

THE CORRELATION BETWEEN NATIONAL ECONOMY - ECONOMIC SECTORS - MACROECONOMIC INDICATORS

OSIAC ISABELLA¹, CHELU LARISA¹, MILIN IOANA ANDA*¹, RUJESCU CIPRIAN IOAN¹

¹ *Banat University of Agricultural Sciences and Veterinary Medicine "King Michael I of Romania" from Timisoara, Faculty of Management and Rural Tourism*

*Corresponding author's e-mail: anda_milin@yahoo.com

Abstract: *The national economy is a complex system, a set of economic activities, relationships and flows that are developed and established among the economic subjects of a nation within and within the territory of a determined state. The structure of the national economy highlights its component elements, their nature and traits, their position within the whole, and the role that each element has, as well as their interrelationships and interactions. Economic activities within the economy are structured both vertically and horizontally. The classification of various economic activities by types in the economic sectors, the analysis of the correlations established between these sectors best reflects the weight of each sector in the formation macroeconomic indicators. The paper analyses the link between the national economy and economic sectors and their contribution to the formation of the main macroeconomic indicators, in the period 2011-2016.*

Key words: *economic activities, economy, sectors, macroeconomic indicators*

INTRODUCTION

The national economy of any country represents a coherent, complex ensemble formed by many branches and under branches. Usually, an economy has a multilateral development and it contains in its structure all main kind of branches.[8].

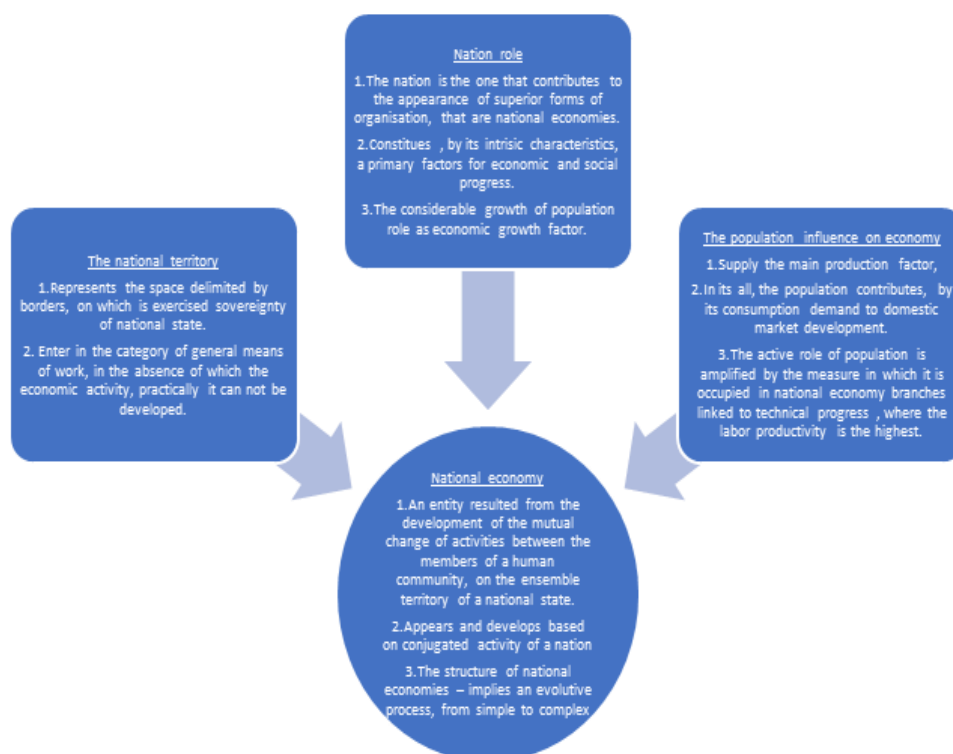


Figure 1. National economy - elements of connection and influence

Source: own formulation based on [9,10].

