
EMERGING ECONOMIES VERSUS INDUSTRIALIZED ECONOMIES. ARE THERE CONDITIONS FOR GROWTH?

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Abstract: The 21st century and the third millennium started as a period marked by great challenges. The present ambiguity makes us focus on industrialized and emerging economies in relation to current trends and, especially, to economic growth.

In 2008, officially, the global economy responded to the situation created on the American market with the most powerful economic crisis since 1929. Despite a slightly exaggerated optimism, based on unsustainable positive growth rates, economic uncertainty continues to remain high. In addition, the more and more delicate European geopolitical context sketches a complex socio-economic picture characterized, again, by almost certain recessionary risks. In this paper we analyse, by descriptive, unitary and compared methods, the current conjuncture and the economic growth of several emerging and industrialized countries that we consider representative. We want to draw a conclusion regarding the future potential growth of some emerging and industrialized economies or by considering the holistic view.

Keywords: emerging economies, industrialized economies, economic growth, recession, crisis

Introduction

The present paper aims to be a theoretical analysis of the current economic situation, from pre-crisis to present. Obviously, the complexity of the topic will not allow us an exhaustive approach. And this is actually not our objective. The mathematization, as a dominant tendency in the field of research has become somehow obsolete. Some optimistic scenarios, foreseeing a solid economic and social future, overlaid on a fragile reality, disorientated the specialists and not only. In a period when globalization, as a phenomenon, and the estimations and the prognoses, as methods, transformed the economic cycle into a continuously ascendant straight line, the cycle theory demonstrated its validity. However, we speak undoubtedly about the goal of growth, the alpha and omega of economic processes. Any action and effort comes from and directs itself to growth. The industrialized and the emergent countries, at the same time, aim at the growth target. To what extent this is possible remains a subject of meditation and analysis.

As exemplifications and for comparison purposes, we will focus on nine economies, three industrialized ones (USA, Japan and Germany) and six emergent ones (the BRIC countries, Romania and Poland).

The emergent markets make up a pseudo-homogenous group of countries that face similar challenges and form together the biggest economic block of the world today¹.

The concept of emergent economy was introduced in 1981 by *Antoine van Agtmael* in his work *The Emerging Markets Century*, while *Jim O'Neill* used the BRIC acronym to refer concomitantly to the four emergent states: Brazil, Russia, India and China.

Signs of decline

*Andrew Mellon*² stated, at the end of the Great Depression, that nothing similar would occur ever again. And he was not the only one. How many adepts of globalization have not made similar affirmations, blinded by the illusion of continual progress, and removing from the analysis factors with a pseudo-latent action but overwhelmingly important?

During the World War II, the Keynesian policies were introduced and became decisive for all developed economies. Everyone observed them for a simple reason: they function pretty well³. The World Bank imposed Hayekian policies on all developing countries, with consistently catastrophic results⁴.

Although the measures proposed by Keynes ensured three decades of economic growth, one can see that each new economic cycle needs bigger and bigger efforts for the State to provide a sufficiently high surplus, necessary for the support of the demographic growth and of the exponentially increasing needs.

Robert Lucas and *Ben Bernanke* stated that the problem of the economic cycle was solved, the descendant phases being not priority, but much easier ones. According to *Lucas*, the economic cycle was *tamed*, so that the gravity centre moves on the long-run economic growth. In spite of the crises characterizing the 1970s and stagflation, the two continued to declare that economy will occasionally suffer recoils, but that the era of really severe recessions and especially of world economic depressions was passed over⁵. The remedy against recession was simply coining money⁶.

During the full economic ascension of the 1990s, the Asian countries, the so called *tigers*, give the first signs of disequilibrium. From rise to crisis the distance was so small, that the castling was made almost brutally.

