

ROMANIA. DE/CONSTRUCTING ENTREPRENEURIAL MENTALITIES

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Abstract

In this paper, we investigate the connections or sometimes disconnections between the classical economists' points of view, as related to the essential role played by the entrepreneur in market processes, their ideas taken over by contemporary economists and mostly important the diffusion of such prerequisites on a post-communist Romanian market. We raise one main question: Is the Romanian market economy mature enough to create a proper entrepreneurial environment? We know there are some cultures, which are more conducive to entrepreneurship than others. We also know that the entrepreneurial orientation (defined as innovativeness, internal locus of control etc.) is to be expected in individualistic rather than collectivistic cultures.

In a global, competitive marketplace, it is inappropriate to entirely assign the role of entrepreneurs to some external causes and unpredictable consequences and respectively to deny the right of property "the right of use and even abuse" (J. B. Say: Book I, chap. XIV).

Keywords: entrepreneur, market economy, entrepreneurial environment, classical economists

Introduction

The paper has a spherical structure: it starts with the importance J. B. Say consigns to the role played by the entrepreneur in the market processes, connecting his considerations with the 18-th century spontaneous order and his fundamental law named by F. M. Taylor Say's Law (in 1921), the same as classical economists identified as the law of markets; then we analyse the link between different contemporary points of view, as related to the relevance of entrepreneur in the market economy, and their in/adequacy to the Romanian context, ending with formulating some characteristics and trends the Romanian entrepreneurial phenomenon presently displays.

The paper goes round two key elements: J. B. Say and the British classical school's reflections "facing" the role of entrepreneur and his/her actual situation in Romania.

According to J. B. Say social order and social institutions (which at present are expected to encourage entrepreneurship) result from a "natural" process independent of the plans of legislators and administrators. In the same time, J. B. Say admits the centrality of individual self-interest and the limited ability of legislators to give to social order a beneficial orientation to all individuals.

Nowadays economists agree with the classical point of view as concerning the prime role of the entrepreneur in market processes and his/her main connection to profit, profit being the foremost motivation coordinating his/her decisions with market signals. We shall comment briefly on the entrepreneurial role in different economists' expressions and their conjunctions with examples provided by the current Romanian market economy. We shall outline the extent of both the Romanian economy offering a proper environment for entrepreneurial skills and of the current state in developing the psychological patterns and institutional frameworks required by the transition to the enlarged European Union.

1. *Market Wide Shut*: J. B. Say and the British Classical School

We all have to admit the crucial role of entrepreneur, his/her rightful position in the very operation of the market. Entrepreneurs are generally known as stimulating the economic progress, and if we refer to the Romanian and the Western European entrepreneur, we know they have different origins, different perspectives and attitudes as regarding business. In Romania, the trade-based tradition transmitted from father to son, tradition emphasized by the manufacturing capitalism in A. Smith's England and stubbornly practised by the Chinese 20-th century market system, for example, was interrupted by the communist regime, and the number of entrepreneurs qualified as workers or technicians in public-owned enterprises became limited; the two main categories, which in the Western Europe form the spinal column of the entrepreneurial class, descendants of both families with an old entrepreneurial tradition and former workers in the main industries, are not dominant in the Romanian post-communist system.

We go back to the end of the 17-th century, when a new doctrine, liberalism, as a social theory and a new policy, free trade, were meant to stimulate production and commerce; we then seize the man who promoted the bourgeoisie, John Locke, father of the liberal theory itself. John Locke recommended, as almost the entire French and British

classical school, the private property, a limited government intervention, a loyal balance between classes involvement in governmental decisions. England was the first liberal state in the history of mankind because of the economic and ideological background. It was England where the economic liberalism appeared for the first time, continuing then in The Low Countries and France, and it was A. Smith who took the economic liberalism to its utmost upsurge. A. Smith and his invisible hand, a statement only once mentioned in *The Wealth of Nations*, but which seems to sustain the whole economic structure in his famous book. A. Smith taught us that any system is based on institutions and any institution is ruled by the market, a market, which must tend towards an order in response to individual self-regarding behaviour, such that each individual is led by an invisible hand to advance the social interest without even knowing it or desiring it. J. B. Say shared A. Smith's reliance on a self-regulating market, based upon mutual self-interest.