MATERIALS AND METHODS

The economic sectors represent divisions of a state economic activity and, according to economic literature, those are – the primary, the secondary, the tertiary and quaternary sector [6]. Related to contemporary evolution of economic sectors we can affirm the following:

- in the primary sector we assist to the deepening of gaps in the development level of agricultural branches in the states and large regions of Terra, the reduction of agricultural surfaces, the growth of technical endowment, the growth of used fertilizers quantity (mainly in the developed states), the growth of productivity on irrigated surfaces, of the role of international and regional processes in agriculture development (oriented towards the increasement of selective imports, improvement etc.) [1,3];

- the evolution of the secondary sector [13] is influenced in the contemporary period by the territorial and spatial reorganization of industrial production under the influence of transnational capital' competition, the essential reduction of quantum of extractive industry, the growth of volume and percentage of branches based on high technologies (electronics, electrotechnics, biotechnology) and of modernised branches based on new technologies.

- the tertiary and quaternary sector (especially in developed economies) are changing in main sectors of the economy. [7]. We assist to the increasement of the volume and percentage of the population' consuming services in the total demand of economic agents; the intensification of the world services' trade etc. [4,5].

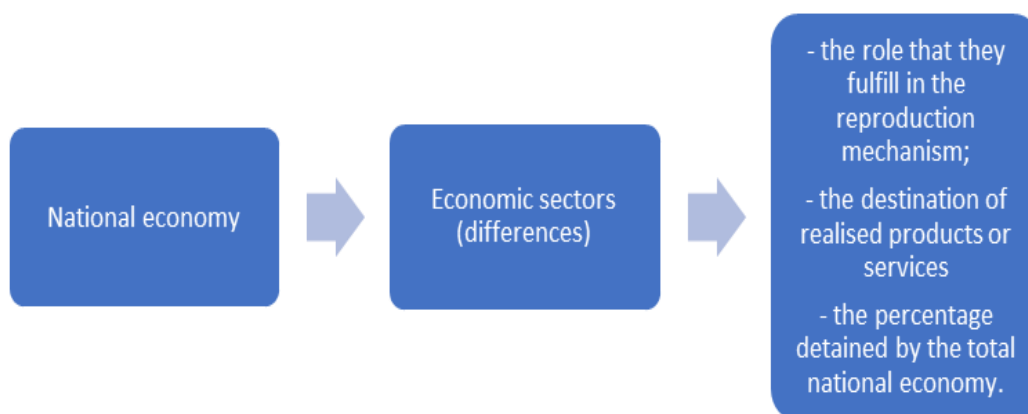


Figure 2. Elements of differentiation for economic sectors

Source: own formulation based on [2,7].

So, we can affirm the fact that modern economies are characterized by the permanent changing of the ratio between the national economy' sectors. These changes are regarding (through others) the growth of tertiary and quaternary sector percentage in the total occupied population and in the forming of G.D.P. (and G.N.P.).

Mainly, the place and the role of economic sectors is determined with the help of a indicators system: the percentage in fiscal value of economic agents and in total expenses of a family; the ratio between the material production and the services production, in the national economy; the exterior trade structure; the percentage of services in the external payments balance, the percentage in total occupied population, the contribution to G.D.P. (G.N.P.) forming. In the paper we analyse the last two indicators.

RESEARCH RESULTS

The outlook of delimiting the economy in four sectors predominates the contemporary economies:

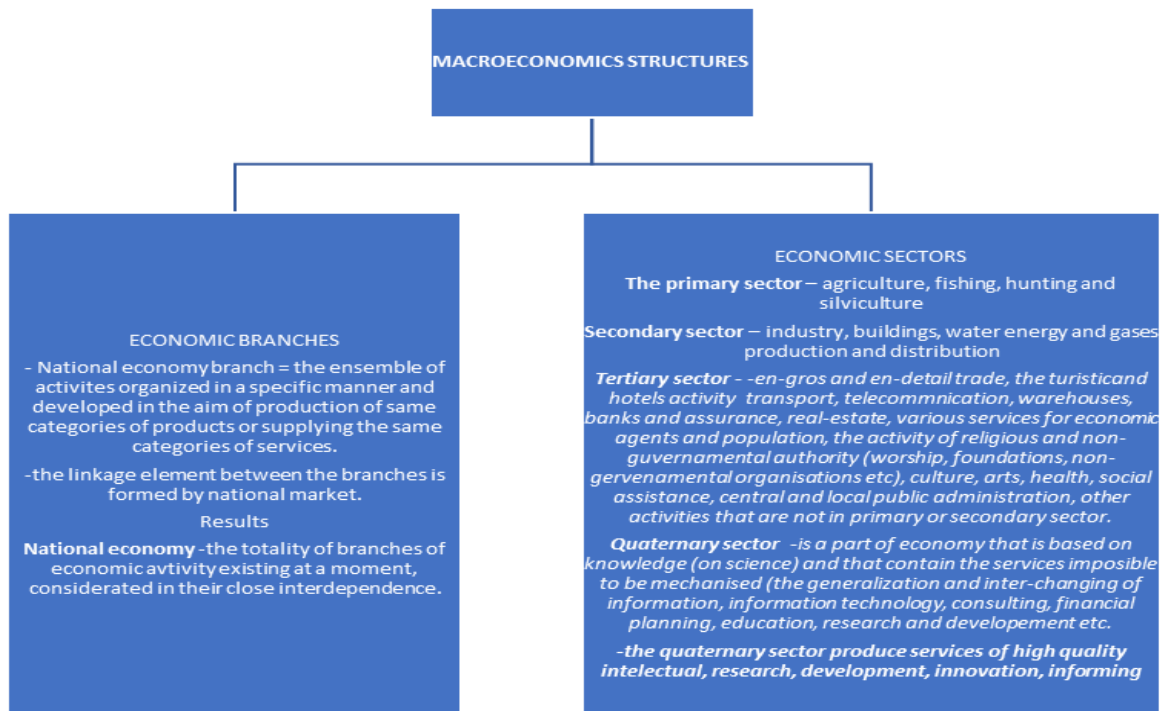


Figure 3 Macroeconomic structures

Source: own formulation based on [6,15].

He registered activities from statistic-accounting point as having mainly services character form in ensemble and in their multitude, the tertiary and quaternary sector. Contemporary economies are characterised through growth and diversification unheard of in the services field, those becoming a component part inseparable of national economy, with a deciding role in satisfying the population request and in assuring the economic-social development. [1]. Presently, under the influence of scientific-technical progress, of social division of the labour, in the services sphere take place structuring and delimitations regarding the different types of services. [3].