¹ Ciobanu Ceslav, 2012, "The Global Financial Crisis: Emerging Markets Prospects for Economic Recovery and Democratic Transformation", *Cogito*, p. 3, http://cogito.ucdc.ro/en/nr_3_en/13%20-%20THE%20GLOBAL%20FINANCIAL%20CRISIS%20_eng_.pdf

² *Andrew Mellon* (1855-1937) was a banker and businessman, Ambassador of the US to UK and Secretary of the US Treasury. He militated for the reduction of tax level with a view to diminishing the federal deficit. The tax plan Mellon proposed brought forward the reduction of the tax on income from 77% to 24%, as he was convinced that the money will come back, by means of expenses, in economy, the reduction of taxes on small incomes from 4% to 0.5%, as well as the rationalization of governing. The measures he proposed contributed in the reduction of public deficit, but his popularity decreased at the beginning of the *Great Crisis*, when he made this statement: *liquidate labor, liquidate stocks, liquidate farmers, liquidate real estate... it will purge the rottenness out of the system.*

³ Médaile John Chrysostom, 2012, *Spre o piață cu adevărat liberă. O perspectivă distributistă asupra rolului guvernării, taxelor, asistenței sanitare, deficitelor și multor altor lucruri* [orig. title *Toward a Really Free Market: A Distributist Perspective on the Role of the Government, Taxes, Health Care, Deficits and More*], Bucharest: Logos, p. 19.

⁴ *Ibid.*, p. 20.

⁵ Krugman Paul, 2008, *Întoarcerea economiei declinului și criza din 2008* [orig. title *The Return of Depression Economics and the Crisis of 2008*], Bucharest: Publica, p. 19.

⁶ *Ibid.*, p. 24.

In the 1990s again, Eastern Europe opted for the capitalist system, and China started its ascension, in spite of the manifest scepticism, while being still considered a country with an auxiliary role.

Globalization allowed for the transfer of technology and capital from the industrialized to the emergent countries. The cheap labour, the technology and the capital helped the emergent countries to join the world market and to compete with the industrialized states. We refer to countries in the regions of Eastern Europe, Asia and Latin America. Yet, the *Mexican crisis*, also known as the *Tequila crisis*, at the end of 1994, proved to be an extremely serious one. It extended all over the Latin America, especially in the vulnerable Argentina, in an almost identical way with what happened in 1982.

Japan, a crediting country, independent from the good will of foreign investors, crosses, in the 1990s, periods when growth and more and more serious recessionary boosts succeeded each other. Japan received the title of *Asian tiger* in the period 1953-1973. From a mainly agrarian country, it became one of the greatest world exporters, a major economic power and a model of economic growth. Japan did not enter depression suddenly. From one year to the next, the economic growth rate decreased. Japan registered a growth recession extended over a whole decade. This decline led it so far downward, under the level it was supposed to be, that it reached the limit of an uncommon phenomenon: *a depression of growth*⁷.

The USA, in its turn, started the restless period of financial speculations. Credits over credits, the euphoria of the easily gained money, due to the generosity and inventiveness of the financial institutions, money made on command, out of nothing, that *fiat money*⁸ with no real cover, represented speculative bubbles. The unreal money created the mirage of happiness for many American, whose conviction was pretty clear: the speculative bubbles were so solid, that they would never pop. Until one day, when the crisis turned into the reality of America and of the whole world. The financial problems generated a deficit of trust. This, in its turn, devaluated the currency, interests rose, and economy started its decline. We can actually speak about a whole complex of causes. To these we can add an excessive augmentation of house prices and the collapse of the real estate market of USA, the low or even negative savings rate before the crisis on the USA market, very high savings rates in countries that are traditional exporters and depending on exports, imbalances of the current account⁹, which are all interconnected and interdependent causes.

Crisis and post-crisis

The globalized world is hypersensitive. Small changes bring forth big changes. The crises, unavoidable, cyclical and capable of destroying values in the short run, but fertile in terms of innovations, of new technologies created and disseminated by the entrepreneurs, which allow the ending of crisis and the launching of a new phase of expansion, are part of the history of capitalism, just like *Schumpeter* said¹⁰.

