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Foreword

Shaping the Future - A Difficult Task

Manuela Epure, Editor-in-chief

Living in today's world is not easy: as a human being you need to adapt yourself to a hostile environment where unforeseen challenges emerge, keeping us in constant alert.

Economic development is directly connected to human development; therefore sustainable economic growth needs to be the central point of the current development strategies, not only at country level but mainly at global scale.

Investing in human capital development is important for the society and vital for the economic development. In the next decades, talent will be the key factor of economic development that will link innovation, competitiveness and growth and we must understand the global talent value chain in order to elaborate valuable strategies and adequate policies to support the young generation.

Therefore, shaping the future means firstly to invest in the human capital and "to nourish" the young generation, and to make it growth in terms of the competencies and skills of the workers of tomorrow. A better future is closely related to the access to education, which must be granted to a larger segment of young population not only in developed countries but mainly in underdeveloped countries.

Secondly, encouraging the entrepreneurship initiatives promoted by young people should become a high priority for policymakers in order to diminish the consequences of the "lost generation" phenomenon. Currently, more than 200 million people are out of a job globally and the numbers are to rise to 215 million jobseekers by 2018[1], according to forecasts. The youth are particularly hit by the crisis; currently, there are 75 million unemployed, making them three times more likely to be out of a job than adults[2]. If we add the inactive 15- to 24-year-olds who are

[1] Samans R., Zaahidi S., Keveloh K. – Disrupting Unemployment –Business-led Solutions for Action, a World Economic Forum Report, prepared with Mercer, April 2015, p. 3

[2] Idem, p.4

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neither in the labour market nor in education or training, there are almost 290 million young people that are neither working nor studying: almost a quarter of the planet's youth[3]*.*

Thirdly, we need to understand the basic change processes in human development and how these processes are affected by social, economic, historical, political, cultural and physical contexts, which are dramatically different from the previous ones. Flexibility and adaptability are the key words in today's society and more structured research that informs educational, health and social policies and other intentional change strategies is needed.

Journal of Economic Development, Environment and People is welcoming original papers, research notes or case studies that address the above mentioned themes. We invite our readers to engage in exciting forum discussions in a common effort to shape the future.

[3] Idem, p.5

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The Importance of the Sustainability of Environmental Accounting

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Abstract: *Rapid population growth, industrialization, unplanned urbanization, global warming, tourism activities and natural disasters have resulted in environmental issues that have reached global dimensions and started to threaten the life of creatures. For the permanent protection of ecological balance and sustainability, massive national and international regulations are needed. Threatening the life of creatures has not been considered in the system consisting of the establishment of equilibrium between man and nature as required. At this point businesses have important responsibilities. Businesses, for example, in order to prevent environmental pollution waste control systems, filtration systems, recycling methods etc. endured environmental costs in a variety of ways, as these costs are incurred also causes more businesses to see the value of protecting the environment.*

The result of the activities of environmental impacts of enterprises can be considered, to be taken in the preparation of the necessary data to guide decisions, contacts and presentation of the stages of the environmental accounting system.

In this study, we first examine the concepts of environmental accounting, sustainability and environmental costs and then in the cement factories located in Turkey the environmental costs and environmental accounting will be given in the results of a survey made for the calculation of the sensitivity.

Keywords: Environmental Accounting; Sustainability; Environmental Costs

JEL Codes: M

1. Entrance

Nowadays, both developed and developing nations are faced with environmental problems. Environmental problems are not just for today's people and, countries but even pose a threat to future generations. Therefore, global warming, industrialization, excessive consumption of natural resources, environmental pollution factors must be addressed as a whole. To leave a liveable world to future generations, it is necessary to ensure sustainability. When we talk of sustainable development, only environmental sustainability comes to mind. However, in order to ensure sustainability; the nature and

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level of goods and services, produced and used by a society, employer's perception, poverty and sensitivity to the environment must be dealt with together. Here is sustainability; we can conclude that linked with environmental concerns in broader competitiveness and employment concerns (Ashford &Caldart, 2008:1044). Therefore, economic and ecological balance are considered as a whole and for the welfare of people, increasing levels of social, economic and cultural sustainability must be provided together.

In the 1960s, the first studies related to the environment in terms of accounting began, then in the 1980s, was considered as a separate title (Korukoğlu, 2011:81). Today, the environmental protection work is done beyond just a fad. The increasing damage to the environment, along with the environmental protection work has become a necessity. Together with an understanding of the dynamics of environmentalism, businesses also began to assume their responsibilities. How business uses of the environment or how much damage given to the environment, is of great importance in terms of strategies to be implemented. Environmental costs of documenting, reporting and controlling, including issues of environmental accounting as an accounting branch has been developed.

The implementation of environmental accounting of the monetary value of the environmental information needs to be determined. Today, only a fiscal nature in accounting system which processes are recorded and apart from the remaining operations cannot be recorded (Kırlıoğlu &Can, 1998:103). However, at this point international financial reporting standards (IFRS's) not only emphasize the necessity of non-financial information to be also reported. This development is a big step in terms of environmental accounting. It is difficult to apply, the nature of non-financial reporting in terms of the application of environmental accounting. However, the basic concepts of accounting system taken from the concept of social responsibility (carrying financial and non-financial qualifications) must be reported to the appropriate people. When the information of the non-financial qualifications is ignored, this system constitutes a short fall of missing information.

2. Literature Summary

It is seen that a lot of scientific studies about environmental accounting, sustainability and environmental cost issues have been conducted. In this area there are many definitions have been made in environmental accounting. Some of these include;

All activities of a business to be classified as environmental, inventory holding, monitoring of changes in inventory, monetary or physical size of these changes is to provided and in addition, by integrating them with business balance sheet, the actual profitability of the business in the direction of the regulations are to be introduced (TUSIAD, 2005:25).In another definition; green accounting represents 'a process of identification, calculation, control, analysis and reporting of the costs generated by the enterprise-environment relationship, resulting from the prevention, the limitation and the elimination of the effects of ecological disasters with a favourable impact over the company and the environment (Vasile, 2008:1387). In yet another definition; operating costs related to the environment in the process of keeping them under control, whether in business activities of environmental expenditures, how much carbon and gas emissions resulting from the activities of that operation, activities that may be causing air pollution, or such as of the stages in the process of ensuring an effective environmental protection, must be reflected in the financial statements is defined (Bezirci transferred from Crawford et al., 2011:64).

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Considering the definitions above regarding environmental accounting, environmental costs that occur during activities of enterprises, showing financial statements the relevant persons and institutions come to the forefront is to be presented in the form of reports.

The concept of sustainability has gained importance after the inclusion in the United Nations Brundtland Commission's report, in 1987. According to the definition of sustainable development contained in the report; preserving the ability to meet the needs of future generations, is to meet the needs of the present generation. (Yanık&Türker, 2012:292).

According to Başkaya (2001:213) sustainable development model is founded on three basics. These are;

1. Consists of the current growth is unsustainable,
2. By meeting the needs of today, attaining a minimum level of prosperity of all people and the eradication of poverty,
3. Also life and welfare of future generations to secure work and during these studies, the pressure on the environment, is to keep a level that will not threaten civilization.

When examining this matter of implementation of the concept of sustainability seems to be quite difficult. Therefore in 1992, at the environmental development conference held in Rio de Janeiro along with other unnamed meetings after the Rio Summit sustainability was evaluated as global.

The concept of environmental costs, to sustain the activities of enterprises in the name of protecting the environment is considered as one of the folded costs (Melek&Ozbirecikli, 2002:84). According to another definition, as a result of the business's production process, environmental quality affects negatively to reduce the cost (Graff & the others, 1998:4) Therefore according to the environmental costs they arise as;

1. Prevention Costs
2. Use Costs
3. Loss Costs are divided into three main groups.

So far, environmental costs and environmental accounting issues have remained at the level of literature, what is happening in practice has not been studied very much. As a result, businesses, that is working towards protecting the environment and how that reporting is an issue of concern. In this study that was conducted on examining the situation in cement factories, determining their attitudes towards environmental accounting and environmental accounting in order to reveal the importance of the sustainability.

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3. This is a Research about Evaluation of Sustainability of Environmental Accounting in Cement Factories

3.1. Research Objectives

The purpose of the study is the approaches by cement factories operating in Turkey to the environmental problems and to evaluate the sustainability of environmental accounting. In order to reach the goal of the study was established two hypotheses. They are as follows;

1-There is no relationship between environmental problems and the causes of environmental problems.

2-There is no relationship between the activity durations in the cements factories with environmental accounting and sustainability.

3.2. Research Methods

In this study, the survey method was used. To the preparation of the survey questions relevant to literature and studies on this subject have been examined previously. The data collection survey questions used consists of three sections. In the first chapter an overview of cement factories, environment-related opinions in the second chapter, and the third section of the participants thought about the concept of environmental accounting are mentioned. With this survey we tried to form an idea about cement factories. In order to implement the survey, 25 cement factories which have continuously operated in Turkey were selected randomly.

Under the analysis of the data obtained from SPSS 21 software was used. Five-point Likert scale was used in the study. The answer to each item codes varies between 1, 00 and 5, 00. Respondents to each question of: absolutely agree, agree undecided, disagree, strongly disagree, selected one of the categories stating their opinions on the topic. The survey sample used in application was presented in the appendix.

3.3. Reliability of Research

The consistency of the statements contained in the survey and to what extent the scale used to reflect the problems that reliability was tested with SPSS 21 program. When carrying out this analysis alpha (Cronbach) method was used. In the third part of the survey there contained questions for the reliability analysis results in the following Table-1 and Table-2 is located.

Table-1 Reliability Statistics

Cronbach's Alpha	N of Items
,853	23

Table-2 Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Question1	88,6800	109,893	,453	,848
Question2	88,6000	112,167	,339	,851
Question3	89,1200	106,693	,392	,848

Question4	89,4400	104,757	,369	,850
Question5	88,7200	109,960	,437	,848
Question6	89,2800	106,043	,357	,850
Question7	89,0400	102,873	,611	,840
Question8	89,2000	102,667	,497	,844
Question9	88,9200	107,660	,454	,847
Question10	88,8800	111,443	,235	,853
Question11	89,2000	103,917	,527	,843
Question13	88,5600	111,257	,472	,849
Question14	89,6400	106,990	,282	,854
Question15	89,9600	99,540	,572	,841
Question16	90,1600	99,140	,571	,841
Question17	89,4000	104,667	,493	,845
Question18	89,8400	103,890	,517	,844
Question19	89,7200	104,877	,527	,844
Question20	89,0800	109,743	,248	,853
Question21	90,6800	106,477	,326	,852
Question23	88,6800	109,310	,504	,847
Question24	89,4400	104,507	,490	,845
Question25	89,6800	108,060	,257	,854

As a result of the analysis, contained in Table-1 Cronbach's alpha the coefficient=0,853 respectively. Analysis of the obtained values of the scale shows that of a highly reliable. In Table-2 the results of reliability analysis for each question are located separately. Questions when evaluated separately in the analysis are seen to be highly reliable.

3.4. Research Results and Evaluation

Of the importance of sustainability in terms of environmental accounting for disclosing all the surveyed factories was answering the questions. The analysis results are as follows; cement factories surveyed, as long as it operates in Table-3 'are also shown.