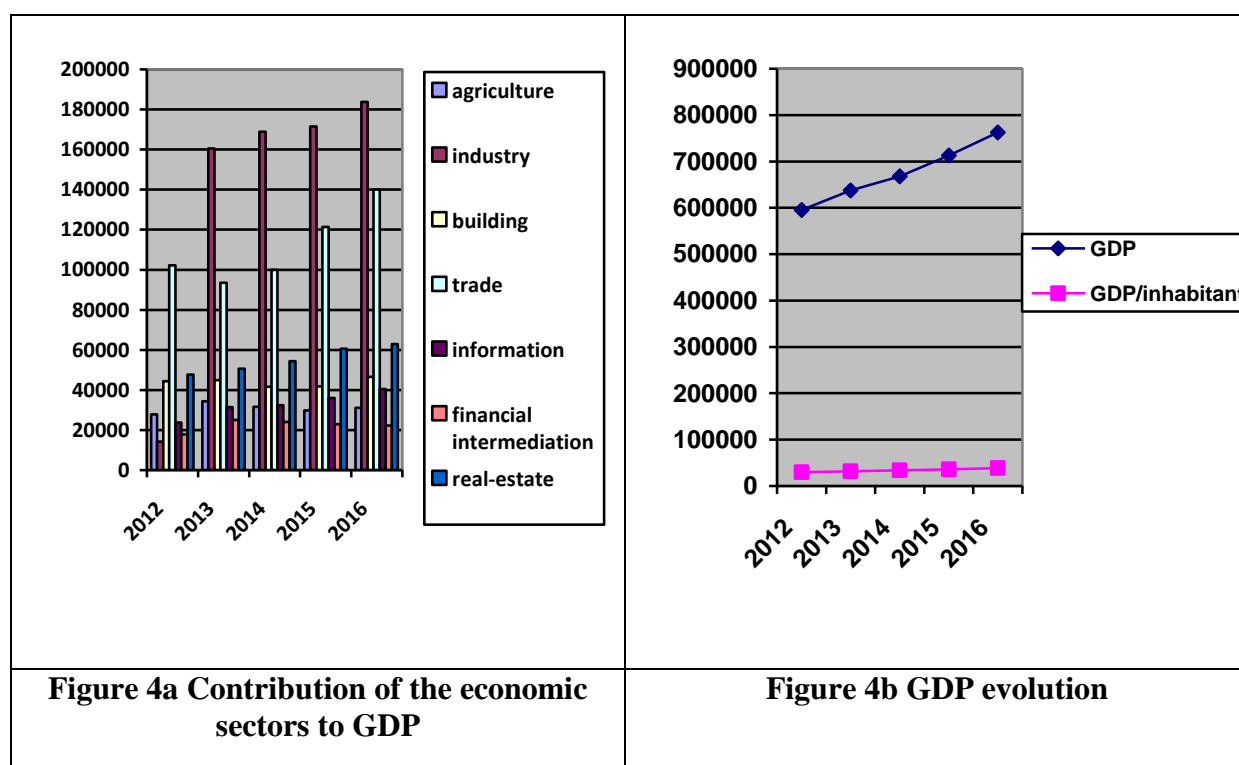
Evolution of advance economies demonstrates the existence of direct link between the level of development of material production and services dynamics, between total GDP (or GNP) on inhabitant and the growth of the goods and services demand, between the economy' structure on branches and their percentage to obtain the macroeconomics results. [6].

We analyse the following aspects:

1. The structure of Gross Domestic Product (GDP) in the period 2012-2016. GDP on resources categories presents as seen in figures 4a and 4b.

In 2012 the primary sector (agriculture, silviculture, hunting, fishing) contribution with 4.66% at forming GDP while in 2016 the its percentage reduced to 4.08%. in 2012 the percentage of industry and buildings to form the GDP was 32.54% and in 2016 was 30.22%. so, the highest percentage to form the GDP returns to various activities in tertiary and quaternary, more precisely 62.80% in 2012 and 65.70% in 2016.

In the analysed period in GDP analyses/inhabitant in lei registered the growth with almost 9,000 lei/person.



Source: own construction based on NSI statistical data [11,12,13,14].

2. GDP on using categories

The highest percentage in GDP destination had, in the all analysed period, the effective final consumption, followed by the final consumption of population households and the public administration.

