions born, specific for these areas, which together with the compatible institutions from the two areas have an influence in the cooperation in the region and the increase of the integration degree.

For this paper I consider the Alston et.al IOA framework, that offers a set of concepts, for example, institutions, norms, property rights, and transaction costs, and links institutions and norms to economic performance. They use the same set of concepts to better understand political organizations and performance and to build a framework based on those concepts for understanding

divergent developmental trajectories of nations around the world. The similar way I choose from their set of concepts, link the institutions to the CB-R for better understanding the role and the potential to help CBC-R to become more resilient.

Therefore, I use definitions of institutions and norms as “institution as a rule that recognized entities purposefully devise and have the recognized right to enforce” and “norm consists of a rule and a pattern of enforcement, both of which arise after repeated interactions in a path-dependent process.” (Alston et. al, 2018). The IOA framework they provided enforces the main reason that I proceeded to the analyze of CB-Rs, namely, successfully moving to a superior institutional set creates the long-term resilience in the face of shocks, due to the possibility for transactions of greater magnitude and complexity given the same underlying resource set for a given society. Moreover, as the aim of the wider research project includes the identification of comparative criteria/areas for a CBC-R, I can open the list by a comparison on the determinants of institutions as mentioned in the referred source: economic performance, special interest organizations, citizens/consumers/individuals, legislative, government, executive, laws, judiciary, bureaucracy (p.17). The list should include elements that contribute to social order: institutions, norms, property rights, organizations, while transaction costs may be a sperate project that I will address later.

As in previous researches I assumed as an easy and structured view of the CBC system of actors on a vertical dimension (described more detailed in the next section of the paper) I will adopt the same view when I propose to split the institutions and norms in exogenous and endogenous relative to the CB-R, where I consider exogenous the ones provided by European Union frame (Treaty of European Union/Treaty of European Union Functioning, Association Agreement between EU and Ukraine, Deep an Comprehensive Free Trade Agreement, other treaties between the two countries) and by the two national frames, and endogenous the ones provided by the regional and local frames from the two countries. The institutions and norms derived and included in the joint cross-borders programmes should be treated separately as specific institutions.

The split in three levels of rules that Ostrom proposed: constitutional, collective choice, and operational, all of which can occur at different levels of societies and in different organizations, where day-to-day behavior is embodied in operational rules, collective choice institutions determine the process by which recognized entities make operational institutions and, constitutional-level institutions, the highest level, specify the structure of an organization and the process by which institutions can be created and challenged (Ostrom, 2005), is not used for the comparative approach but can be useful for the later study of the joint cross-border programmes system and entities.

As general national cooperation [1], between the two countries, Romania and Ukraine, were signed as far 28 documents (agreements, protocols and joint declarations), between 1992 until 2014. The analysis of the contain and the diplomatic relation with the focus on CBC fostering could be a subject of separate analysis. Anyhow, Romania was among the first countries that recognized Ukraine as independent state, establishing diplomatic relations and later, different forms of dialogue and cooperation (Romanian-Ukrainian Joint Presidential Committee – initiated in 2006 and updated in 2016, Romanian-Ukrainian Intergovernmental Joint Committee with work on national minority rights, Romanian-Ukrainian Joint Committee for economic, industrial and technical-scientific cooperation, so on). The documents could be a relevant source to identify the institutions and norms for the general exogenous setting with a possible identification of the ones that are boosting the cooperation in the border areas.

The data about general trade between the two countries or the state of joint trade companies could be identified from different sources, such as Eurostat database or national yearly statistics or the National Trade Registration Office. Anyhow, the trade volume is relevant in dynamic, structure and in correlation with the trade with the other neighbours that the two countries have. As far as the sources identified so far, the local trade statistics in the border area are less available. Assuming that institutions that support trade are among the most important for economic development (Alston et al., p.39), I can detect two levels of trade institutional analysis – one at national level, supported by the general trade rules of the two countries, the membership to international organizations (as World Trade Organization), the AA and DCFTA between EU (where Romania is member state)

and Ukraine; and one at the border level, supported by the conventions among the two countries, border crossing rules, visa waiver clause EU-Ukraine and other AA provisions, existence of the chambers of commerce as organizations and the agreements among them, in relations with the land border crossing points traffic, local prices and exchange rates of the two countries' currencies, the local enterprises development.