Table-3 Cement Factories Operating Times

		Frequency	Percent	Valid Percent
Valid	0-10	2	8,0	8,0
	11-20	1	4,0	4,0
	21-30	3	12,0	12,0
	31-40	3	12,0	12,0
	40 ->	16	64,0	64,0

		Frequency	Percent	Valid Percent
Valid	0-10	2	8,0	8,0
	11-20	1	4,0	4,0
	21-30	3	12,0	12,0
	31-40	3	12,0	12,0
	40 ->	16	64,0	64,0
	Total	25	100,0	100,0

Analysing Table-3, 64% of surveyed cement factories have been operating for more than 40 years continuously. However, the average lifespan of business in turkey is 34 years (www.capital.com.tr). When viewed from this perspective, a large portion of the cement factories in Turkey, are above average activity time. The factory number, which operating time between 21-30 years and 31-40 years have equal zone of 12%. The activities range from 11 to 20 years' time has the lowest zone (4%). The 8% Zone shows up to 10 years duration of activity. Cement factories number established a new or in operation for a short time is quite low. Considering both the number and activity times required, cement factories have the importance of environmental awareness.

They have documentation of cement factories; TSE, ISO 9001, ISO 14001, CE, EC and were grouped as other. In Table 4, having these documents and certificates are given the percentages of cement factories.

Table-4 Cement Factories Owned Documents

TSE	% 96,6
ISO 9001	% 92
ISO 14001	% 100
CE	% 56
EC	% 72
Other	% 48

As a result of the research; in the world, known as the ISO 14001 environmental management system certification it is seen that the survey taken by all who attended the cement factories. Some of the objectives of ISO 14001; to improve environmental performance, reduce pollution and to take control starting from the source is to provide input materials and energy-saving. Therefore, business having ISO 14001 certification, said that environmentally sensitive policies apply. In addition, cement factories have rate of 96,6% TSE certificate, 92% of the ISO 9001 certificate, 56% of the CE and 72% have a certificate of EC. ISO 9001 certificate means a quality management system. This is a system that covers all stages and seeks continuous improvement for businesses from assembling, manufacturing, and marketing along with after-sales services. It could be called a kind of kaizen approach. The CE marking is not a quality mark. This sign of health and safety has been created in order to ensure the free movement of goods among the Member States of the EU. It means the product on which it has been affixed meets all the requirements of the related directive.EU countries considered to be sensitive to the environment, this document can be said to become even more important. The EC mark certificate of conformity is issued by quality and environment committee. Considering Table-4, which have these documents it is seen that high rates for cement factories. Legal requirements and preferences to be more environmentally conscious businesses have provided this high rating. Also the surveyed factories have answered to other groups; TS 18001 (OHSAS) for occupational health and safety management systems, ISO 50001 energy management system, ISO 10002 management systems consist of customer satisfaction. Cement factories which have these documents percentage is 48%.

Significance of the documents described above has been tested by Anova test. Table-5 the results obtained in is located.

Table-5 Anova Test Results

		Sum of Squares	df	Mean Square	F	Sig.
TSE	Between Groups	,293	4	,073	2,200	,106
	Within Groups	,667	20	,033		
	Total	,960	24			
ISO 9001	Between Groups	,903	4	,226	4,813	,007
	Within Groups	,937	20	,047		
	Total	1,840	24			
CE	Between Groups	,577	4	,144	,516	,725
	Within Groups	5,583	20	,279		
	Total	6,160	24			
EC	Between Groups	1,373	4	,343	1,873	,155
	Within Groups	3,667	20	,183		
	Total	5,040	24			
Diğer	Between Groups	,969	4	,242	,919	,472
	Within Groups	5,271	20	,264		
	Total	6,240	24			

Anova test results; have shown that sensitivity to the environment of cement factories are seen to be significant. ISO 14001 certification is received by all respondents who were excluded from the analysis.

In Table-6, SPSS 21 program tested with the Correlation Method 'Environmental Problems and Causes of Environmental Problems' is shown. The numeric ‘sig. value’ shows the level of significance.

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Table-6 Comparison of Environmental Issues and Causes of Environmental Problems

	Air Pollution	Water Pollution	Soil Pollution	Noise Pollution	Visual Pollution	Radioactive Pollution
Population Growth	0,215	0,241	0,487	0,076	0,219	0,010
Unplanned Urbanization	0,256	0,265	0,331	0,197	0,287	0,165
İndustrialization	0,065	0,088	0,083	0,062	0,351	0,229
Luxury Living Standards	0,210	0,244	0,205	0,490	0,343	0,411
Climate Changes	0,577	0,603	0,253	0,298	0,314	0,230
Nuclear Tests	0,295	0,374	0,151	0,223	0,147	0,150
Wars	0,218	0,223	0,366	0,192	0,151	0,059

Our first hypothesis established as ‘there is no relationship between environmental problems and the causes of environmental problems’ but the results of significance level of 5%, which is shown above were that environmental problems and causes of environmental problems among have a relationship.

Examining Table-6, population growth has led to soil pollution the most. Because of increasing population, natural resources are becoming extinct, environmental quality decreases along with the quality of the soil, impaired for agricultural production practices (Mazı& Tan, 2009:5). Unplanned urbanization problems have emerged due to, uncontrolled and unplanned growth of cities over rural areas. Due to unplanned urbanization, natural, historical and cultural structures are damaged. Therefore, soil pollution caused by urban sprawl is the most. Industrialization is expected to cause most of the water pollution. Because in our country, water pollution due to industry associations, liquid waste ranks first among the factors that are influenced (www.cevreonline.com).Luxury living standards are causing the most noise pollution. For example; such as people using private cars instead of choosing public transport, and noise is caused as a result of heavy traffic. Another ingredient contained in Table-6 is climate change. According to the results climate change has led to most of the water pollution. However, in the second rating air pollution is very high. This revealed that the greenhouse gas effect is too large to be ignored as the results indicate. Nuclear test causes radioactive pollution on the air, water, and land. Therefore, the resulting values are close to each other. However, respondents stated that the most is water pollution caused by nuclear test. Our last items contained in Table-6 are from wars. According to the analysis result, war is the largest cause soil pollution.

In Table-7, below we find the activities of the cement factories and the environmental accounting concepts are evaluation with the 25 questions.

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Table-7 Comparison of Cement Factory Activity Durations and Environmental Accounting

	Sum of Squares	Mean Square	F	Sig.
Question1*Activity Durations	1,773	,443	1,565	,222
Question2*Activity Durations	1,060	,265	1,514	,236
Question3*Activity Durations	6,977	1,744	2,239	,101
Question4*Activity Durations	6,236	1,559	1,053	,405
Question5*Activity Durations	3,823	,956	4,854	,007
Question6*Activity Durations	8,757	2,189	2,077	,122
Question7*Activity Durations	5,190	1,297	1,597	,214
Question8*Activity Durations	6,277	1,569	1,251	,322
Question9*Activity Durations	5,556	1,389	3,229	,034
Question10*Activity Durations	5,469	1,367	4,039	,015
Question11*Activity Durations	1,423	,356	,324	,858
Question12*Activity Durations	7,523	1,881	1,278	,312
Question13*Activity Durations	1,083	,271	1,857	,158
Question14*Activity Durations	2,123	,531	,323	,860
Question15*Activity Durations	2,833	,708	,403	,804
Question16*Activity Durations	1,167	,292	,150	,961
Question17*Activity Durations	1,356	,339	,314	,865
Question18*Activity Durations	5,573	1,393	1,493	,242
Question19*Activity Durations	1,343	,336	,365	,831
Question20*Activity Durations	1,769	,442	,459	,765
Question21*Activity Durations	2,336	,584	,401	,805
Question22*Activity Durations	2,269	,567	2,378	,086
Question23*Activity Durations	,607	,152	,444	,775

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Question24*Activity Durations	4,090	1,022	1,035	,413
Question25*Activity Durations	7,0234	1,756	1,438	,258

'There is no relationship between the activity durations in cement factories with environmental accounting and sustainability' was established as our second hypothesis; from the analysis results included in Table-7. As a result of the analysis of activity time, environmental accounting and sustainability issues have been shown to have effect. A difference could not be seen between a long time ongoing cement factories and a new cement factory operation. All the factories surveyed show the same care about the environmental sensitivity and the sustainability.

4. Result

A lot of health problems have emerged with natural habitat reduction and reached the global dimensions of environmental issues. This society should be more sensitive to the environment as an indicator. To protect the ecological balance and sustainability; businesses and consumers must act together; and permanent arrangements at national and international levels are necessary.

Businesses who prefer the concept of environmental management are replacing traditional businesses that continue its operations only for economic growth and profit. The purpose of environmentally sensitive business is to ensure sustainability and to improve the quality of life (Cetin, 2011:12). To ensure sustainability, economic, cultural and social considerations must be made together. The aspect of executed applications is not sufficient. Therefore, it is important for the concepts of unity and harmony.

In order to prevent environmental problems, from the accounting systems are also utilized. The concept of social responsibility in accordance with the basic concepts of accounting, business operations must be compatible with the natural environment. The cost of any damage to the environment should be a consideration. Older accounting systems ignored these environmental costs, environmental accounting systems are important. Because of environmental costs is %20of the total costs (Ergin&Okutmuş, 2007:154). This ratio must be considered. The purpose of environmental accounting is to establish a relationship between environment and economy, where environmental costs are ensured that the financial statements of the environmental accounting are examined.

Some of the countries use environmental accounting system in the world; Britain, Denmark, USA, Sweden and Japan. Environmentally sensitive businesses, especially in Japan, are more preferred. Therefore, depending on the Tokyo Stock Exchange from 80% in 1430, is applied to environmental accounting (TUSIAD, 2005:60).

In Turkey, a country rich in natural resources, businesses are becoming conscious of environmental issues. Especially cement plants acts more susceptible to environmental effects. However, environmental accounting system is a new concept in Turkey. Therefore, the study of the cement factories awareness of environmental accounting, information levels, environmental costs and opinions about sustainability were examined. According to research results the statement that; 'There are sufficient sources about the concept of environmental accounting'; a total of 80% strongly disagree, disagree and undecided answers are given. So 80% of the cement plants cannot find the resources. This ratio can benefit those businesses that do not have enough scientific resources in environmental accounting. Research on environmental

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accounting, academic level and implementation phase has led to these results remains weak. In this study, the expression with environmental awareness and environmental protection activities are examined, for cement factories, 76% strongly agree, 24% agree, giving an environmentally friendly policy in response was stated. In addition, for the cement factories; 92% allocated regular resources for environmental protection activities, 96% of these studies should be done for sustainability and 93% stated that they want to be environmental protection business. These rations, environmental accounting system to be implemented incomplete, does not show that cement plants are insensitive to the environment. Now with international financial reporting standards (IFRS) being, applicable at the international level treatment is more sensitive to environmental issues. For example, IFRS 41 standard implicitly drew attention to environmental costs. Standard net realizable value based on the valuation of biological assets and agricultural products to the identification guides. As seen, accounting standards takes into account the environmental costs. However, today, to be not taken into account in the accounting system standards, environmental protection costs incurred on behalf of, the investments are recorded at a different account groups and is offered to the person concerned. This information cannot provide sufficient information to users reporting. In addition, in cement plants, 80% strongly agree, 20% agree, giving the answer that worked for waste management and 96% for sustainability afforded to incur various costs stated. Along with the steady increase in the amount of waste, storage of these substances is constantly increasing the damage to the environment. Therefore, the businesses are acting more sensitive about waste management. Waste management provides, the reduction of carbon dioxide emissions, saving from fossil fuel and waste disposal completely, leaving little or no residue. Research in other statements an ‘environmental accounting system for the development, Institutions and government agencies are required to cooperate with the relevant sectors’ was in the form. When this statement analysed; 76% strongly agree, 24% agree was obtained. In line with these results, we can say that cement factories are ready and willing to cooperate to ensure the sustainability.