During the 18-th century a new set of ideas that would be later identified as "spontaneous order" began to emerge in the British social theory. The theory of spontaneous order was one intellectual justification for the stability of social organizations. Society, according to this theory, is comprised of many individuals with distinct interests, and does not collapse into chaos because the self-interested actions of individuals adjust themselves.

But the liberal economists knew there might be temporary disequilibriums between supply and demand (despite the theory of spontaneous order), nevertheless they thought that by encouraging self-interest and free competition, the market would signal the temporary disequilibriums, and the economic agents would bring the market into balance again. Starting with this conception, A. Smith imagined his *invisible hand* and J. B. Say formulated his *Law*, according to which supply creates its own demand, goods buy goods through the mediating role of money. Say's Law is crediting the anti-interventionism, because, as he says, each individual knows his/her own interest better, the temporary disequilibrium is surpassed by the spontaneous order, by the supremacy of the market which is let to regulate itself; productivity will increase if the state does not interfere. J. B. Say was the first who showed that effective demand depends upon production and that gluts are the result of the misapplication, and not of the increase of productive power. To avoid gluts A. Smith suggested that England should increase the commerce with its colonies, mainly.

J. B. Say considers the entrepreneur as playing the main role in the economic life, the same did A. Smith. But how did each of them insert the entrepreneur, his/her interest in

the spontaneous order and how well were they ready to admit the relevance of the spontaneous order? According to J. B. Say social order and social institutions result from a “natural” process independent of the plans of legislators and administrators. J. B. Say admits the centrality of individual self-interest and the limited ability of legislators to give to social order a beneficial orientation to all individuals. But he denies the social order as resulting from the private interests of individuals. Private interests are generally harmonious, sustains J. B. Say. However the fundamental distinction between A. Smith and J. B. Say lies in the way they consider the roles and duties of legislator. A. Smith introduced the system of natural liberty to attack the mercantilist policy, which used to give to the legislator the right to decide which industry to encourage and which not. The system promoted by J. B. Say, on the contrary, supposes the legislator has three duties: to protect the country (implying encouraging one industry or not), administration of justice and surveillance of public works. D. Ricardo also recommended to the state not to interfere in the economy, he supported free trade on the domestic and international markets, the international division of labour, all ensuring the entrepreneur the possibility to follow his/her own interest and thus contributing to the progress of the whole society. J. S. Mill suggested that the government should encourage the role of small entrepreneurs inside the economic system. J. S. Mill was a self-interested utilitarian. Utilitarianism¹ considers that any human need has to be satisfied because any need is justified by morality. The self-interested utilitarianism predicted by J. S. Mill does not surpass the limits of social, non-equal dynamics professed by the whole classical school, but J. S. Mill insists on the main role of the government, which is to show the right way, eventually prosperous enough to the three classes. This claim separates him from the entire French and British classical school and signals the upcoming advent of a new economic, social and respectively political perspective over the world.

Classical economists denied the possibility of demand failure. Say’s Law denied the possibility of demand failure too. D. Ricardo stated we could safely neglect the aggregate demand function, and his supposition was fully accepted by both statesmen and the academic world. R. T. Malthus only, believed that demand deficiency could cause recession. And the controversy between D. Ricardo and his allies, on the one side, and R. T. Malthus, on the other side, went on for almost three decades until the publication of J. S. Mill’s *Principles of Political Economy* in 1848. Nowadays we all know that demand

¹ The ethical doctrine according to which virtue is based on utility, and conduct should be directed toward promoting the greatest happiness of the greatest number of persons.

deficiency is impossible. The classical economists and the principles, which lie behind Say's Law, considered that demand deficiency was not the cause of recession. Demand would never fall short of properly proportioned supply. Recessions were, they thought, due to maladjustments in production. It was the publication of the *General Theory*, which meant the crucial turning point; it was J. M. Keynes who introduced the concept of deficient aggregate demand into mainstream economic theory. The conclusion accepted by almost all economists up until 1936 was that demand failure is an irrelevancy in terms of the generation of economic fluctuations and unemployment. It was this conclusion that constituted Say's Law (the basic operating principle of Say's Law is that demand is constituted by supply: one makes purchases with the receipts from one's sales)².