A sensitive area in the CBC Romania-Ukraine is related to the property rights due to some specific issues that worth consideration and further research. I identify at least three directions for in depth institutional analysis. First concerns the land property and restoration of the property rights (or compensation of the lost lands) of the refugees from the Bukovina area in the south in 1940, following the Russian occupation (some public sources mention over 200,000 people). They left everything behind and moved on Romanian territories. This direction needs also historical approach for an archival research and closer look of the context, as to be explored better in relation with the actual legal provisions. The second direction is related to the CBC projects implemented between 2006 and 2017 and the ownership concept versus property rights of the project outputs, outcomes and results, as embedded in the standard grant contract provisions signed by the Romanian Management Authority and the grant beneficiaries. Moreover, the specificity of such contracts affects also the grant partners, not necessarily contract signatories but providers of project output, outcomes and results. The third direction of research within the IOA framework should specifically touch the intellectual property rights in the CB-R. The reason for it rise from the fact that University "Stefan cel Mare" Suceava is the first in the country as patent producer in the last few years, among all the universities in Romania, as hubs of creative and intellectual "production". Beyond these figures, the data provided by the Romanian State Office for Inventions and Trademarks and their regional offices, could offer valuable inputs, mainly that in the Romanian side of the border there are two such of regional centers (one in Suceava and one in Baia Mare). The strength may be well used as CBC development and future joint activities, knowledge and institutional transfer, that may promote the CB-R on international markets, but given the specifics of intellectual property, a review of the actual framework may be useful (AA, DCFTA, national and international intellectual property provisions). Certainly, such an endeavor should also include the transaction costs issue, as Alston et al. underline:

"The costs to inventors of establishing and maintaining patent rights involve retaining lawyers, filing a patent, monitoring competitors, and suing for patent infringement. These must be weighed against alternative methods of protecting investments in innovation, such as the use of secrecy. All of the resources expended in establishing and maintaining property rights, whether through the patent system, secrecy, or other methods, are called transaction costs." (p.60)

Anyway, the matter of transaction costs in CBC needs more time and structured research as a following project, later on, when the image of the institutional landscape in a CB-R is more complete. But worth to note that the tackle of the issue should include matters of efforts made to write and enforce specific rules and regulations related to CBC, "search and information costs, bargaining and decision costs, policing and enforcement costs" (Dahlman, 1979 in Alston et al, 2018, p.62), the costs incurred in preventing and resolving disputes (about I will mention later). Also, transaction costs may appear in CBC transactions/relations due to low level of low knowledge of the other country rules or culture, and the language obstacle that harden the access to information (information asymmetries, both adverse selection and moral hazard).

The organizations involved were subject of few of my previous researches as actors in the CBC (PhD thesis, articles, postdoctoral research). A detailed view on the organizational networking and the potential for CB-R development based on it may be found in "Coordinates and representations of architecture for a regional cross-border development strategy" published in 2016. Even if the paper refers to institutions as the traditional meaning of the organizations carrying the rules, the presented structure reflects the organizations setting. Anyhow, in the following section I present few ideas related to this topic. As concerns the contracts, one form of specific contract that may be analyzed with relevant possible results is the grant contract as general framework that is laying down the relations, obligations, rights, among different organizations involved in CBC

programmes – managing authorities, executive authorities, joint bodies, grant beneficiaries and their partners. Nevertheless, the CBC programmes framework gives plenty of research area in what concerns IOA and represents a specific format of relations and institutional setting, besides any regular CBC along a border between two countries. The area may include, with no exhaustive claim, in depth analyze in the view of the following: monitoring and agency theory, principal-agent model, capture theory, applied to the interplay between the CBC programme bodies and stakeholders.

An issue that affect the border communities is the one concerning the minorities – their rights, the inclusion in the communities, the relation with the national country and support. The analysis that may be performed includes not only general aspects (legal provisions of the two countries, the minorities description, associative entities and activities) but also specific cases, such as, let say – on the actual agenda – the minorities rights on the education on their language (in 2018 Ukrainian Law of Education restricted the education in the language of minorities, aspect that affected the Romanian minorities from the border area). The latter topic needs also the interdisciplinary approach from other social sciences as to figure out the theoretical background of minorities behavior, national identity and alienation.