As a result of the survey, in Turkey for the implementation of environmental accounting system, the state and consumers as well as businesses need to act together to cooperate to create a result.

In this regard the following may be recommended;

- As consumers in Japan, eco-friendly businesses the choice of their products can make a big difference in terms of competition. Awareness of consumers to choose environmentally friendly products is provided with training form educational institutions. Therefore, students should be indoctrinated in awareness to prefer environmentally friendly products.
- Recycling should be an encouraged subject. Re-evaluation of waste, the tax refund method may be preferred.
- Creating incentives zones.
- Providing credit facility for investments.
- Supporting resource usage.
- Subsidies to enterprises that can provide ease of instituting environmental accounting.
- Environmental accounting can bring the legal obligation to affect.

By completing this phase of 'green business' businesses who deserves the title, they have achieved more comfortable in the market will compete with dignity.

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Appendix 1 **SURVEY FORM**

SENSITIVITY OF CEMENT FACTORIES WITH ENVIRONMENTAL ACCOUNTING

Mrs. Participant and Mr. Participant;
Businesses effects about environment has gained importance belong to environmental problems cannot be ignored. In this master's degree thesis we have been doing about sensitivity of cement factories with environmental accounting, we will be trying to evaluate. The information you provide will be used entirely for scientific purposes and will be treated according to the rules of scientific ethics. Thank you for the interest you have shown and the time you reserve in our research. We offer our respect.

Associate Professor Habib AKDOĞAN
Hitit University Faculty of Economics and Administrative Sciences, Corum, Turkey

Ela HİÇYORULMAZ
Hitit University Institute of Social Sciences, Corum, Turkey

1. General Information About to Business

1.1. How many years has your business been operating?

1-10	11-20	21-30	31-40	41 and over

1.2.What is the number of staff employed in your business?

10-49	50-249	250 And Over

1.3. What are certificates that you have?

TSE	ISO 9001	ISO 14001	CE	EC	THE OTHERS

2. Opinions About The Environment

2.1. Cement Factory, the following please indicate the degree of environmental issues of importance to you.

Environmental Issues	Very Unimportant	Unimportant	Undecided	Important	Very Important
1. Air Pollution					
2.Water Pollution					
3.Soil Pollution					
4.Noise Pollution					
5.Visual Pollution					
6.Radioactive Pollution					

2.2. The following causes of environmental problems please indicate the degree of importance to you.

Causes of Environmental	Very	Unimportant	Undecided	Important	Very Important

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Problems	Unimportant				
1.Population Growth					
2.Unplanned Urbanization					
3.Industrialization					
4.Luxury Living Standards					
5.Climate Changes					
6.Nuclear Tests					
7.Wars					

3. Environmental Costing and Environmental Accounting Concepts

3.1. The following judgments express the degree of importance to you please rate from 1 to 5.

	Strongly Disagree	Disagree	Undecided	Agree	Absolutely Agree
	1	2	3	4	5
1. Our business is folded into the various costs on behalf of environmental protection.					
2. Our businesses, environmentally sensitive policies are followed.					
3. Businesses, environmental protection activities related to R&D activities, regular resource allocation is required.					
4. Studies in the business environment provide the long-term reduction in the cost.					
5. Our business is committed to protecting the environment for sustainability.					
6. Our customers to be environmentally sensitive environmental policies affect our business.					
7. Environmental issues indicate the status of development of the countries.					
8. Increased environmental problems affect the future of businesses.					
9. Investment decisions retrieving businesses need to consider environmental sensitivity.					
10. Enterprises must design their products in such a way that will not harm the environment.					
11. Businesses use environmentally friendly products and services, providing competitive advantage.					
12. Our business in the production phase of solid, liquid and gaseous wastes are formed.					
13. Our business activities are carried out on waste management.					
14. Due to increased environmental problems, the concept of environmental					

accounting has emerged.					
15. The social responsibilities of business must be necessary for environmental costs are used as a separate account group					
16 .Existing environmental laws are sufficient to protect the environment.					
17. Environmental reporting should be made mandatory legal regulations.					
18. Use of natural resources must be accounted.					
19. Environmental costs in the uniform accounting system should be included as a separate group of accounts.					
20. The use of environmental accounting will contribute to the image of our business.					
21. There are sufficient sources about the concept of environmental accounting.					
22. Business employees are trained in environmental protection.					
23. Even if made mandatory environmental accounting, the accounting department will easily adapt.					
24. Environmental accounting system for the development, Institutions and government agencies are required to cooperate with the relevant sectors.					
25. In order to prevent environmental problems, the science of accounting is required to conduct research related to the environment.					

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Global Risk Management – A Necessity in a World of Vulnerabilities and of ECO-Economy and BIO -ECO-Economy Needed by ECO-SANO-Genesis

Associate Professor Elena Gurgu PhD [1], Assistant Lecturer Cosmina Savu PhD cd [2]

[1,2] Spiru Haret University

Abstract. *The Vision of the Eco-Bio-Economy is to sustain development of the humankind welfare in all forms, through an economy of future dedicated to human life through the rational use of the environmental resources. The present work attempts to discuss the issues that humanity faces at the beginning of a new global economic paradigm. The minimum point of the financial crisis started in 2008 meets the final years of the decline phase of the long term global economic cycle. The feeling is one of lack of vision on the part of Governments, of improvisation, of passive reaction, such as seeing and doing. One feels that the economic context is worn out , dysfunctional because of deep recovery problems. The perception, not far from the taugh reality, is that of a national competition meant to minimize losses caused by the financial crisis and to use beggar thy neighbor types of policies, similar to finding the way out of the crisis on the expense of others.*

Keywords: world financial and economic crisis, global risks, unemployment, inequality, globalization, conflicts, chronic unemployment, eco-bio-economy, global economic and financial crisis, global risks, unemployment, inequality, globalization, conflicts, chronic underemployment, green economy

JEL Codes: A11, D81, E24, E27, F01, F02, F62, G01, H12, J50

1. Introduction

UNEP-United Nations Environment Program (environment for development) has developed a working definition of the Green Economy as an economy that may have results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. Ecological policies became throughout times, a constant attitude of the world governments, as much as the ecological and the biodiversity interferences of the regional, national, transnational and global interdependencies, affect all nations. Eco-Bio-Economy is a scientific, economic and philosophic endeavour dedicated to the development of the integrated environment health, of the mankind welfare, through an integrated

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multipolar eco-bio-economic concept, which promotes the Agrifood Green Power and the Smart Sustainable Integrated Development of the future. "Eco-Bio-Economy is an economy of the future, in the service of human life by rational use of environmental resources", prof. Dr. dr.h.c. Alexandru T. Bogdan, member of the Romanian Academy, claims to several national and international conferences and publish in international speciality literature, an attempt to unite the two concepts: Eco-Economy, by Lester Brown and Bio-Economy, by Nicholas Georgescu Roegen, a new paradigm Eco-Bio-Economy. Eco-Bio-Economic-Safety directed to the economic, biodiversity, food security and food safety aspects, introduces – the new syntagm of the Eco-Bio-Economic Food Safety, to define also to a new syntagm – the Eco-Bio-Economic Social Safety, focusing the Customer Satisfaction and equally the Customer Protection, considering that food safety and social security have among other important objectives, a common target – customer satisfaction and its protection- and in extension, all interested parties.

Fig.no. 1- Subsequent relations between concepts, syntagms and paradigms, which forms the content of the Eco-Bio-Economy, Eco-Bio-Safety (Food & Social), Eco-Bio-Management, Green Business, Customer-Client-Satisfaction-Protection

Source: A.T. Bogdan, Dana Comşa orig. May 2011

The Eco-Bio-Management is a Smart Sustainable Management (SSM) defined as an eco-bio-management of future, eco-bio-sustainable, smart, harmonious, integrated and innovative, dedicated to the smart sustainable development and to the eco-bio-continuous improvement, welfare and the quality of

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life improvement, through innovative and rational use of the environmental resources. The syntagm Smart Sustainable Development is addressing to the holistic development through the concepts linked with the eco-bio-economy, innovation and quality. The syntagm Integrated Smart Sustainable Development is launched in order to stimulate the interrelation between concepts as eco-economy, bio-economy, economy, biology, biodiversity, ecology, green quality, together with new approaches as eco-bio-economy, agrifood green power, international diplomacy, global economy, sustainable development.

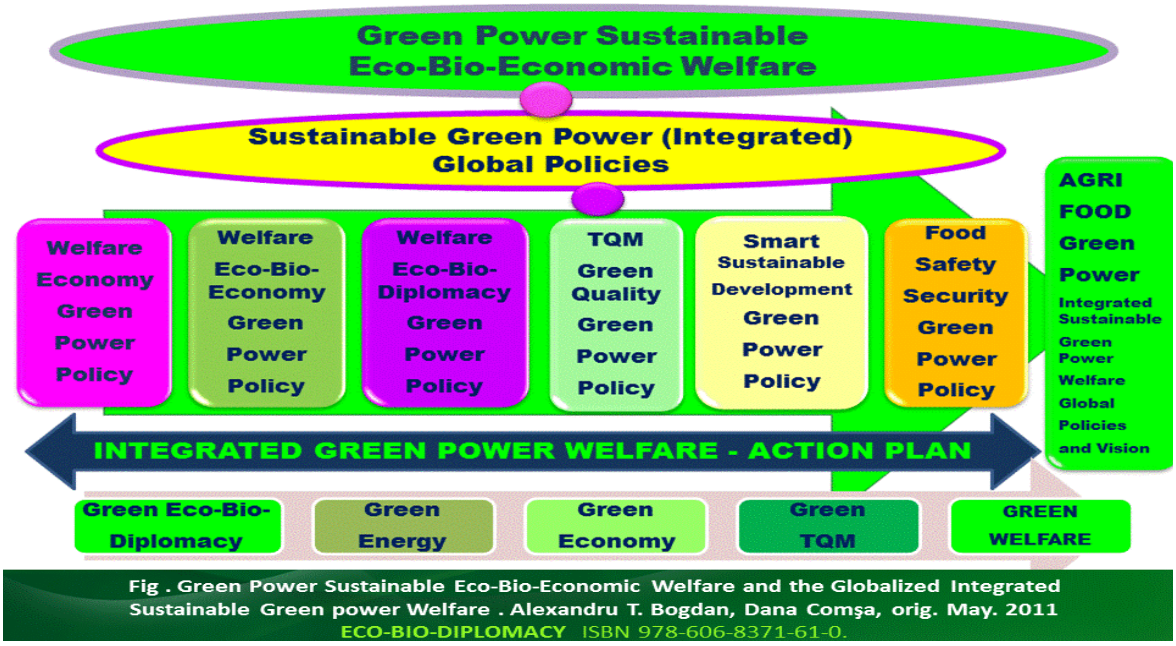

Fig. no. 2 - Smart Integrated Sustainable Green Power in the Eco-Bio-Economy context

Source: A.T. Bogdan, Dana Comşa orig. May 2011

In the context of the eco-bio-economic thinking, univ. prof. PhD Dr. h.c. Alexandru T. Bogdan, correspondent member of the Romanian Academy, initiator of the Eco-Bio-Economy, introduced the new concept of the *Integrated Environment Health in a globalized world,* as an *Olympic health*, a multidimensional, global, integrative health, a healthiness of people, plants, animals, water, soil, air, for a healthy environment: *"a healthy mind, in a healthy body, in a healthy world, with a healthy environment",* (orig. A.T. Bogdan, May 2011).