2. Entrepreneurship. Contextual Opinions – A/contextual Situation

Even if nowadays economists established that recessions are no longer conceived as structural, there is a wide acceptance of the classical point of view as concerning the prime role of the entrepreneur in market processes and his/her main connection to profit, profit being the main motivation coordinating his/her decisions with the market signals. We shall comment briefly on the entrepreneurial role in different economists' expressions and their conjunctions with examples provided by the Romanian market economy:

1. "The naïve profit theory" as called by professor Bronfenbrenner considers profit as a return to the entrepreneurial contribution to production. Since this contribution is essential for all production processes, profit emerges as a normal distributive share, the "rewards for bearing uncertainty and risk³". The same thought A. Smith: profit is the only reasonable reward for the capitalist taking the risk in business. To J. B. Say the entrepreneur, more than the capitalist him/herself manages production and dominates the distribution of wealth. Even Schumpeter repeatedly denies that anyone except the capitalist bears the risk. The entrepreneurial activity undoubtedly involves uncertainty and the bearing of risk. But, in turn, the entrepreneur is completely entitled to consider the state as the main provider of a safe and legal environment for him/her to invest. In Romania, investment is not safely overseen by the state. When the state ignores its role of foremost guarantor of private property and of money placed in different small businesses,

² It's a kind of blunder to use *Say's Law*. Classical economists used to speak of the law of markets, or *des débouchés*, which was the title of the relevant chapter in Say's Treatise. The term Say's Law was first used in 1921 by F. M. Taylor, although not strictly related to the classical usage. It was J. M. Keynes who equated in 1936 the term Say's Law with the law of markets.

³ Bronfenbrenner, M., *A Reformulation of Naïve Profit Theory*, Southern Economic Journal, 26 (April 1960)

entrepreneurs may turn into peasants when immigrating to the countryside and trying to invest their money in an activity they have no knowledge about it.

2. In the system of Schumpeter, entrepreneurship consists of introducing new processes of production, of producing new products or producing old products in new ways. The Schumpeterian innovator aims at creating profit by interrupting the routine repetitive work, seeking for new opportunities and creating gaps between the price of inputs and the price of output. The Schumpeterian innovator is a kind of speculator, not making profits from sticking to the old conformity scheme but reaping pure profits, as profits are not a “brake to production”⁴. According to J. B. Say there is no pure profit as the law of supply and the law of demand regulates both the price of services and the price of products. Thanks to the entrepreneur, wrote J. B. Say, the value of products is divided among different productive services and different services are divided among industries. The theory of distribution is thus coordinated with the theory of exchange and production.

The post-communist Romanian entrepreneur started behaving, in the early '90s, like a kind of speculator, trying to get the highest possible profit, profit which is usually smaller in wealthy countries and higher in poor countries, and it is always the highest in those countries going straight to ruin. Nevertheless, we all know that even a minimal income may be turned into capital, obviously to get a profit, but only in those countries offering a safe business environment. A. Smith said: “a man has to be completely abnormal not to invest his own capital or the one borrowed, if he lives in a country offering a sufficient secure environment”.

3. Professor's Knight's theory of profit. Profit results from the constantly changing environment within which economic activity is carried on and the associated uncertainty concerning the outcomes of alternative courses of action. Profit is the residual left for the entrepreneur after he pays out the contractual incomes agreed upon for the factor he hires, the entrepreneur is responsible for all receipts and all outlays, and thus submitted to uncertainty, uncertainty that he tries to control and makes his role sound more responsible⁵. Anyway and anywhere the entrepreneur's decision to invest is determined by profit, but in Romania the number of citizens having the right sum of money to invest is too limited; the state ignores its main safe guarding role and its second one, to let the profit varying between reasonable limits. The entrepreneur's activity should be encouraged, because the

⁴ Schumpeter, J.A., *History of Economic Analysis*, London: Allen and Unwin, 1954, p. 153

⁵ F. M. Knight's theory of profit is presented in his *Risk, Uncertainty and Profit*, in *Encyclopaedia of the Social Sciences*, New York: Macmillan, 1934, chap. 2

higher the capital run in a society, the more productive the activity is; in a society where income prevails, laziness overcomes. If people live very safely on the interest they get from their money deposited in bank accounts, as it happens in Romania, they are not motivated to invest, to bring services to the market, to exchange them for a profit, salary, interest or rent as J. B. Say wrote. Those services are asked by entrepreneurs and combined in such a way so as to fully satisfy the product demand expressed by the consumers.