The political institutions, as the legislature and executive institutions, may have a rich comparative analysis based on sources as the constitutions of the two countries and other previous comparative work (such as Cheibub, Elkins, and Ginsburg, 2013, cited in Alston et al., 2018). Could be of much use the criteria mentioned by Alston and collaborators: separation of powers, decree power, exclusive rights to introduce some types of legislation, veto power, urgency requests, electoral rules (e.g., majoritarian versus proportional), partisan legislation, term limits, types of electoral districts, one or two rounds in elections, open list versus closed list (p.174). The relevance of analyzing this level is given by the decision power that can influence the CBC in terms of encouraging, blocking or setting up the framework of cooperation. Also, the similarity of approaches may show (even if not mandatory) signs of an easier background for work among the two countries, as embracing similar democratic values and views on the political structure of society. Moreover, in the analysis could be referred the previous work that Cheibub, Elkins, and Ginsburg did, as above mentioned, who, in a project focused on an index of similarity of constitutions within and across parliamentary and presidential systems examined six elective attributes of the systems: executive decrees, emergency powers, initiation of legislation, legislative oversight, executive veto, and cabinet appointments, the Romanian and Ukrainian constitutions being also included on their platform [2].

The next level, the bureaucracies [3], may have an extensive analyze field when we want to have a better picture of CBC. The reasons are manifold and may lead to several directions of analyze. One reason is that the structure of the CBC programmes is built on bureaucratic entities – from EU level, that gives the main framework through regulations, budget and programmes approval (European Commission is the main core), to national authorities and the executive bodies that are involved and set up the main rules of work and distribution of the grants. Therefore, and here is the second reason, the programmes structures are bureaucratically built and they work as such, the bureaucracy being reflected in the implementation rules, the way the grants are spent and reported. The third reason for an extensive analyze is the fact that main beneficiaries of the CBC grants are the local administration, as well sui generis bureaucracies, as they have long term sustainability grounds and resources, therefore being able to run the project from own resources and to cover the own financial contribution, regardless any cash-flow problem.

The judicial system comparative analysis may be approached at least from two points of view: first is the two systems comparison as to detect independence of justice and reasonable warranties for law enforcement, and second, from the point of view of conflict resolution possibilities. For the first point of view I find useful the analysis of the two constitutions and also World Justice Project [4] data for the rule of law state. The second part of analysis also may have two areas of research – one in terms of the institutions and norms that are involved when we have a judicial conflict that stems from a breach of the grant contract, and second in terms of alternative dispute resolution

systems that may be applied on other type of regular cross-border contracts, such as commercial contracts. In what concerns the former situation, as general rule, the applied law of the grant contract is the member state law, in this case, Romanian law, even if some parts of the contract are applied on a different territory or some juridical persons are from other nationality than Romanian. In this case, some specific legal opinion, both theoretical and empirical, may be required and useful. In the latter case, I find interesting and also relevant to seek how the mediation and arbitrage institutions and norms are set in both countries, the level of enforcement and real use of these. As a separate issue, and only if it is proved to have significant effects on the cooperation between the two countries or at local level, the cases on international conflicts between Romania and Ukraine may be analyzed: the one concerning the Serpents Island, territory disputed and judged by International Court of Justice [5], with military-strategic and economic relevance for the use of petroleum resources, and the second concerning Bystroye Channel that should link Danube with Black Sea, build by Ukraine, that crosses the Danube Delta and it is perceived as endangering the natural eco-system of the delta.

Beliefs and values are a sensitive aspect that mark the CB-R communities and I think it would bring better understanding and value added to the image and factors that could influence possible institutional changes. Surely, I may use the comparative cultural dimensions that Geert Hofstede [6] proposes for an immediate understanding of the cultural backgrounds that the two countries offer, but for a better knowledge of a specific community from the border area, a sociologic deeper customized approach is more appropriate, due to the mixture of different nationalities and the across border frequent flow, therefore frequent exposure to the others' beliefs and values.