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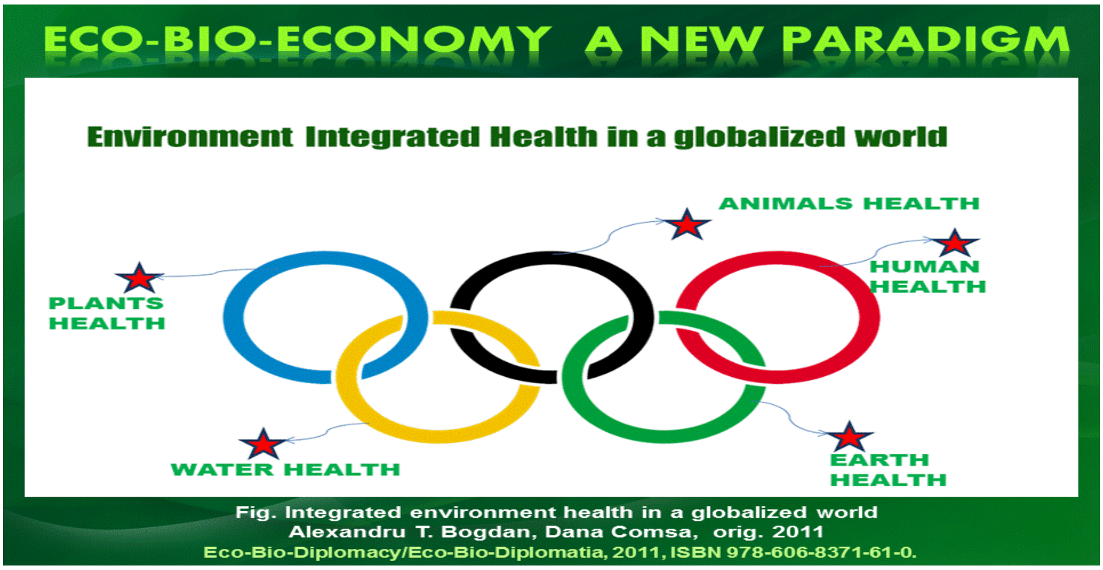

Fig. no. 3 - Integrated environment health in a globalized world

Source: A.T. Bogdan, Dana Comşa orig. May 2011

Eco-Bio-Economy may be considered an attempt for a new eco-economic and bio-economic vision, which reunites in an integrated pattern: the economy, the ecology, the biodiversity, the eco-economy and the bio-economy focusing the integrated smart sustainable development of the world. To this valuable areas, the Eco-Bio-Economy may address possible Eco-Bio-Policies and Eco-Bio-Strategies and allows the contribution of the social economy, of excellence and of the “all in one quality”, of the welfare economy, of solidarity, social corporate responsibility, as elements which may be utilized in an integrated practical future platform in a multipolar world for a healthy and ecological environment, to ensure and to promote a smart, creative, innovative, economic sustainable development. The use of the decision-making process at the highest level and the modern diplomatic tools are the expected and needed catalytic agent for a global eco-bio-policy and eco-bio-economic successful equation.

The world financial and economic crisis of 2008-2009, whose effects are still felt in the present, the intensification of "currency wars", the spy scandals, the escalation of the armed conflicts and terrorist acts, have all contributed to a rise of global risks, uncertainty and vulnerability of the economies of the world.

2013 was a modest year for the global economy. The economic growth estimated at only 2.1% means very little and confirms the statements regarding the "secular stagnation" or the "winter"phase” of long-term Kondratieff cycles. The European Union has passed through a phase of stagnation in2013 (+0.1% estimate), while China grew by 8 %, the U.S. increased by 1.9%. Japan had an encouraging + 1% in 2013. Forecasts for 2014 are more optimistic, showing a gradual comeback, with + 1.6% in the EU 28, +1.6% in Japan, + 8.1% in China.

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Fig. no. 4 - Social Eco-Bio-Economy pyramid

Source: orig. A.T.Bogdan, Dana Comşa, May 2011

The rapid changes in the 21st century at the level of infrastructure systems, more efficient and faster communications (Internet) have generated the development of closer relations between the countries, economies and companies, as well as tighter commercial and investment relations. The developments in the economic, social, geopolitical and technological environments have entailed unprecedented economic opportunities, but the interconnections between them have also involved great systemic risks.

2. Globalization: risks, uncertainties and vulnerabilities

Global emerging risks affect both Governments and stakeholders from all sectors of business. In order to manage them effectively and to develop a resistance to cope with their impact, we have to understand, to measure and to forecast the interdependence of these emerging global risks by expanding and diversifying the traditional instruments of risk management.

The report on global risks, for 2014 submitted within the framework of the World Economic Forum in Davos has a comprehensive risk analysis. It seems that the most important categories of global social-economic risks identified, depending on the level of the generated concern, probability, impact and connection between them are:

1. The fiscal crises in the developed economies of major countries (high degrees of indebtedness expressed through the public debt in relation to the GDP in the USA, Japan, eurozone countries). The developed economies are still in danger, while many emerging markets have experienced an increase in such activities in recent years, which could fuel the financial crisis. A fiscal crisis in any of the major economies could easily have a global domino-like effect.

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2. High unemployment (especially among youth) and chronic under-employment in the labour market, both in developed and emerging economies. Unemployment represents a global risk given that numerous people both in advanced economies, as well as in emerging ones fail to find employment. Unemployment among young people, the most vulnerable category, reaching 50% in some countries and under-employment on the labour market prevails, especially in emerging countries and in the developing world. The high rate of structural unemployment and the low rate of employment in distressed countries (e.g. Spain)-are considered to be the most serious after the effects of social, economic and political effects generated by the financial crisis.

3. The crisis of drinking water resources is increasingly being acknowledged on the background of improper administration and growing competition for already scarce resources. In our opinion, any decision relating to the exploitation of other natural resources including shale gas, must take account of this major challenge, because sustainable development means meeting the needs of the present without compromising the ability of future generations to meet their own needs.

4. Severe disparities of income. There are also concerns about the negative effects of the financial crisis for the middle class in the developed economies, while globalization has resulted in the polarization of incomes in emerging countries and in the developing world.

5. Failure to mitigate and adapt to climate change. Even if governments and corporations are required to take measures in order to reduce the greenhouse effect, what's at stake is not only alleviating climate change, but also adjusting to them. The failure of the adaptation affects especially the least developed countries.

6. Increasing frequency - and intensity of extreme climatic phenomena (e.g., flooding, storms, hurricanes, typhoons, fires). Climate changes generate instability, leading to a higher frequency of extreme phenomena, such as floods or drought. The implications of these phenomena in terms of food security and social and political stability are strong enough.

7. Failures of global governance. The risk of a failure of global governance is believed to be connected in the largest extent with other global risks. International institutions, weak or inadequate in correlation with competing national and political interests, prevent cooperation in order to eliminate threats.

8. Food Crises. A food crisis occurs when access to a certain amount and quality of food is poor or unsafe. Food crises are closely related to risks relating to climate change and associated factors.

9. Failure of major financial institutions and mechanisms. Five years after the collapse of the Lehman Brothers, the collapse of such institutions is also a cause for concern, given that the uncertainties persist regarding the quality of many of the banks' assets.

10. Deep political and social instability. There is a risk that one or more critical countries in terms of systemic risk to experience a significant erosion of trust and mutual obligations between states and citizens, which could lead to the collapse of the state, domestic violence, regional or global instability and, possibly, to a military conflict.

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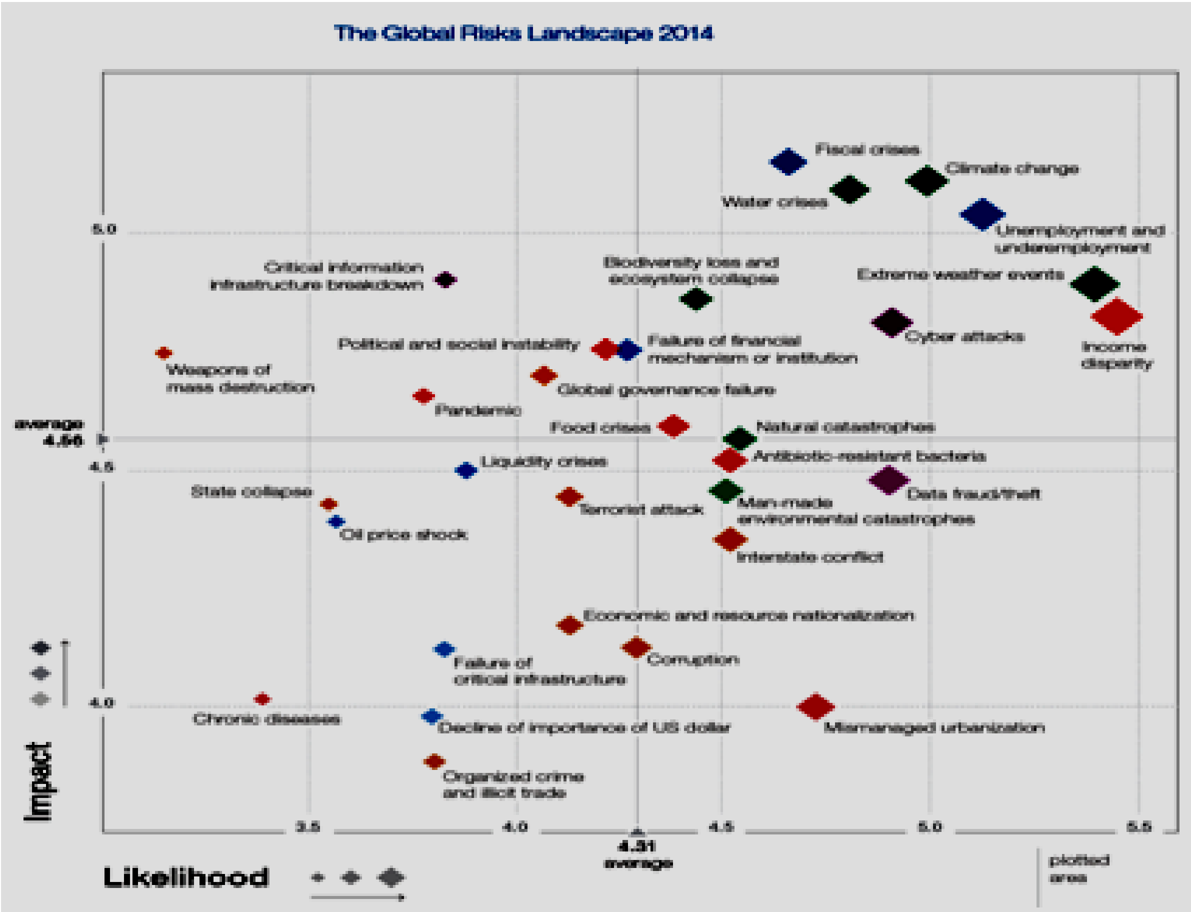

Figure no. 5. The Global Risks Landscape in 2014

Source: "World Economic Outlook" published by the IMF on January 21, 2014

Of these, three risks fall into the category of economic risks (1, 2, 9), three are environmental hazards (3, 5, 6), three social risks (4, 8, 10) and one is a geopolitical risk (7).