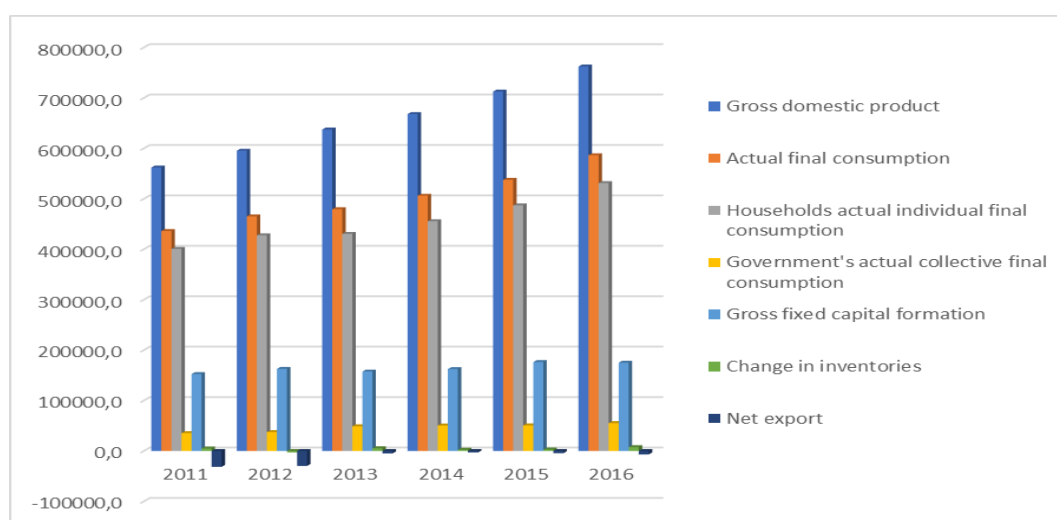


Figure 5 GDP by category of uses

Source: : own construction based on NSI statistical data[11,12,13,14].

3. *Analyses of the occupied structure after the professional status* allowed us to form the following conclusions:

- in 2012 from total population occupied 29.47% unfolds their activity in primary sector, 27.80% in secondary and 42.71% in tertiary and quaternary.
- in 2016 the primary and secondary sectors hold together 54.49% from the total population occupied while the tertiary and quaternary hold 45.51%.
- in the all period the highest percentage in total occupied population returns to the employees but it registers easy fluctuations regarding the number of workers on their own.

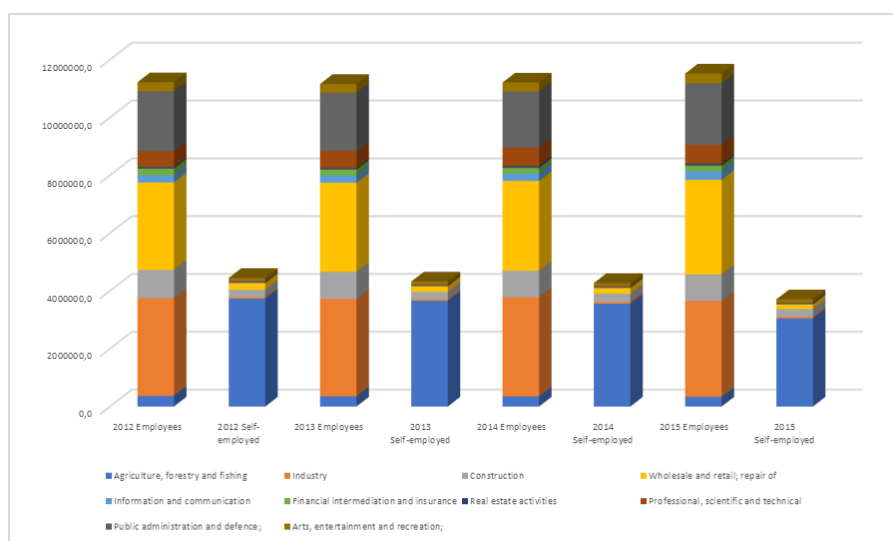


Figure 6 Structure of employed population by economic activity and professional status

Source: own construction based on NSI statistical data [11,12,13,14].