As the IOA thread goes I propose the comparative analyze in historical view of the two countries of constitutional moments, windows of opportunity, dominant networks and leadership along time (for example in the communist period and after). This is one of the analyses that should be priority on the list of all the comparative themes mentioned along this paper due to the fact that the events and the following settings are the base and source of various explanations for the other analyses. Therefore, following the war, under the occupation of the Red Army's forces, and until 1989, Romania was a socialist republic and member of the Warsaw Pact, facing a harsh authoritarian regime. After the 1989 Revolution, that I can consider a window of opportunity and a constitutional moment, Romania began a transition towards democracy and a market economy. The other significant moments that changed partly the constitutional framework (in 2003) and the institutional system were the joining of NATO in 2004 and of EU in 2007. The negotiation processes implied relevant changes in the young declared democracy as to comply with both treaty provisions and mostly with communitary acquis. The other country merged fully into the Russian-dominated Soviet Union in the late 1940s as the Ukrainian Soviet Socialist Republic and later, in 1991, Ukraine gained its independence from the Soviet Union in the dissolution process at the end of the Cold War. But, due to the proximity to Russia, the path was different, it formed a limited military partnership with Russia and other CIS countries while also establishing a partnership with NATO in 1994. In 2013, when was planned to sign the Association Agreement with EU, the President Viktor Yanukovich had decided to suspend it pursuing closer economic ties with Russia. The event was a starting point of several months' long waves of demonstrations and protests - Euromaidan and escalated later into the 2014 Ukrainian revolution that led to the overthrow of Yanukovich and the establishment of a new government. Unfortunately, the follow up was the annexation of Crimea by Russia in March 2014, and the conflict in Donbass in April 2014. The AA was signed later, on 1st of January 2016, Ukraine started to apply the economic component of the Deep and Comprehensive Free Trade Area with the European Union and in June 2017 started the visa waiver regime that allows a better mobility of persons. Therefore, both countries shifted from a centralized authoritarian regime to a democratic one, but the previous background, the territorial and geopolitical placement and the last decades context was different for each country and offered different opportunities or threats. In the context of this analysis the path dependence should be observed and assessed for collecting inputs useful when the institutional change comes into discussion. As to report to the actual background and transition stages, I find useful the reports

provided by the European Bank of Reconstruction and Development, in collaboration with the World Bank, that carried out three such surveys: one in 2006, one in 2010 and one in 2016, namely Life in Transition Surveys (LITS reports) [7].

Summarizing, from the IOA framework Alston and al. proposed I chose the aspects that I consider relevant for further in-depth analysis as a pathway for institutional comparative analysis of CB-Rs. In the paper I examined and made proposal with reference to the Romania-Ukraine CBC but the scholars interested in understanding other specific CB-R may use the present ideas as base to build their customized framework of analysis.

4. CONCLUSIONS AND FOLLOW-UP

At least two ideas come in support of the fact that IOA framework is adequate for understanding CB-R and CBC, as well as to provide needed background for institutional change for a more resilient region. The first idea is that “the need for local governance to resolve the complexity of resource allocation problems emphasizes the need for institutions to be able to adapt to the variety of local conditions, conditions that are themselves not static.” (Alston et al., 2018, p.313). The second is that “a component of resilience is the extent to which individuals can change institutions to better suit changing conditions.” (ibid.)

Also, this research may open the gates to other investigative questions to be answered such as: what if the two institutional systems from the both sides of the border will keep the status quo, what it will be the probable scenario? is it possible to reconfigure the CB-R as a new constitutional, territorial, governance and administrative model of development?

Moreover, as the institutions are studied as a major issue in the debates about the use of the natural resources (common-pool resources or the ‘commons’) and the divergent interests around it – on one side the economic ones for individuals or companies short term gains and the sustainability ones as to limit the use of the resources for long-term viability (Ostrom, 1990), I should later consider this literature too. From this point of view the approach may give valuable hints and elements that are adequate for the CB-Rs, mainly because most of them share geographical elements (rivers, seas, lakes, mountains etc.), therefore natural resources, and the actors from the regions should jointly and efficiently manage them. Also, in relation with the public administration (as connection between the political sciences and administrative law) the institutions were studied in the framework of public choice theories due to the nature of public goods and services, the constitutional provisions, policentricity and the collective action affected by the decision structures that are managing the public goods and services (Ostrom & Ostrom, 2014). In Romanian literature, there are extensive analyses on institutions that approach in depth and to a large area of knowledge the institutional economy concept (Pohoată, 2009) or the economic dynamic in the institutionalist view (Socoliuc, 2014). These references I will use as base for theoretical elements that may help for the research on the role of institutions in the process of the economic growth of the CBC areas founded on a good governance mechanism. Relevant to be explored further are the papers of Daniel H. Cole about institutions and ‘tragedy of commons’ mostly related to the environmental issue (Cole, et al., 2014), the ones on comparative perspective (Cole, 2013) or the papers of the scholars affiliated with Ostrom Workshop or with the Russian and East European Institute, both from Indiana University.