Such risks are often interrelated with each other, generating instability and, more importantly, interfere with other major challenges that accompany the "reset world order".

Narrowing down the analysis, a survey conducted by Earnst & Young among some companies from 21 countries, both in developed markets and emerging ones, gives us a clearer picture of the risks and opportunities. The study examines in detail how companies address the present and future challenges and opportunities, presents and identifies the top 10 risks and opportunities for the period 2013-2015, in various sectors. Risk rating indicated by the respondents, although stable during the first part, fluctuate in the second part while the scoring of opportunities is much more balanced.

In the first part of the leader board, the top five ranked risks for 2013 and 2015 are similar: (1)pressure on prices; (2) reducing costs and pressure on profit; (3)market risks; (4) the macro-economic risk-weak or volatile prospects of economic growth and (5) management of talent and skills shortages. In the second part of the top, one can notice some changes: extending the role of Government in the economy-6th place in 2013, will descend on the7th place in 2015; Regulation and compliance-7th place in 2013, climbs to 6th place in 2015; sovereign debt and the impact of fiscal austerity or sovereign debt crisis descends on the 8th place in 2013 and 10th place in 2015; the importance of emerging technologies ranked 9th in 2013, is at number eight for2015 and the shocks caused by the political changes is climbing from position 10 in 2013 to 9 in 2015.

Somewhat similar to the risk ladder, the ladder of opportunities, this time, the first six items remain the same for both 2013 and 2015.

Thus, innovation in products (1), increased demand in emerging markets (2), investment in business processes, tools and training to achieve greater productivity (3), new marketing channels (4), improving the strategy of implementation in all business functions (5), investments in IT (6). Improving investor relations descends from a-7th place in 2013, to the 8th position in 2015. CSR programs and the increase of public confidence climbs one position, from 8th place in 2013, to 7th place in 2015. Investments in green technologies and global optimizations and relocation of key functions remain in the same positions for 2013 and 2015, respectively, on 9 and 10.

The chronic gap between the incomes of the rich and the poor citizens of the world is seen from the Davos report as being most likely to cause serious injury risk worldwide. Analyzing the most likely evolution of humanity over the next 10 years, the report classified in five categories-environmental, economic, social, geopolitical and technological potential risks, and evaluate them in terms of likelihood and impact potential.

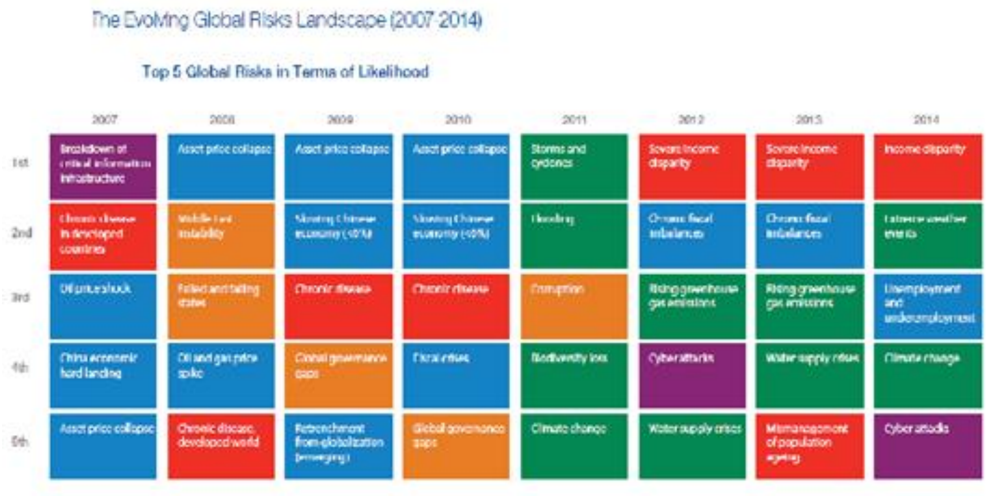

Table no. 1. The Evolution of the most important 5 global risk factors in terms of likelihood in the period 2007-2014

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Source: "World Economic Outlook" published by the IMF on January 21, 2014

The most likely global threats after the gap of incomes. The World Economic Forum's experts consider severe weather events as being most likely to provoke "a systemic shock of global scale". These are followed by unemployment and underemployment, climate change and cyber attacks.

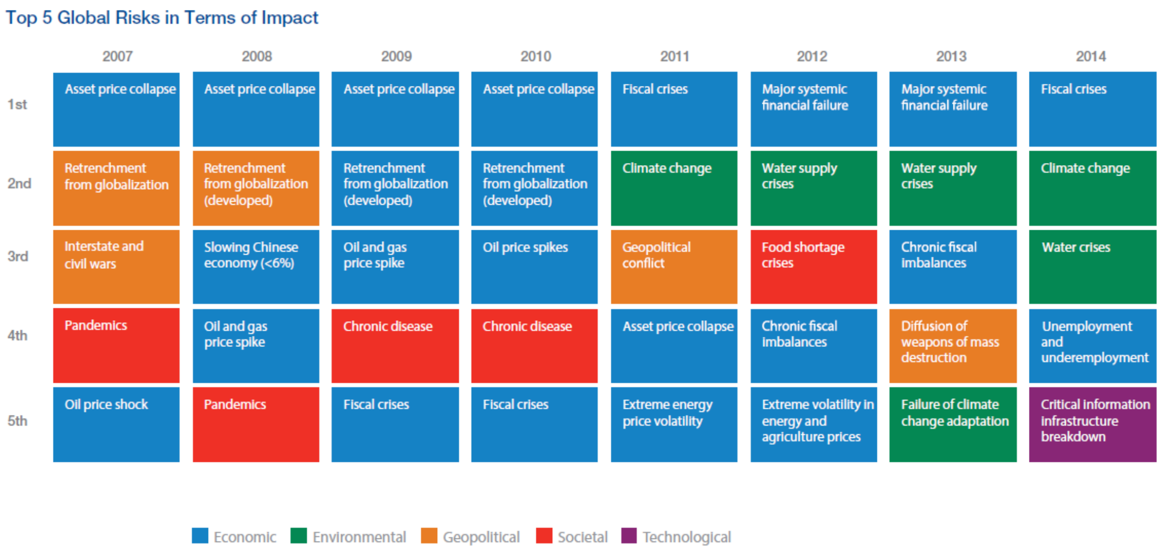

Table no. 2. The evolution of the most important 5 global risk factors in terms of impact in the period 2007-2014
Source: "World Economic Outlook" published by the IMF on January 21, 2014

The threats with the most destructive impact, that is the financial crises, are considered to be those that can affect most severely the systems and the states. The economic risk is followed by two risks in the category of environment-climate change and drinking water crisis, a social one (unemployment and underemployment) and a technological one (the collapse of essential communications infrastructure).

Each report has analysed the risks potentially worldwide, but their inter-relationship (they can become active at the same time or in a cascade effect and can lead to a multiplied effect. It is vital, therefore, that the rich and the world's policy makers should address these risks in a deeply responsible manner (according to Jennifer Blanke, the World Forum’s Chief Economist).

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Most likely risks
Income disparity (societal risk)
Extreme weather events (environmental risk)
Unemployment and underemployment (economic risk)
Climate change (environmental risk)
Cyberattacks (technological risk)
Most potentially impactful risks
Fiscal crises (economic risk)
Climate change (environmental risk)
Water crises (environmental risk)
Unemployment and underemployment (economic risk)
Critical information infrastructure breakdown (technological risk)

Table no. 3. Major global risks in terms of likelihood and potential impact

Sursa: "World Economic Outlook" published by the IMF on January 21, 2014

3. The major threats of an economic, geopolitical, social and environmental nature

In this part of the paper we aim to bring to the fore some of the major threat of an economic, geopolitical, social and environmental nature threatening the world by presenting some opinions expressed by high officials of states such as the Japanese Prime Minister, the Chinese Minister of Foreign Affairs, the US Secretary of State, the British Prime Minister, the President of Brazil and the Iranian President.

Japan. The Japanese Prime Minister Shinzo Abe, has "a new vision for a new Japan",highlighting the two main aspects: the economic strategy of the three arrows"(orAbenomie = Abe + Economics) and ensuring peace in the Asian seas. In Japan, the last 15 years of deflation have led to the stagnation of domestic economy, amid discouraging investment and new projects and, at the same time, the increase of the public debt. In December 2013, the Government approved a record budget for the fiscal year that began on April 1, 2014, valued at 96,000 billion yen (921 billion dollars). The economic strategy "of the three arrows" is based on an aggressive monetary policy, a flexible fiscal policy and a structural reform of the economy. The three arrows refer to the legend of Mori Motonari, a Japanese feudal senior from the 16th century, who gave his sons a lesson by showing them that, while an arrow is easily broken, the same thing cannot be said about a clump of three arrows. The moral is this: those who are united and invincible.

A major challenge is the fast aging of the population, having as a direct consequence the reduction of the workforce. The electricity market reform (the first such reform in the past 60 years) in three stages, which will be complete until the opening of the Tokyo Olympic Games of 2020 (to consult and report on the

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first year of the administration of Abe, January 2014). At the same time, the Government seeks to eliminate restrictions on home production of rice (in force for over 40 years), health system reform, the reform of the labour market (including increasing the role of women and acceptance of foreign employees), building cities with zero emissions of gases and with no greenhouse effects. Externally, considering the deepening integration of Japan in the global knowledge flows, trade and investment, by completing the trans-pacific partnership and the conclusion of the EU-Japan economic partnership. The Prime Minister believes that "Asia has become a center of growth for the entire world. Japan is surrounded by neighbors with unlimited possibilities, such as China, South Korea, ASEAN, India and Russia, and in the Pacific, the partner countries of the transpacific Partnership ". He highlighted the need for the restriction of military expansion in Asia and the transparency of the military budgets. The reference to peace in the Asian seas is an indirect message to China, taking into account the increase of its military strength and intensification of territorial disputes in the East China Sea.

China. The Chinese Minister of Foreign Affairs Wang Yi, focuses on the current reform "for the benefit of the whole world" and the strengths of the Chinese economy, such as the milleniums old culture and traditions and strength of the Communist Party, with 86 million members,"united as one" which lend Chinese features to the capitalist development model in the People's Republic of China. The weaknesses of the Chinese system are the existing disparities between urban and rural places, but also between regions. In the geopolitical sphere, Wang Yiplann emphasizes China's contribution to global peace, through its "peaceful" way of development, deeper involvement of his country in resolving disputes and conflicts and international opposition against holding any form of aggression. The renewal of the Chinese "dream of fulfillment" (which reminds us of the American dream) are "good for China and for the entire world".