4. Israel Kirzner's definition of entrepreneurship as alertness to profit opportunities. To start with, Kirzner argues that the overall function of entrepreneurship in a multi-period context does not change from that in the single-period case: "It is still the case (...) that the entrepreneurial function is that of bringing about a tendency for transactions in different parts of the market (conceived broadly now as including transactions entered into at different times) to be made in greater mutual tendency"⁶. Entrepreneurial alertness is costless, people who have it cannot be identified *ex ante*, and it cannot be treated in terms of demand and supply curves. Entrepreneurial alertness is the ability to discover unexploited profit opportunities without deliberate search for information. But the ability to discover is encouraged by the state, which preserves individual freedom as the main key conducive to entrepreneurship. Liberty is the preservation of all human rights and individual values. Kirzner emphasized the entrepreneur does not necessarily possess any property the moment s/he decides for an entrepreneurial insight. But s/he must be able to establish contracts with the holders of property rights. The alertness of economic agents depends upon the degree of decentralization of decision making in the economy. An economy based on decentralized control produces citizens who believe in internal locus of control and are alert to profit opportunities, depend more on their own actions and less on old guardians such as the state. Freedom encourages the internal locus of control beliefs and the alertness to profit opportunities.

Starting with the '90s of the last century, entrepreneurship has been analysed when taking into account both the global economy and the knowledge-based development, all grounded on a new consideration as regarding the future of capitalism (Lloyd, Thurow, 1997). In this context, pointed out by discontinuity-based approaches as opposed to classical approaches, new conceptual-structured contributions have been suggested, the same as new perspectives to interpret the results of empirical studies. For example, Elias

⁶ Kirzner, I.M., *Uncertainty, Discovery, and Human Action: A Study of the Entrepreneurial Profile in the Misesian System in Method, Process, and Austrian Economics. Essays in Honour of Ludwig von Mises*, edited by I.M. Kirzner. Lexington, MA: Lexington Books, p. 154

Khalil shows that: “[N]eoclassical and Marxian theorists have generally failed to explain entrepreneurship”, and proposes instead the adoption of a transactional view, inspired from John Dewey’s writings, as a basis for a valid theory on entrepreneurship (Khalil, 2003).

Peter Drucker (Drucker, 1986) stressed the important connection between innovation and the entrepreneurial system, while more recent papers consider entrepreneurship from a cognitive and creative perspective (Ward, 2004).

The situation of the new Eastern and Central European economies has become, in the last 14 years, a distinct topic when discussing entrepreneurial issues. In the above-mentioned countries, entrepreneurship has been promoted, in the post-communist era, on the basis of historical discontinuity of both institutions and economic structures; this particular discontinuity has outlined certain aspects, which do not characterize developed market economies.

To analyse entrepreneurship in the context of Eastern and Central European countries, which have got through transition, Romania included, we recommend the definition suggested by Laura d’Andrea Tyson and her colleagues, (due to its effective character), according to which entrepreneurship consists of founding or owning and operating a business (d’Andrea Tyson *et al.*, 1994).

3. Entrepreneurial Environment in Romania: Paradoxical Features versus Challenges Ahead

At the end of 1989, Romania adopted, as its fundamental aim, the transition from command economy to market economy. This was a rather vague objective, which suggests, firstly, that the transition of the ex-communist countries would be reduced to a replacement of an entirely centrally planned economy with an economy wholly subdued to the market, and nothing but the market (thus we go back to the French and British classical school claiming the absolute dominance of the market and the supremacy of *laissez-faire*).

Secondly, the main target of this kind of transition is quite ambiguous if we refer strictly to the foreseeable end of this process. Nowadays we distinguish two fundamental types of market economy: on the one hand, modern market economies developed in WDCs⁷, and on the other hand, the market economies LDCs are aiming at. It cannot do but harm to apply the very general formula of market economy to infant capitalist countries.

⁷ WDCs = well developed countries # LDCs = less developed countries

Thirdly, the transition clearly defines neither the starting nor the ending point of the process LDCs are supposed to go through. This historic process cannot be limited at replacing a centrally planned economy with a market economy. The transition is supposed to change a socio-economic system with a different one. The typical Romanian market economy raises a hybrid system where the bureaucracy from former public-owned institutions play a role in allocating economic resources, mainly in the public utilities sector, while the private sector contribution to GDP and export came up to exceed 50%.