Added, in connection with previous researches there are works that relates complexity science, institutions and public policy (Room, 2011) or go deep to the complex adaptive systems (Holland, 2012) that link with a previous paper exploring the CBC areas as complex systems in an incipient design for the economy of these areas (Slusarciuc, 2014). Beyond the connection between these fields there is a section that approaches the institutional architecture that involves multiple terrains with most actors involved simultaneously, multiple processes and multiple tiers.

ENDNOTES

- [1] The source of data concerning the bilateral cooperation is the website of the Foreign Affairs Ministry of Romania – www.mae.ro
- [2] comparativeconstitutionsproject.org
- [3] A similar meaning may have the use of 'public administration' as used in some of the literature.
- [4] worldjusticeproject.org/
- [5] ICJ, through the decision 2009/9 from 3rd of February 2009, allotted 79.34% from disputed area to Romania (9,700 km², depth over 50 m), and 20.26% from disputed area to Ukraine (2,300 km², depth under 50 m).
- [6] www.hofstede-insights.com/
- [7] <https://www.ebrd.com/>

BIBLIOGRAPHY

1. Alston, E., Alston, L. J., Mueller, B. & Nonnenmacher, T., (2018), *Institutional and Organizational Analysis: Concepts and Applications*, Cambridge University Press, New York
2. Cheibub, J. A., Z. Elkins, and T. Ginsburg, (2013), *Beyond Presidentialism and Parliamentarism*, *British Journal of Political Science* 44(3): 515–44
3. Cole, D. H., (2013), *The Varieties of Comparative Institutional Analysis*, *Wisconsin Law Review*, 2013(3), pp. 383-409
4. Cole, D., Epstein, G. & McGinnis, M., (2014), *Digging Deeper into Hardin's Pasture: The Complex Institutional Structure of 'the Tragedy of the Commons'*, *Journal of Institutional Economics*, 10(3), pp. 353-369
5. Council of Europe, (1980), *European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities*, Madrid
6. Council of Europe, (2012), *Cross-border Cooperation Toolkit*
7. European Commission, (2010), *EUROPE 2020 - A strategy for smart, sustainable and inclusive growth*, Brussels
8. European Commission, (2003), *Paving the way for a New Neighbourhood Instrument*, Brussels
9. Holland, J. H., (2012), *Signals and Boundaries: Building Blocks for Complex Adaptive Systems*, MIT Press, Cambridge
10. North, D. C., (2017), *Institutions, Institutional Change and Economic Performance*, 29th printing ed. Cambridge University Press, New York
11. Ostrom, E. & Ostrom, V., (2014), *Choice, Rules and Collective Action*, ECPR Press, Colchester
12. Ostrom, Elinor, (2005), *Understanding Institutional Diversity*, Princeton University Press, New Jersey
13. Ostrom, E., (1990), *Governing the Commons. The Evolution of Institutions for Collective Action*, 29th printing 2011, 2017 printing ed. Cambridge University Press, Cambridge
14. Pohoată, I., (2009), *Repere în economia instituțională*, Ed. Economică, București
15. Room, G., (2011), *Complexity, Institutions and Public Policy*, Edward Elgar Publishing Limited, Cheltenham
16. Scott, R. W., (2014), *Institutions and organizations: ideas, interests, and identities*, Fourth edition ed., Stanford University, Stanford
17. Slusarciuc, M. & Prelicean, G., (2013), *Intervention priorities for economic development in the crossborder area Romania-Ukraine-Republic of Moldova - A WOT analysis approach*, *Eastern Journal of European Studies*, 4(2), pp. 75-94
18. Slusarciuc, M., (2016), *Coordinates and Representations of Architecture for a Regional Cross-Border Development Strategy*, *CES Working Papers*, 3(1), pp. 182-196
19. Slusarciuc, M., (2013), *Financial instruments for crossborder economic development*.

- Shaping the new tendencies at the european level*, PhD thesis, Universitatea „Ștefan cel Mare”, Suceava
20. Slusarciuc, M., (2013), *Partnership and Cooperation Models in Cross-Border Areas*, Acta Universitatis Danubius. Œconomica, 9(4), pp. 267-280
 21. Slusarciuc, M., (2016), *Noi arhitecturi ale polilor de dezvoltare cu potențial transfrontalier*, Ed. Didactică și Pedagogică, București
 22. Socoliuc, O.-R., (2014), *Dinamica economică în viziunea instituționalistă*, Ed. Universității "Alexandru Ioan Cuza", Iași