⁷ *Ibid.*, p. 78.

⁸ Médaille John Chrysostom, *op.cit.*, p.75.

⁹ Ciobanu Ceslav, *op. cit.*, pp. 2-3.

¹⁰ Brăilean Tiberiu, 2011, *Teoconomia. Religii economice*, Iași: Junimea, p. 111

We have been crossing, since the end of 2007, the crisis of the ultra-liberal economic system. The weakness of the world economy results from massive debts, so big that the possibility of the incapacity to pay them back is not excluded. Instead of fiscal and monetary harmonization, we assist a genuine economic war between the main continental blocks¹¹. The economic wars open the gate to the military ones. Let us not forget that the USA, Saudi Arabia, Iran, India or Russia invest in the military field, as if they were preparing to act. Furthermore, the local conflicts from different parts of the world have been smouldering for some time with no solutions, but with international involvement. We only mention here the tense situation between Ukraine and Russia, with extended political, military and economic implications. If the political conflicts do not degenerate, the current crisis will be exceeded. But other crises will appear: demography, energy, food, environment, resource related ones.

Like any other crisis, the current one will leave traces. Economic recovery will be slow, both for the developed and for the emergent states, the unemployment rate will increase, the purchasing power will reduce, the public debt will rise and globalization will probably be reconsidered.

The current crisis is a challenge to the future economic stability. Both categories of countries, industrialized and emergent ones, are forced to rethink their policies and actions, in order to restructure economy and to eliminate weaknesses.

In the future, the threats and the opportunities will be proportionally big. The economic system needs to be rethought around the concept of durable, ecological and social growth.

Growth opportunities for the industrialized economies and the emergent economies

The end of the last century brought to the fore the emergent economies, deemed secondary by then in the wide range of world economies. China, India, Russia and Brazil developed to the extent to which they became quasi-independent in relation to the Western ones. Immediately after the crisis began, more precisely in 2009, economic growth came from the emergent economies. They got out of the shadow where they spent decades, demonstrating their potential, generating change and adaptation to change.

Both state categories have growth potential: the industrialized (developed) ones and the emergent ones. Yet, we can mark differences between the economic growth potential of the two groups in favour of the emergent ones. Where does this gap come from?

First, we speak of positive rates of demographic growth in the emergent countries, compared to the developed ones. We do not exclude, in the future, a demographic crisis. The population's aging is visible in the industrialized states, but not in the emergent ones, especially not in India and China. Out of the over 7 billions inhabitants of the planet, over 4 billions live in Asia. In China and India live almost half of Asia's population.

Table no. 1: *Rate of demographic growth (% , 2009-2013)*

¹¹ Brăilean Tiberiu, 2011, *Teoeconomia. Religii economice*, Iași: Junimea, p. 130

	2009	2010	2011	2012	2013
Industrialized economies					
USA	0.9	0.8	0.7	0.7	0.7
Japan	-0.1	-0.1	0.3	-0.2	-0.2
Germany	-0.3	-0.2	0.0	-1.7	0.2
Emergent economies					
Brazil	0.9	0.9	0.9	0.9	0.9
India	1.3	1.3	1.3	1.3	1.2
Russia	0.0	0.3	0.4	0.2	0.2
China	0.5	0.5	0.5	0.5	0.5
Romania	-0.8	-0.6	-0.5	-0.4	-0.6
Poland	0.1	0.1	0.9	0.9	0.0