When analysing the entrepreneurial phenomenon and applying it to the particular Romanian example, studies have a two-fold character: either focused on the economy itself (Analoui, 1997), or on the economic differences between countries aiming at becoming members of the enlarged European Union (Nelson and Taylor, 1995).

The results registered by the writings dealing with this particular subject have indicated unusual aspects related to the entrepreneurial phenomenon, as opposed to the results recorded by both the developed countries and various countries, which got through the transition to the market economy system.

These unusual aspects may be considered as paradoxical examples provided by entrepreneurship in the Romanian context:

- although, in Romania, the state is considered to be responsible for distorting the entrepreneurial initiative (because of delaying the privatisation of some former public-owned enterprises, because of both a high taxation and frequent changes of the legislation), the state is supposed to interfere in order to put things on the right way again in this area;
- the act of improvising, considered to be a main element in the entrepreneurial decision, has unsettled the domestic economic environment, if we take into account that a successful initiative in business depends more and more on both predictability and necessity of clear and stable business frameworks;
- although, during the 14 years of transition, the main excuse when limiting entrepreneurial activity in Romania has been the lack of available funds, the financial assistance necessary to enter the European Union, assistance given by the European Commission through Programs such as SAPARD, ISPA, Phare, has been only partially absorbed, important amounts of money not being spent because of the limited capacity of the entrepreneurial class to take in and utilize the money by promoting workable projects;

- the example provided by the Romanian software industry, where the old tradition of subcontracting for huge Western companies is still preserved instead of directly entering the international markets, shows that the activity based on technological innovation is not necessarily associated with entrepreneurial propensity towards innovative decisions;
- the formal educational system in Romania is still slightly encouraging entrepreneurial skills, even if it is widely known that Romanians have some inborn skills stimulating the entrepreneurial spirit (fast information acquiring, initiative – like spirit, inventiveness, inquiring attitude etc.).

If we admit that an entrepreneur is profit-oriented, as we have done, we cannot consider him/her but within a proper capitalist framework. Consequently the Romanian state should be concerned with providing the proper institutions, the framework within which people interact with one another; we all know that institutions generate constraints, which are good as long as constraints are on people's choice and once the choice is made, it should evolve spontaneously within the formal limits (the idea of a spontaneous order governing the market economy is to be traced back to the liberal economists, ever since the beginning of political economy as a science; we, as all contemporary economists, disagree with the spontaneous self regulation of the market economy by the price mechanism, but we sustain the design of proper institutions to survey the self-interested decisions of entrepreneurs and the competition between them). Institutional frameworks may favour one type of entrepreneurship over another. For example, one set of institutional conditions may foster arbitrage, but discourage innovation or speculation. The Romanian government should focus on developing institutional frameworks favouring arbitrage and innovation rather than speculation. Arbitrage, unlike other types of entrepreneurships, involves no uncertainty; the entrepreneur discovers price differences for the same good in the same market. It is the best option for the Romanian market invaded by foreign products, a market where some former public-owned enterprises are either taken over by multinationals or split and turned into small private-owned companies, sometimes unprofitable because of lack of capital, expertise and practice (once again the French and British classical school, J. B. Say included, encouraged the development of such small private owners, even the Romanian liberal economists in the pre-communist period focused on the same segment, but they all included one amendment: under the strict guidance of the state).

Let us consider the psychological determinants of entrepreneurial mentalities in Romania. If we think at the theory of locus of control, an individual believes that the