4. Labour productivity, by employed person

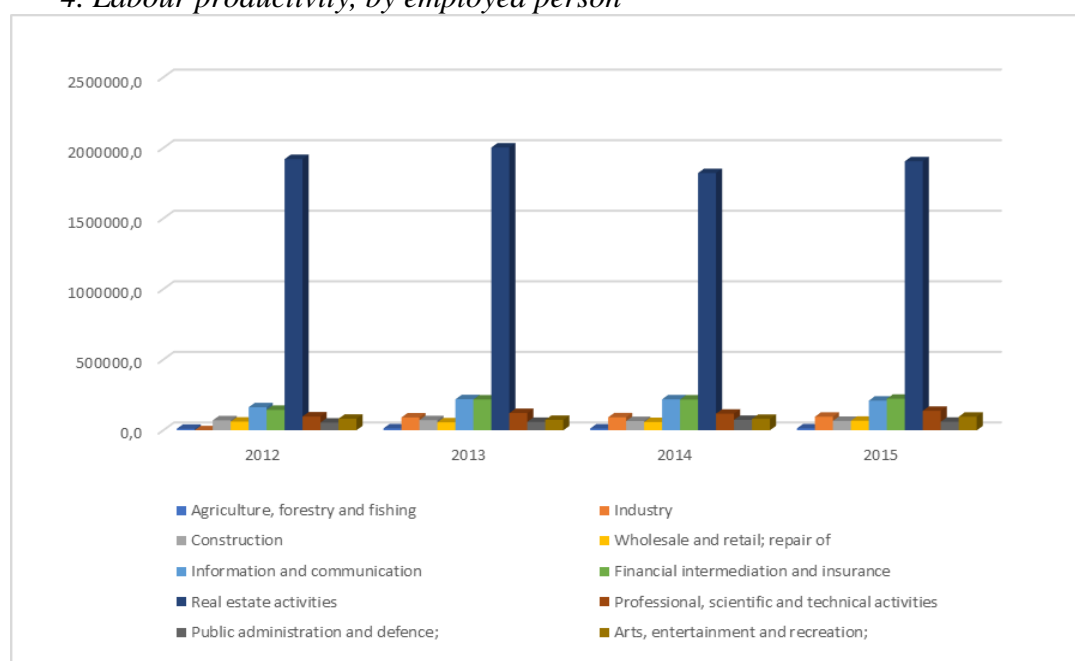


Figure 7 Labour productivity, by employed person

Source: own formulation based on NSI data [11,12,13,14].

Related to this indicator, after statistical data processing we found the following:

-the hourly productivity of labour (expressed in lei/hour) had a general trend of increase (with 7.9 lei/hour)

-the favourable changes of hourly productivity of labour registered in financial and assurance intermediation (+41.1 lei/hour), information and communication (+25.4 lei/hour), professional, scientific and technical activity (+20.7 lei/hour) while reduction were registered in buildings and real estate.

6. Regional Gross Domestic Product

- registered growths in the period 2011-2015. In the year 2015 total GDP was 71268.5 millions lei (current prices).