USA. The US Secretary of State, John Kerry firmly rejects the accusation that "the US would withdraw from global affairs" as arguments, bringing the active involvement of his country in three of the most pressing issues in the Middle East: Iran's nuclear program, the war in Syria and the Israeli-Palestinian conflict. He said that no state in the world has invested so much effort in this region. At the same time, he depicted the progress of the US on EU economic integration path (hinted at the transatlantic partnership for trade and investment under negotiation) and other similar initiatives, such as the transpacific partnership.

The United Kingdom. The British Prime Minister David Cameron, refers to the process opposed to outsourcing, which is bringing" some jobs back in the West from the East, so that the benefits of globalization shall return "home". According to opinion polls conducted among small entrepreneurs, one in ten Britons began producing again in the United Kingdom. In the US, a similar survey showed that over one third of entrepreneurs is planning to move their manufacturing facilities from China to the US. In this context, the British Prime Minister mentions that one of the important factors of the "internalisation" and at the same time, economic growth is the exploitation of shale gas. The British Prime Minister may probably consider the election results in 2015 more important than the fate of the environment and the planet. Referring to the relationship with the EU, Cameron shows that it is necessary 'to reform the EU and to reform the UK's relationship with the EU".

Brazil. Dilma Rousseff, Brazil's President put emphasis on attracting investments, which are welcome in the context of poverty eradication and the strengthening of the middle class (which has increased in

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number with 42 million in 2003). Referring to short-term volatility generated by the more restrictive monetary policies in developed countries, it said that Brazil is ready, with foreign reserves worth 370 billion dollars and, more important Brazil benefits from economic recovery advanced economies. Rousseff is in favour of liberalisation, claiming both the Doha round, as well as negotiations for the conclusion of a free trade agreement between EU and Mercosur.

Iran. The Iranian President Hassan Rouhani (in Office from August 2013) focuses on economic growth and the goal of his country to become one of the top ten economies of the world in the years to come. He stressed the desire to have peace relations with both its neighbors and the world. Referring to the preliminary agreement on Tehran's nuclear program in Geneva within th P5 +1group (the United States, Britain, France, Russia, China and Germany), Rouhani emphasized that he sees no obstacles, insurmountable impediments or barriers that might hinder the conclusion of a comprehensive agreement in the future.

4. The Perspectives of the World Economy

This section is based on data from the "World Economic Outlook" published by the IMF on January 21, 2014. For a full analysis of the situation of the global economy, I consulted the World Bank Report, "Global Economic Prospects" and the UN report, Global economic situation and prospects", January 2014.

The founder and president of the World Economic Forum in Davos, Klaus Schwab, is of the opinion that the current global context is characterized by "low expectations" and "more unknown variables". He held that, in the next 5-10 years, the world economy will grow slowly, and the pace of growth will not return anytime soon to the levels prior to the crisis. At Davos was mentioned the risk of a dark European scenario on the long-term, with a slow economic growth(around 1% per annum), with high structural unemployment (between 9 and 11 percent of the active population) and with a public debt of around 100% of the GDP.

The Director general of the IMF, Christine Lagarde, said in Davos that there are "old" threats (the failure of reforms of the banking system and reducing economic imbalances) and "new threats" that hung over the global economy, and the crisis has not ended. Indeed, this fact is also confirmed by the recent turmoil in emerging markets, especially in Argentina andTurkey, where the Peso and the Pound have suffered massive devaluations, but also from countries such as Brazil, India, Indonesia, the Republic of South Africa (four, alongside Turkey, being known in May 2013 as "the five fragile economies"- the name given by specialists from the Morgan Stanley- on the background of the current account deficits recorded by these, which makes them vulnerable to outflows of "hot capital").

The Director general of the IMF called for caution in regard to speculative *bubbles* and warned that the economic recovery is accompanied by imbalances, with high unemployment and deflation risks. LaGarde warned that low inflation in advanced countries, in particular in the Euro area (with a rate of inflation of 0.8%, below the European Central Bank's target of 2%), could have unpleasant consequences in terms of funding costs and indebtedness, both for Governments and companies. At the same time, it stressed that greater social inequalities are less sustainable economic growth.

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The European Commissioner for Economics and Monetary Affairs Olli Rehn stated that he was aware of the risks, but also good developments have started to be noticed inEurope.

The IMF report on the world economic forecast, published before the meeting in Davos, estimates a revival of the economic activity in 2014-2015 (increases of 3.7 percent and3.9 percent), respectively, on the background of the recovery of developed economies. The developed economies as a whole expect a, GDP growth forecast at 2.2% 2.3% in 2014 and in 2015 (compared with 1.3% in 2013), a higher rate than average is expected in countries like the USA, UK and Canada, and below average in the Euro area and in Japan. The IMF analysis shows that, in developed countries, the gap remains high, and, taking into account existing risks (for example, deflation), it is recommended that a flexible monetary policy, while fiscal consolidation must continue.

The slowing down of the Chinese, which is considered economy-global, economic growth engine, is a cause for concern for experts. However, the growth of Chinese GDP are still robust, the IMF forecasts levels of 7.5% in 2014 and 7.3% in 2015. For 2014-2015, the IMF experts forecast that the pace of economic growth in India will exceed the average pace of emerging economies, in contrast to the Republic of South Africa, Brazil and Russia, with rhythms under the media group said.

IEM experts considers that, at the level of BRICS, along with engines of economic growth such as exports and FDI attracted in the last period looms ever more poignantly complementary engines: domestic demand (spurred by the high level of remittances of Russian citizens abroad in countries such as China and India), making investment overseas, boosting innovation and infrastructure development.

5. Climate change

Within the framework of the world economic forum in Davos last year, January 24, has become "The Climate Day", being reserved for the theme of climate change, to encourage world leaders to engage firmly in the fight against this global threat.

Ban Ki-moon, the Secretary-General of the United Nations (UN), drew attention to climate change and the need to move from "the brown" to the "green" economy. In his view, this transformation requires: (1) support from the financial sector (investors, banks, other financial institutions), (2)decrease in financial resources allocated to old technologies, (3)increase transparency with regard to the emission of greenhouse effect gases, associated assets and sectors that investors and banks, finances (4) cooperation between banks,investors and those in the regulation, so as to ensure that the rules governing financial markets, supports sustainable development. In this context, Ban Ki-moon has highlighted that the climate Summit, which will take place in New York in September 2014 under the aegis of the UNITED NATIONS, constitutes a significant step towards the signing of a treaty in 2015 with legal binding force, *The Agreement-on global climate change*.

The World Bank President Jim Yong Kim said in turn that despite the measures taken in the"green economy," emissions of greenhouse gases continue to increase, while the poor suffer further. In his opinion, there is no need of leaders who think in terms of short term benefits or electoral cycles, but leaders who take into account the most vulnerable of present and future generations. At the same time, we need a plan to deal with the whole problem of climate change and possible solutions.

Jim Yong Kim said that the imposition of a tax on pollution as well as performance standards for buildings, vehicles, transportation systems, technologies, so that "cleaner and greener ones should be encouraged". According to the IMF study "Reforming Energy subsidies: lessons and implications" of 27 March 2013, subsidies for fossil fuels stands at 1,900 billion dollars worldwide. However, this sum may be forwarded to the investment in green energy. The President of the World Bank believes that a prime objective in the short term may be to encourage the green certificates market may reach $ 20 billion up to September's Summit in New York, and at $ 50 billion to the United Nations Conference on climate change this year in Paris (COP 21).

6. Gradual withdrawal of monetary stimuli by the FED of the USA, with effects on emerging economies

Statistics show that, at the time of Janet Yellen' s coming to Ben Bernanke on February 1, 2014, the US Central Bank's assets, the FED, rose to 4,100 billion dollars (of which a percentage of 37% were represented by the securities backed by mortgages), level five times higher than that in February 2006 (when the share of securities backed by mortgages in total was zero). Worldwide, central banks ' assets increased from 5,000-6,000 billion dollars before the global financial and economic crisis to nearly 20,000 billion dollars at present, financial markets becoming so dependent on "money budget".This has led to a Chase after increasing the rate of revenue (or yield) and shifting of significant capital to emerging economies.

In the opinion of international experts, reducing the degree of relaxation of the monetary policy of the USA will be accompanied by the withdrawal of liquidity in dollars on global markets, which will further highlight the structural problems and the imbalances in the world economy. The process of reform in order to enhance the competitiveness of developed economies are far from being completed and, at the same time, the debt (public and private) in these countries (as share in GDP) has reached unprecedented levels.

Under the current phase of quantitative easing, the FED has purchased each month government bonds and mortgage-backed securities, in order to keep the cost of credit at a reduced level and give an impetus to economic recovery and the creation of new jobs. As the unemployment rate has entered on a downward slope in the latter part of last year (7percent in November and 6.7 percent in December 2013-levels still high compared to an unemployment rate of 4.4% in 2007), has been reduced and the amount of securities purchased. Thus, in December 2013, it was decided to drop the value of purchases from 85 billion dollars per month to 75 billion dollars per month, and in January 2014 a new drop to 65 billion dollars per month ($ 30 billion mortgage plus $35 billion in government securities).

International experts expect that at the next meeting of the federal Committee for financial stability (FOMC) under the EDF, the degree of relaxation of monetary policy should be reduced even further, and some analysts even warned that this year's monetary incentives might be withdrawn entirely.

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Emerging economies were "flooded" in recent years by a substantial amount of "cheap"dollars, generated from the monetary policy of the FED and are in search of high returns. According to the Institute for international finance, the amounts drawn from these economies through foreign direct investment but also investment in bonds and shares amounted to $ 7 trillion in 2005-2013. Exchange-traded funds (ETF) amounted to $ 300 billion in 2013, the three-time value recorded in 2008, compared with a value close to zero in 2004. The tools meant to facilitate the inflows of "hot money" into emerging economies during periods of boom were also a rapid output channel for this capital during periods of slowdown of economic growth paces.

A few years ago, the Brazilian Minister of finance Guido Mantega, accused the developed countries of the initiation of a "currency war", the quantitative relaxation being equivalent to the depreciation of the dollar and, at the same time, discouraging exports with emerging markets in developed countries. In turn, quantitative relaxation the braking is a threat, being equivalent to the US. Government bonds fall in commodity prices and decreased demand for assets in emerging markets.

7. Reducing disparities, a target difficult to achieve

The report of the Oxfam Development Organization, released on January 20, 2014 and called "Working for those few" shows that almost half of the global wealth is in the hands of 1% of the planet's population. Their wealth is estimated at 110,000 billion dollars. Moreover, 85 people have a wealth similar to the one owned by half of the world's population. According to a Bloomberg index that most wealthy possessions accounted for 300 people of the planet, on the whole, their fortunes have reached 3,700 billion dollars in 2013, which means an increase of $524 billion in justone year, of the 300, only 70 have experienced a loss.

According to the U.S. Census Bureau, income inequality in this country has been growing for several decades. The poverty rate was 15% in 2012, and the number of poor people has reached 46.5 million. A quarter of young people under 18 are below the poverty line.