outcome of an event is either within or beyond his/ her personal control. Internal people consider they have control over their own destiny and they are responsible for. An external individual interprets an event as the result of outside factors that s/he cannot influence, such as luck, chance or fate. An entrepreneur is characterized as an internal person in a modern market economy; an external individual would be properly included in, for example, a Romanian transition to market economy, where the gap between what an individual wants and what the state can offer is deep enough, the system not being “roast” as much as necessary to spontaneously adjust itself to entrepreneurial needs; besides the system is pretty subjective as related to mentalities and new economic concepts. Furthermore the Romanian system is not flexible enough as concerning the limits between freedom and the protection, certainty of the law. Freedom is good when people make out of it what they want in respect of what the others need. The law is an institution, which acts as an obstacle to human freedom if human freedom is savagely turned into declining the long-term realization of profit in a market economy. However an environment of freedom generates internal locus of control beliefs and entrepreneurial alertness. The Romanian state should focus on more credibility attached to the law, to let entrepreneurs and people in general know, that the law, as an institution, is not subjected to unpredictable changes and the law offers protection against encroachment of the state itself on individual liberty. In order to perceive profit opportunities, entrepreneurs must plan ahead, planning means being confident in the protection offered by the law and being aware of the legal consequences of their decision and behaviour on the market. But for an entrepreneur to be able to carry out his/her plan, the entrepreneur must rely on a system of property rights. The institution of private property is conducive to internal locus of control beliefs and the emergence of entrepreneurial alertness, private property represents the foundation stone of modern market economy (the entire classical school, both French and British agreed with the private property, even if the classical liberalism was a supply-based one). The origin of property is, according to them, assumed as the foundation of national wealth. J. B. Say wrote: “Nor can property be said to exist, where it is not matter of reality as well as of right. Then, and then only, can the sources of production, namely, land, capital, and industry, attain their utmost degree of fecundity”(J. B. Say: Book I, chap. XIV). J. B. Say criticized the artificial role of law predicting the inviolability of property, as the state itself is unable to respect the law or make it respected. The will of individual is suppressed by both the ignorance and private interests of the government, there is no security against the abuses of authority, except in those countries where the guardianship of the laws is

entrusted to a free press. A. Smith asserted that the security afforded to property by the laws of England counteracted the blunders of its government. Some of what both above cited economists admitted as a real fact in the 18-th century they lived in, mostly, may be considered as absolutely right in the 21-th Romanian post-communist century. Romanians have not been educated to consider private property as a key element in their relation to one other. National institutions should assume the role to change the mentality and make people believe property is beneficial if it brings money and property gives to the individual the right to pretend more from the state as long as the individual supports the legal activities of the state by paying taxes and not only. Having rights is having obligations.

If we consider the traditional definitions of entrepreneurs, the one seeing entrepreneurship both as stabilizing force and as founding and managing a small business is more appropriate to the Romanian economic context and historical background, the entrepreneur assuming besides the main role included in the general definition itself the one of identifying new markets for domestic products and secondly of discovering new sources of supply (A. Smith insisted on the importance of finding new markets for England to avoid its crises of overproduction; obviously the situation in Romania is vice-versa, Romanian producers need new markets to survive not to avoid overproduction crises). The Romanian entrepreneur faces highly imperfect markets for the critical inputs: land, capital, skilled human capital. Thus the Romanian entrepreneur must fill in different functions, more often functions which are very different and which s/he is not professionally instructed for: risk-taking (a function more appropriate for countries which have a tradition as concerning market economy), identification and exploitation of unfilled market segments, organizational skills, market-supplementing. When defining risk there is a certain controversy. Nowadays Romanians take risk as a notional term and generally attribute it to the capitalist in a modern market economy, but J. S. Mill, for example, considered the entrepreneur indistinguishable from the capitalist; irrespective of terminology and contexts, the entrepreneur implicitly the capitalist is placing his/her capital at some risk, no matter what.

The Romanian entrepreneurial teams are needed to privatize and restructure public-owned enterprises, to encourage the increase of small enterprises, a significant lack and handicap of the planned economy, to help transform the old industrial structure of the previous regime. Both the Romanian government and the Romanian entrepreneurs should perfectly understand that the key to the development of a competitive market economy is to increase the number of small private-owned firms and to privatize all state sectors to thus

put an end to structural problems. A second handicap, the Romanian economy and the Romanian entrepreneurs have to surpass it, is not to produce exclusively for local markets, or to turn into sub-contractors for large Eastern European firms, which are also public-owned firms.

Conclusions

Entrepreneurship is the key element in a market oriented economy; nevertheless, the Romanian market economy looks like a puzzle, there are elements encouraging an entrepreneurial environment, but as a whole, the Romanian economy does not offer a proper environment for entrepreneurial skills, which are succumbed to the temptation to focus on the former state sector.

The Romanian state should focus on its main role as protector and guarantor of private property not private interests.

The Romanian entrepreneurial class knows it has to become more competitive on a larger market, respectively the European market, once Romania would become member of the enlarged European Union.

The Romanian entrepreneurial class has to replace the traditional opportunist pattern with an innovative one, not only technologically and managerially, but also as regarding the market behaviour of the Romanian firms.

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