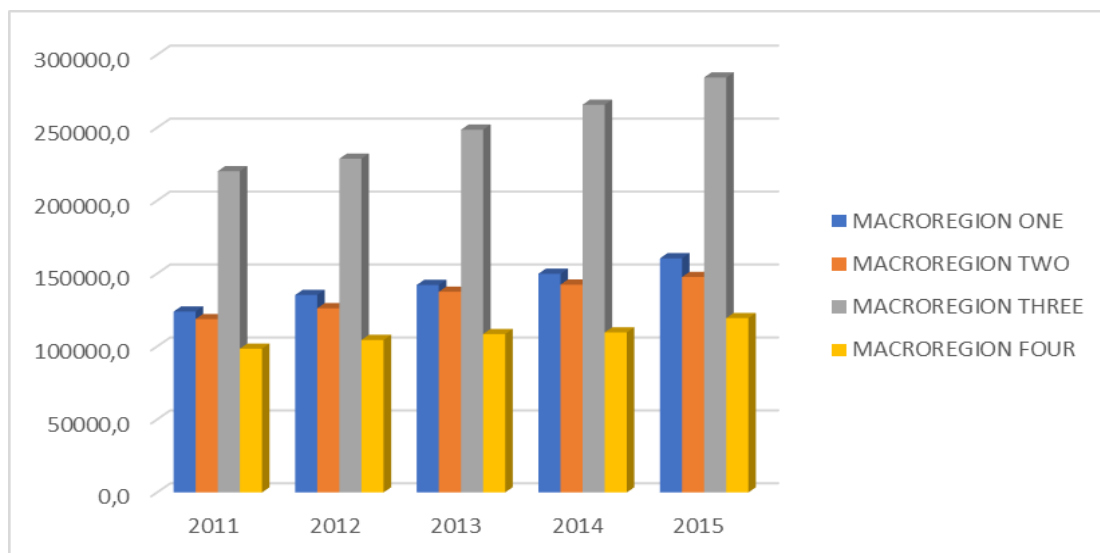


Figure 9. Contribution of macroregions to GDP

Source: own construction based on NSI statistical data[11,12,13,14].

- the contribution of Macroregions to GDP forming was: Macroregion I (North – West and Center) contributed to 22.52% to form GDP, Macroregion 2 (North-East, South-East) with 20.71%, Macroregion 3 (South-Muntenia, Bucuresti-Ilfov) with 39.91% and Macroregion 4 (South-West Oltenia, West) with 16.77%.

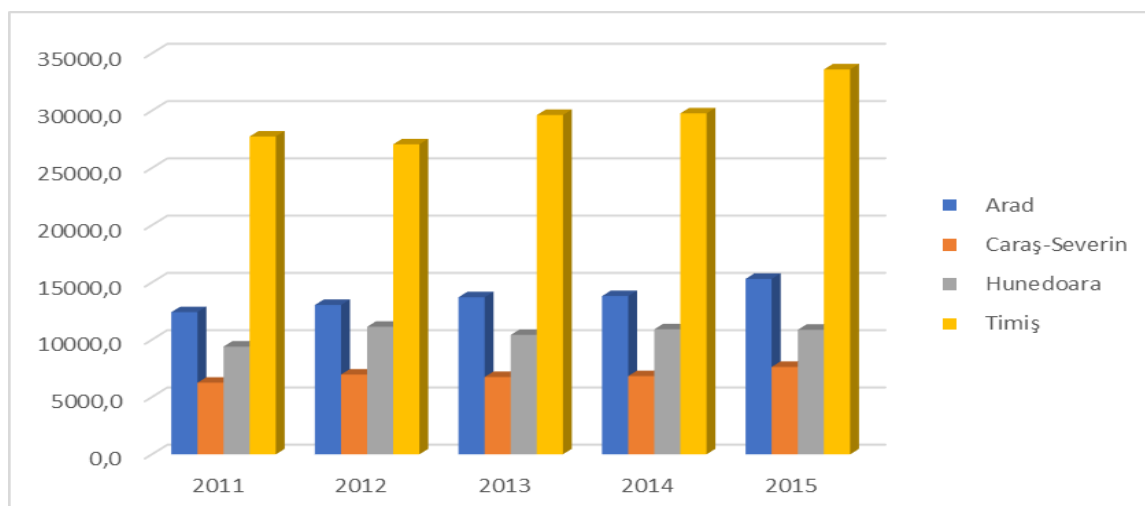


Figure 10. Western Region contribution to GDP in Macroregion 4

Source: own construction based on NSI statistical data[11,12,13,14].

- in Macroregion 4, Region West contributed with 56.43% to regional GDP forming, and in this one the Timis county had the largest contribution – 49.83% followed by Arad county with 22.72%.

CONCLUSIONS

- The multilateral development of economy must be seen in horizontal and vertical plan;
- All the economic activities bring their contributions to the main macroeconomic indicators' forming;
- Starting the world level, including the European and national take place multiple changings regarding the economic sectors;
- The analyses of macroeconomics indicators of production and the use of labor force in our country, indicates the trend at European and even world level. So, the tertiary becomes also in the national economy the sector with the highest percentage to GDP forming and in labor force occupation.

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