Source: <http://data.worldbank.org/indicator/SP.POP.GROW>

A current characteristic of developed states is the population's aging and the reduction of the demographic rate of growth. The emergent states, being economies under rapid development, acquire the characteristics of the industrialized ones as they keep on progressing. This is illustrated in *Table no. 1*. In the interval 2009-2013, only two states of the analyzed ones registered negative rates of demographic growth: Japan and Romania. In the case of Japan, the demographic problems are not recent. The pyramid of ages reversed along with progress. The life expectancy increased, in its turn, without synapses. Germany registered a slight refreshment of the demographic rate in 2013, under the pressure of the measures of stimulation of birth rate, whose effectiveness is uncertain, considering that their enforcement is not a recent order. Only USA registered positive subunit rates of demographic growth. The correlation between degree of poverty – demography is demonstrated. Statistically, one can notice the rise of the birth rate in the poor environments, where the schooling, education and culture degree is lower, and its augmentation in the environments where the life and culture standard is high. This tendency is a dangerous one for economy and society. The rise of the birth rate mainly in poor environments makes nothing but prolonging poverty, lack of culture and social deficiencies. Mortality rate is higher in the poor environments and lower in the developed ones. In the context of reforms and measures meant to improve the medical systems and the quality of life all over the world, including the less developed environments, the mortality rate tends to decrease. Let us not forget that USA has a high percentage of poor persons, a cultural and ethnic mosaic that seems to outline the possibility to maintain a positive demographic rate, in spite of the status of great power. Although the ratio of inverse proportionality between the development degree and the demographic rate is real, it has negative economic consequences in the long run.

In the group of emergent countries we analyzed, Romania has registered negative demographic rates. Unlike the already demonstrated theory shows, the tendency is not related to the degree of development, but to a visible deterioration of the standard of life. The negative demographic growth rate occurred in the context of a decrease in the purchasing power and in incomes, together with the rise of the unemployment rate and the creation of jobs in fields with low wages and with no long-term certainty. The BRIC states register positive subunit demographic growth rates, except for India. Poland, a country that felt the

crisis less strongly or not at all compared to the rest of Eastern Europe, also registers, in its turn, a reduction of the demographic rate.

Life expectancy at birth is an important indicator, which reflects the potential of growth and, at the same time, the social effects of growth.

Table no. 2: Life expectancy at birth (years, 1994-2012)

	1994	2000	2006	2012
Industrialized economies				
USA	76	77	78	79
Japan	80	81	82	83
Germany	76	78	78	81
Emergent economies				
Brazil	68	70	72	74
India	64	62	64	66
Russia	64	65	67	70
China	70	72	74	75
Romania	70	71	73	75
Poland	72	74	75	77

Sources <http://data.worldbank.org/indicator/SP.POP.GROW>

The more developed an economy, the higher the life expectancy that the population enjoys. Progress in all fields marks people and their lives. Incomes, the health system, the system of social protection, comfort, infrastructure, all of them contribute in the improving of life conditions and prolongation. Japan enjoys the highest life expectancy. In Germany, the life expectancy is slightly higher than in the USA. All the developed countries enjoy a high life expectancy rate. The efforts of economic growth and development are positively reflected in this indicator. Correlated with the reduced or even negative demographic rate, economic outcomes will not be the expected ones in the long run. An increasingly aged population will require the allocation of substantial sums of money through programs of social protection, difficult to support by a decreasing active population. In the case of the emergent countries, one can confirm the direct proportionality relation between the life expectancy and the economic growth. We notice that Poland enjoys the highest life expectancy rate, followed by Romania. Poland has, in 2012, a life expectancy rate similar to that of the USA and of Germany in 1994, but not exceeding that of Japan of the same year. From the standpoint of this indicator, the gap between the industrialized and the emergent countries is big. The lowest life expectancy rate is registered in the BRIC countries, and especially in India, where the average life expectancy was, in 2012, only 66.