The above mentioned Oxfam report shows that even before the outbreak of the global financial and economic crisis in several countries in the EU were registered increases in income inequalities. Portugal and the United Kingdom are among the most "unequal" countries from among the Member countries of the Organization for economic cooperation and development (OECD). Austerity programmes being implemented in most countries of the community led to the expected results in terms of economic recovery and decreased social gaps, a fact evidenced by the statistics: the wealthiest 10% increased their share in the total revenue. The summary of the most wealth wealthy European exceeds ten economic stimulating measures adopted in the EU between 2008 and 2010 (217 billion Euros compared to 200 billion Euros).

Cardinal Peter Turkson, President of the Pontifical Council for peace and justice, read the Pope's message for the world leaders at the opening ceremony of the world economic forum, the basic idea being that wealth should serve humanity, not lead it, requiring mechanisms aimed at helping the poor, so that they can get out of the situation of social assistance.

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Ban Ki-moon, the UN Secretary-General reminded that 2015 is the deadline for the achievement of the Millennium Development Goals (MDGs) and it is necessary to define a development agenda for the post-2015 period. In his turn, the World Bank President Jim Yong Kim, drew the attention to the social inequalities.

8. Unemployment

The International Labor Organization Report called "Trends in global employment", published on 21 January 2014, shows that the global unemployment rate was 6 percent last year,when about 202 million people were without jobs (5 million increase compared to 2012). Of these, 74.5 million were young people under 24 years of age (up to 1 million by 2012), which has lifted the unemployment rate among young people at 13.1%. There is a category of young people who neither work nor benefit from education and training (neither in employment nor in education, or training-NEET), in some countries a quarter of young people aged between 15 and 29 years old belonging to this category. In the year2013, 375 million employees (almost 12% of the total) were living on less than 1.25 dollars a day, and 839 million employees (26.7% of the total) with less than $ 2 a day. For 2018 it is foreseeable that about 215 million people will be unemployed worldwide. Each year it is necessary to generate about 42 million jobs for the new entrants on the labour market. Currently, the largest share of new job seekers focus in East Asia and the South (45% of the total),followed by sub-Saharan Africa and Europe.

Guy Ryder, Director-general of the International Labour Organization drew the attention to the fact that, after leaving the Swiss mountain resort, the leaders who attended the summit should focus on those who were not in Davos, among them being: the unemployed who are looking for a job, the employees who need a decent salary, business travelers who need access to credit. The issue of jobs is "the gorilla of the Salonin Davos", and this cannot be ignored, but must be addressed.

9. Conclusions

Currently there is a lack of consistency of the European model, observed by the division of the EU members into two categories, creditor countries and debtor countries, in countries with stable economic growth and low cost of financing and countries with serious problems such as Portugal, Spain, Italy etc. How could one consider entering a virtuous circle in Europe,given that it has 27 million unemployed citizens, an average unemployment rate in the Euro area of 12% and member countries such as Greece and Spain which have a 25% unemployment rate and nearly 60 percent unemployment rate among young people? The sensation of recoil is powerful and can be seen from the fact that Italy's per capita income decrease to the one it had in 1998, and the Euro area average decreased to the figure from six years ago.

The European decisions seem to belong to an elite club governing from a distance", suffering from information asymmetry and serious incapacity of reducing the in temporal gaps, in ,supporting and implementing the decision on the problem-solving solutions.

It is clear. The following crisis at European level will be a political one, , quickly followed by a social crises. Maintaining the status quo does not deserve to be a scenario to consider. 2014 will be the year of decision. If the European project will go ahead in its current form is a good question. I believe that the answer is no and that structural reforms and measures should be implemented quickly. 1800 regulations directives and decisions per year seems to me too many, an average cost of 2,300 euros for starting a business - almost 4 times more than in the USA and 15 times less than in Canada seems to me tremendous. Not being aware , for example, that the refining and petrochemical sectors contribute to national budgets with more than 250 billion euros and nonetheless it is left to die seems to me unbelievable. And more than that, spending 180 billion euros for climate policies and hesitating to provide 8 billion euros to reduce unemployment among young people is not very logical.

However, a coherent action in 2014 can restore hope among European countries. In parallel with the fiscal consolidation (defined as predominantly qualitative adjustment, based on better management of public spending, through prioritization and transfer of funding from European funds, restructuring of state companies, increasing transparency in public spending, increasing the tradables sector even through deep transformation of rural areas, etc.) it is necessary to reshape Germany's policies, as it is the main motor of European integration. Forced by the continuing fiscal consolidations and commitment of countries with problems in compliance with the rules imposed by the Fiscal Compact and the European Semester, Chancellor Merkel will probably accept the rise of wages by 1.5 to 2 percentage points above the rate of growth of labour productivity, an increase in domestic demand, default and anchor for tradable goods manufactured in southern countries. Germany will witness an increasing trend anyway, the risk that the country's economic growth shall reach its limits being higher than the net excess inflation generated by increasing salaries over the labour productivity growth rate.

The ECB will restructure its policy of injecting money into the economy, taking into account the risk that reducing interest rates shall generate a much smaller cost of capital relatively to labor and consequently a high structural unemployment. The forcing of the European construction with a Banking Union (common prudential system, common guarantee system and unified mechanism to solve the banking crisis potential) as antidote to banking run, completed with the issuance of Eurobonds, the relaxation of stimulation mechanisms for industrial policies and a Pact for economic growth could take EU out of the vicious circle where it is positioned now.

A budget and a common mechanism of asymmetric shocks in the depreciation of Euro zone countries (lacking macroeconomic adjustment tools) seems unavoidable.

Last but not least, the EU should set up a Fund for economic growth and development of infrastructure for the cohesion countries, a Fund which will be made up of the liabilities existing on Dec. 31, 2013 for certain types of projects (e.g., those related to infrastructure and the environment but also for the development of human resources). From this Fund, the initial connection to the trans-European infrastructure networks, education, research will be financed., etc.

The European model must return to the initial objectives-economic growth, solidarity and welfare growth. Economic stagnation for an area that represents one-quarter of the world GDP cannot be but troubling news. Otherwise, the gap between it and the US model, with a strong growth fueled by the gas system, revolution will grow deeper.

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The Role of Social Media in the "Syrian Uprising"

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Abstract. *This paper, which is entitled 'The Role of Social Media in the 'Syrian Uprising' aimed to report on survey research conducted which identify the role of played by social media in the 'Syrian Uprising' Currently social media tools were good mediums of electronic communication among protesters in Syria. Further, it was a vital medium for spreading information such as photos, videos and documents about the revolution for national, regional and international spheres. This paper looked at the impact and relationship between protesters and Syrian people who used social media ,technology and the nature of its role in the 'Syrian Uprising ' as well as the study has made a controversial argument between different views of scholars about the subject and its case. This paper has interviewed 30 protesters inside Syria through a survey.*

This study, demonstrate the appeal that social media can have both positive and negative points in the 'Syrian uprising'.

Keywords: communication, media, social media, revolution, conflict

JEL Codes: L82, L86, D83, D74

1. Introduction

The years 2010 and 2011, can be known as the golden years for the social media or 'New media', as well as for a number of Arab countries. New media has changed its role from spreading information about events in the world to playing an arguably significant role in the political actions against governments in the Arab world. It has been suggested that social media played a vital role in toppling totalitarian governments in the Arab World and the uprisings are on-going. The current Revolutions are spreading to other states in the region and it is claimed that it has been facilitated by social media.

According to the Guardian (2012) it is probable that ''In December 2010, a man in Tunisia burned himself to death in protest at his treatment by police. What followed was an extraordinary year as pro-democracy rebellions erupted across the Middle East.'' Similarly, on 11th February 2011 the uprisings moved to Egypt and protesters broke down Hosni Mubarak's regime in approximately a month; Mubarak had led the country for 30 years. Then, on 15th February 2011, the revolution started in Libya against the

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Gaddafi regime and spread to Bahrain on 14th March 2011 but the Kingdom of Saudi Arabia and Gulf States sent troops into Bahrain to support the Sunni Al Khalifa kingship after a revolt by the kingdom's subjugated Shia majority. Subsequently, Syria was the fifth Arab country in the region that continues to face strong demonstrations by the majority of Syrian people on 18th March 2011 against Bashar al-Assad. Al-Assad's troops killed five demonstrators in the southern city of Deraa and the revolt has not reached its purpose yet. Finally, Yemen is the last country in the region to join the Arab Spring on 3rd June 2011 Yemenis started the uprising against President Ali Abdullah Saleh. In addition, BBC (2013) explains that the battle in Syria started in early 2011, and after that the protests took everywhere and people followed the actions against Assad's Regime and until 2013 more than 100,000 dead and millions exiled.

2. Methods

The methodology that will be useful for this research is qualitative methods. The researchers use content analysis to analyze the data which would be collected by depending on both primary (collecting documents through online sources and conducting survey) and secondary data from academic research, books, journal articles and online resources. Hence, collecting and analyzing data by using a qualitative methodology and content analysis approach will be the research methodology.

In this research, both of primary and secondary resources will be used. The primary data for this research will be collecting data from the Syria public sphere, newspaper, social media, traditional technology, and especially Facebook pages which are playing a role in the event of Syrian revolution and the revolutionists were depending on it as a source of news and information during the uprising.

Furthermore, there are several different arguments debating the nature of the social media and its positive and negative impacts on the new life tendency. Here, both the positive and negative views on the issue would be discussed and analyzed in order to find some new facts to be sure about the research's hypothesis. We depend on several secondary data such as those kinds which focus on different views of scholars like Evgeny Morozov who is quite negative about the role of internet in the revolutions. However, we will focus down on Clay Shirky, Zeynep Tufekci1 and Malcolm Gladwell who are positive about the role of social media in the social movements.

3. Procedures

In the Arab world countries used censorship on media and when the uprisings started most of the countries had a state media which runs by governments, that is why during the Arab Spring people used social media particularly via smartphones to communicate and arrange actions against dictatorships. According to CIA (2014) the population of Syria was 22,457,336 till July 2013, and about 12.928 Million Syrian people used Mobile phones in 2012. IBID, "in Syria state-run TV and radio broadcast networks; state operates two TV networks and a satellite channel; roughly two-thirds of Syrian homes have a satellite dish providing access to foreign TV broadcasts; three state-run radio channels; first private radio station launched in 2005; private radio broadcasters prohibited from transmitting news or political content (2007)."

As stated by internet world stats (2014), that the number of the Internet users in Syria increased in 30 June 2012 to 5, 069, 418 million users. Likewise, consistent with Arab social media report (2014) illuminates that the number of Facebook users in Syria is 17.44% even the country is in the list of enemies of Facebook in the world. Furthermore, Ghattas (2011) clarifies that While Syrian tried to make protests the army deployed actions against civilians which is why they thought about an alternative tool for example On Twitter, "the account of @SyRevoSlogans, created on 18 April 2011, offered a flood of slogans for people to use during demonstrations across the country - many suggested by fellow Twitter users. Similarly, User @syrianjasmine spread news of "thugs'' being bussed into the town of Daraya, while @wissamtarif kept track of student protests and arbitrary detentions in the capital Damascus."

At the same time, Syrian people used Facebook along with Twitter for instance The Facebook page of 'Syrian Revolution 2011', with its 120,000 followers, called people for taking an action for Friday strikes. Moreover, the international media channels contacted to that page for obtaining pictures and videos of actions in Syria. As a consequence, Leigh (2013) states that "Two years after a Facebook page appeared calling for revolution; the uprising in Syria has developed into a full-blown civil war, a humanitarian crisis, and a tangled diplomatic impasse. To understand the full extent of the situation requires constant attention to – and knowledge of– the region."