Second, the potential of economic growth derives from the sustainable industrial and energetic one (the less polluting possible and in the longest run possible). The potential of industrial development is higher in the emergent countries. The explanation is simple. The developed economies are industrialized economies. Development is based upon industry, especially the energetic one. The process of industrialization, as it occurred starting with the first industrial revolution until now, brought the world on the verge of two crises: the energetic and the environment ones. The industrial activity exhausted the renewable resources

and polluted the environment. The future progress will depend on the discovery, implementation and utilization of modern techniques of production of alternative energy. The biggest financial potential for research and development is that of the developed countries. The emergent economies have the advantage of taking over and using techniques and methods of production of alternative energy by escalating the costs associated to the processes of research, innovation and testing. This is similar to the situation in which the emergent economies, by taking over the existing technologies and know-how burn phases of their economic evolution. On the other hand, lacking an industrial production equivalent to that of the developed states, the emergent ones maintain a lower pollution level. The amoral manner to pose this problem seems paradoxical. The emergent states can theoretically afford to pollute more. In the Kyoto Convention, the developed countries of the world stated, in writing, their responsibility for reducing the pollution degree on the planet, once the environment crisis, of the climate changes was officially validated, after the exposition of a big number of optimistic scenarios that were wrongly argued or with a view to hidden interests.

Table no. 3: Pollution degree / CO₂ emissions (tones per capita)

	1994	2000	2004	2007	2008	2009	2010
Industrialized economies							
USA	19.5	20.2	19.8	19.3	18.6	17.3	17.6
Japan	9.4	9.6	9.9	9.8	9.5	8.6	9.2
Germany	10.6	10.1	10.0	9.5	9.5	8.9	9.1
Emergent economies							
Brazil	1.5	1.9	1.8	1.9	2.0	1.9	2.2
India	0.9	1.1	1.2	1.4	1.5	1.7	1.7
Russia	11.6	10.6	11.1	11.7	12.1	11.1	12.1
China	1.5	1.9	1.8	1.9	2.0	1.9	2.2
Romania	5.1	4.0	4.4	4.8	4.6	3.9	3.9
Poland	8.7	7.9	8.0	8.3	8.3	7.8	8.3

Source: <http://data.worldbank.org/indicator/SP.POP.GROW>

The biggest polluter of the world remains the USA. Although at Kyoto it stated its responsibility in the reduction of pollution, USA is not willing to reduce its energy intensive industrial activity. At the other end of the spectrum, Germany has already taken measures to develop less polluting technologies and to produce alternative energy. The initiative of Germany is admirable, as this is one of the few states of the world who took real measures in this direction, taking also the consequences of individual costly actions. The emergent states, except for Russia, are not among the great industrial producers, or among the great polluters. The more developed the energy intensive industry, the highest the contamination level. We could consider this indicator with negative impact an indicator of industrial development. The emergent countries register low carbon emissions compared to the developed countries, as one can see in Table 3. In the BRIC group, Russia is the only state that registers a high rate of emissions. Russia holds oil, coal and natural gases deposits, whose industrial processing is accompanied by negative externalities. Poland, the country with the most developed economy in Eastern and Central Europe, registers, as it develops its industrial capacity, increasing

emissions. Unlike it, Romania has renounced since 1990 its industrial capacity, accepting the status of outlet for the products made in the developed countries. The reduced amount of emissions of carbon dioxide does not reflect the utilization of non-polluting methods and technologies, but a smaller and smaller industrial capacity. The year 1990 marked the change of the economic system and was, for Romania, a transition from an economy with an increasingly developed industry, almost independent from the resources and technology of the external partners, to an economy without industry, in which the biggest polluting factors are the cars. Romania renounced, shamefully fast, almost everything that before 1990 was its industrial activity, contenting itself with the status of outlet market for other countries and placing itself on a severely dependent position upon the external space.

An alternative to the reduction of the pollution degree is the externalization of the energy intensive industrial production, from the industrialized to the emergent countries. Regarding from this standpoint, we notice that the emergent states are the victims of the developed ones. How much and by what means certain economies will develop is the decision of the industrialized states, according to the interest they have.

Third, the potential of economic growth results from the characteristics of growth. This represents the process of increasing the dimensions of economy, the macroeconomic indicators and especially the GDP/capita, in an ascendant but not necessarily manner, with positive effects upon the economic-social sector¹².

Out of the nine economies we analyzed, from the standpoint of economic growth Japan stands out. Japan's economic growth was considered a *miracle*. The rates of economic growth of over 8% helped it to successfully join the group of the developed states of the world¹³. To Japan's economic growth contributed, among other things, the abundant labour, the inclination toward savings, toward innovations, the protectionist policy, the transition, over time, from the heavy industry, with high energetic consumption, to the production of advanced technologies, with high added value, the support of the big conglomerates, the policy of replacing the imports and supporting the exports, and, above all, the mentality favouring and the inclination for work. (The case of Japan is similar to that of Germany. The basic factors of the process are almost identical. The culture and typology of the system are different.) Since the 1970s, the great Japanese companies, *sogoshosha*, have dominated industrial branches like electronics, robotics, machine and car construction. Each big company relies upon a bank that provides it financial support. This preferential support proved to be damaging. In 1997, the outcomes of this system took the form of a financial crisis that extended all over the Asian region, without degenerating.

Japan's model of growth was an example for the rest of the world. It was successfully borrowed by its neighbouring countries, due to the economic and social similarities. In the 1990s, the newly industrialized Asian countries, and especially the ascension of China, were more and more often topics of discussions. India and China are, presently, the economies that attract everybody's attention. The progress of China, of India, of Russia and of Brazil (BRIC) over the last decades, the potential they have and the economic evolution in the period of the

¹² Haller Alina-Petronela, 2008, *Exporturile - Factor de dezvoltare și creștere economică* [Exports – A Factor of Economic Development and Growth], Iași: Performantica, p. 7.

¹³ ***, 2007, *Japan's Economy in an Era of Globalization*, Japan Fact Sheet, Ministry of Foreign Affairs Website, http://web-japan.org/factsheet/en/pdf/e04_economy.pdf

crisis started in 2008 make us consider a change of the ratio of strengths on the world market, to place trust in the emergent countries and especially in the BRIC countries.

China's process of industrialization started in the 1950s, in an autarchic way. China's opening and the beginnings of the economic reforms are to be placed in 1978, but the passage to the concept of *the state establishes the rules of the game, and the market guides the companies* is relatively recent¹⁴.

Table no. 4: Rate of economic growth (% , 2007-2013)

	2007	2008	2009	2010	2011	2012	2013
Industrialized economies							
USA	1.8	-0.3	-2.8	2.5	1.8	2.8	1.9
Japan	2.2	-1.0	-5.5	4.7	-0.5	1.4	1.5
Germany	3.3	1.1	-5.1	4.0	3.3	0.7	0.4
Emergent economies							
Brazil	6.1	5.2	-0.3	7.5	2.7	1.0	2.5
India	9.8	3.9	8.5	10.3	6.6	4.7	5.0
Russia	8.5	5.2	-7.8	4.5	4.3	3.4	1.3
China	14.2	9.6	9.2	14.4	9.3	7.7	7.7
Romania	6.3	7.9	-6.8	-0.9	2.3	0.4	3.5
Poland	6.8	5.1	1.8	3.9	4.5	1.9	1.6

Source: <http://data.worldbank.org/indicator/SP.POP.GROW>

The crisis affected the rates of economic growth of all countries; more powerfully in the case of those holding, in the bank system, consistent foreign currency deposits, and less powerfully those holding external liabilities¹⁵.

Reflecting upon the rates of growth in the three industrialized countries we analyzed, we can notice that the current crisis surprised these countries with modest rates of economic growth. 2009, a climax year, hit more powerfully Germany and Japan, the latter recovering easily in 2010. In the case of Japan, the natural factor contributed to the new fall of 2011. Once again, this country demonstrated its great capacity of economic recovery, starting its growth in 2012 with rates higher than those of Germany. The latter took over the role of supporter of EU states. In the context of the efforts of recovery that all the 28 EU member states made, to which the complex situation between Ukraine and Russia adds, whose negative economic outcomes will be strongly felt starting the end of 2014, Germany and part of the EU countries will end 2014 most likely with positive subunit or even negative economic growth rates. The political crisis becomes a factor with negative impact upon the European states and not only, because it has much too wide and complex implications, from a political, military, economic and social standpoint.

The emergent economies responded the crisis differently. Naturally, the reduction of the rates of economic growth demonstrates their vulnerability. Even if they have a high

¹⁴ Rowthorn Robert, 2006, *The Renaissance of China and India: Implications for Advanced Economies*, Discussion Papers No. 182, October, United Nations Conference on Trade and Development, p. 20, www.unctad.org

¹⁵ Bleaney Michael, Vargas Liliana Castilleja, 2012, "Real Exchange Rates, Valuation Effects and Growth in Emerging Markets", *Credit Research Paper*, no. 07, p. 18.

potential, they do not have the financial power to recover in force, on the contrary. The BRIC countries, especially China and India, maintained their positive rates of economic growth, except for Russia and Brazil. Both registered, in 2009, negative rates. India, China and Poland are the countries where the crisis did not manifest itself in a convulsive way. We cannot say the same thing about Romania. The climax years of the crisis were characterized by negative rates of economic growth, the subsequent recovery being slow, based upon foreign loans meant for consumption (fragile, unsustainable basis). For 2014, the estimations are not very optimistic. Romania's economic growth is very likely a negative one, or, in the happiest case, a positive subunit one.

The demographic and economic growth tendencies for the emergent states are expressive. The active population of these countries will rise with 1.4 millions in the period 2010-2016, and the GDP will increase with 60% in the same interval of time¹⁶.

The emergent markets offer the foreign investors multiple opportunities, like the frontier ones, which are nothing else but pre-emergent economies whose characteristics tend to become similar to the emergent countries' ones¹⁷. The risks manifested on the emergent markets are associated to currency devaluation and stability, the guaranteeing of sustainable economic growth and inflation¹⁸.

Conclusions:

Our starting point in the present paper was a rhetorical question: is there potential of economic growth left in the emergent and in the developed countries? The world is continuously changing. The rhythm of change is more and more rapid. It complicates the situations, the decisions, the challenges. We do not speak any more about one, financial, crisis, but also of a political crisis, a demographic crisis, an environment crisis, a food crisis, a cultural crisis, and there is still plenty of space for other typologies. Overwhelmed by these multiple crises, we posed the problem of the existence of the necessary potential to deal with them, to reduce their intensity and, why not, to eliminate them. There exists an idea that only the industrialized economies have enough potential to face the economic difficulties. Over the last years, one could see that the emergent states, those states whose model and objective of growth and development is represented by the industrialized economies, have the capacity to resist economic shocks or they can develop it, while facing unfavourable situations. In the future, emergent countries like those in Eastern and Central Europe and BRIC will be more visible in the global economy, as the demographic, environment, energetic or any other kind of problems will be more serious. Economic growth remains the main objective of all economies in the short run, the medium run and the long run. If the industrialized countries managed to reach a relatively satisfying level of development, the emergent ones just tend to reach it. Consequently, these states will use all their potential and capacities to ensure economic and social progress, in order to impose themselves and to find their place in a currently tripolar world.

¹⁶ ***, 2013, *Emerging Market Entry - Key to Success*, Accenture,

<http://www.accenture.com/SiteCollectionDocuments/PDF/Accenture-Emerging-Market-Entry.pdf>

¹⁷ Jaffer Kamar (ed.), 2013, *Investing in Emerging and Frontier Markets*, London: Euromoney, pp. 19-21.

¹⁸ Kouwenberg Roy, Solomons Roelof, 2012, *Value Investing in Emerging Markets: Local Macroeconomic Risk and Extrapolation*, <http://som.rug.nl>

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