Preston (2011) argues that the Syrian regime is cracking down on activists on social media in order to gain information about them and three months after allowing people to have access to the Internet and social media such as Facebook and YouTube numerous of citizens created accounts and used social media tools particularly Facebook to promote the revolutionary action through the country. Therefore, that is why Syrian officials decided to switch of the Internet and 3G mobile network as well, in order to control uploading videos and photos of protests inside Syria to the world. Correspondingly, in the same time Syrian regime made an electronic army to dissident's rebel via online.

Many scholars believe that social media tools were the main factors for collapsing a number of Arab regimes; however, others do not agree with this view. In his book *The Net Delusion* Evgeny Morozov (2011) mentions that several countries in the world just want to promote democracy and freedom via online methods but it is not a real platform for giving freedom via the Internet because some countries use the Internet to conduct surveillance of their people, he believes that authoritarians use the Internet, particularly social media, for spy work instead of giving freedom. In essence, his negative view came from his origin country, Belarus, because he strongly believes that non-democratic countries do not allow people or internet corporations to give freedom via online methods. For example Belarus and Russian authoritarians have arrested some youths during the protests in the past and the important point is that they knew everything about their activities. In other words, authoritarians can take more advantages of using social media than ordinary people because they will conduct surveillance of the users especially in the time of uprisings.

However, Clay Shirky (2011) considers that throughout the course of all revolutions, there's no conflict about the reasons of the revolutions anywhere in the world. The main factors are economic or political. He argues that the modern revolutions are different, as mostly they rely on new means. Communications and information technology was the most effective factors in the modern revolutions in countries like Syria. Those means were used to communicate the political issues.

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This gives a chance to networked people to gain greater access to world information, and current issues on the international arena. Apparently, the main key for many protests is to anticipate and motivate people to take part in the movements and to go out to face authority to get their rights. Social media allows organizers to involve like-minded people in a movement at a very low cost, but they do not necessarily make these people move. More importantly, Shirky supported his argument by explaining some examples, as he stated that the power of social media has great impact in many cases in history. Sometimes protesters' success, such as in Spain in 2004, and in many cases, technological devices such as mobile phones are the reason for a fall of a party or a regime, for example the situation in 2009 when the Communist party lost power in Moldova, when public protests were organized by text messages and in June 2009 uprising of the Green Movement in Iran.

However, Morozov (2011) states that ''Security has never been among the internet's strong sides, and the proliferation of social media in the last decade has only made things worse. In the past, the KGB resorted to torture to learn about the connections between activities; today, they simply need to get on Facebook" (p.146-156)Conversely, Chadwick (2010) explains that many opponents argue that social media including websites, networks and blogs are the main tools for connecting people all over the world. People can share ideas and information. Even though, in the 21st century social media has become a very significant part in many communities around the world.

Significantly, an important factor for the effect of social media currently can be the capability of accessing networks all over the world. People everywhere can get access to the Internet easily, and almost all people can use it. As Clay Shirky illustrated, nowadays social media is used by many people as a tool mainly for commerce and social life. On the other hand, Morozov (2011) believes that throughout the Middle East the main place where many civilians could express their anger was on Facebook. In some cases vividly in the Middle East people engaged in using the Internet in protests, that ''the internet is more important and disruptive than [its greatest advocates] have previously theorized''.

Furthermore, Morzov said that ''the Internet does not play an essential role in middle eastern democratic revolutions compared with other factors, like the new procedures that the new leaders do take, such as the new constitution and the principles of the previous government.'' Consequently, the dispute about the social media is a further negative since the Internet or social media may have a limited effect on revolutions.

This paper depends on an online survey for collecting primary data; 30 participants contributed to our online questionnaire. Here, the responses will be explained question by question. The questions will be illustrated in order to gain academic results.

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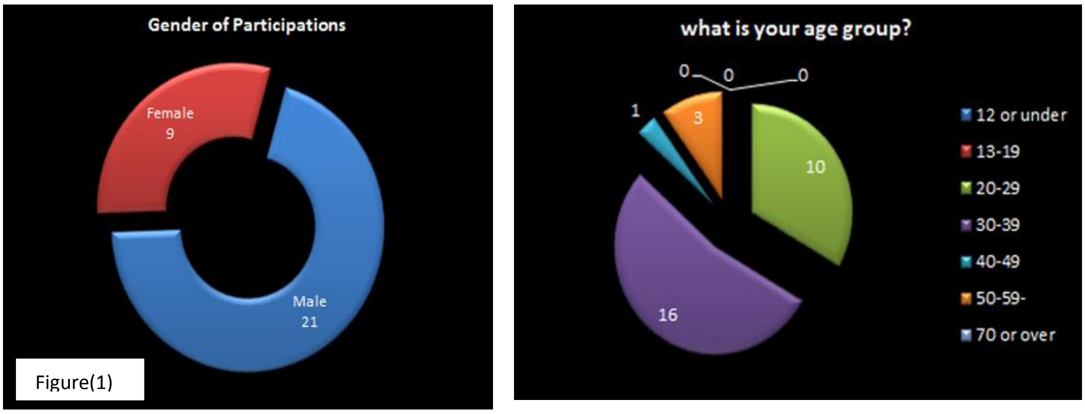

Figure(1)

Figure (1) shows the participants' genders and age as well according to the chart 9 of the contributors are female, and 21 contributors are male, this figure explains that the rate of males is higher than females due to reasons including: religion, economy and politics. Also, it can be seen that most participations are young people in the group of age 20-29 and 30 – 39. Through this statistic it is an undeniable fact that the new generation in Syria have arranged actions via online particularly through social media.

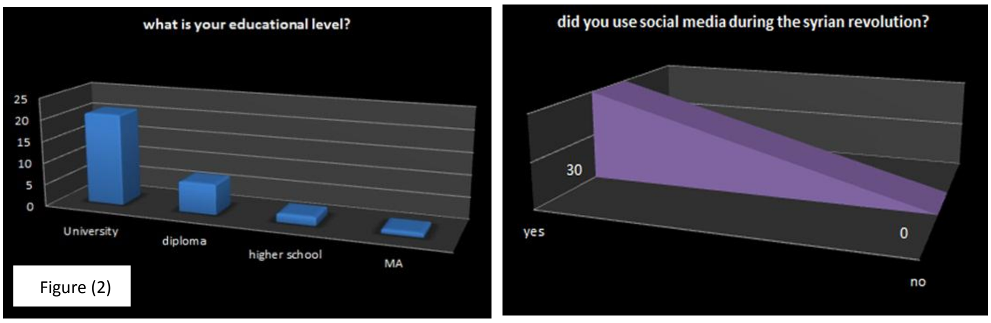

Figure (2)

Figure (2) shows the educational level of participants, according to the graph most of the participants have finished a high level of education such as high school, university, diploma and Master, It seems that most of the people who joined the revolution in Syria have studied and most of them finished university which is a good level of public awareness in their country. However, there is no one as illiterate participant in this survey and the only reason could be because they are social media users or may be other reasons. The chart displays the number of social media users during the revolution and consistent with the chart, 30 persons use social media.

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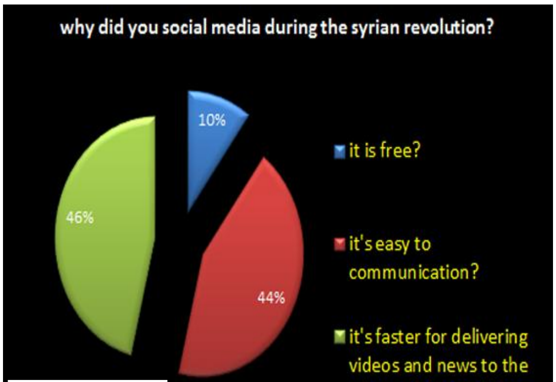


Figure (3)

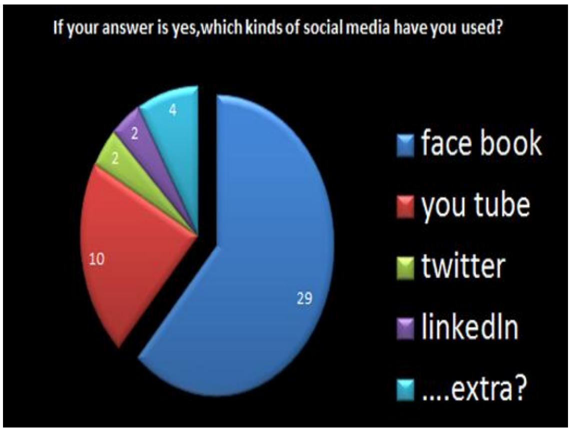
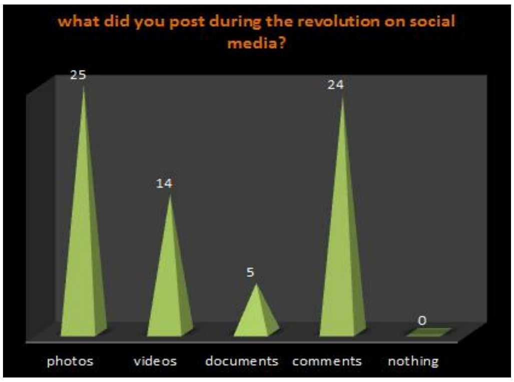


Figure (3) explains the reasons of using social media during the revolution and the posted things through social media tools, according to the charts 46% of participants used social media because it's the fastest way of delivering videos and news to the world, also 44% of participants used it because its easy tool of communication. The chart clarifies the participants used Facebook and then YouTube.



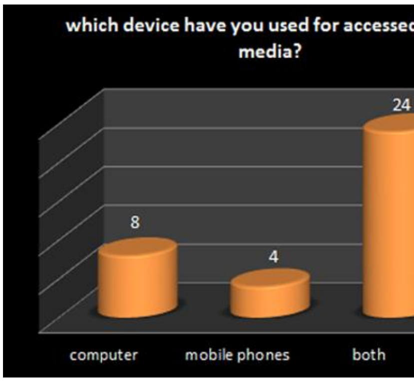


Figure (4)

Figure (4) illustrates that the most of participants posted photos and comments on social media, and then videos with documents. Likewise, the chart explains the devices that participations used for opening social media for example 8 of them used computers and 4 of them used smartphones as well as 24 of them used both of devices

During the revolution and smartphones was the best ways as some of participants mentioned because they recorder and captured photos of actions and posted in the same time.

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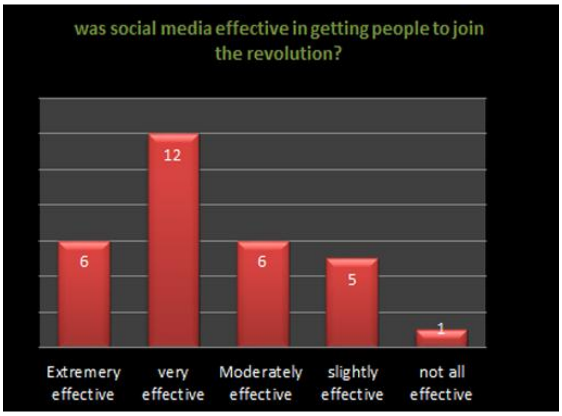

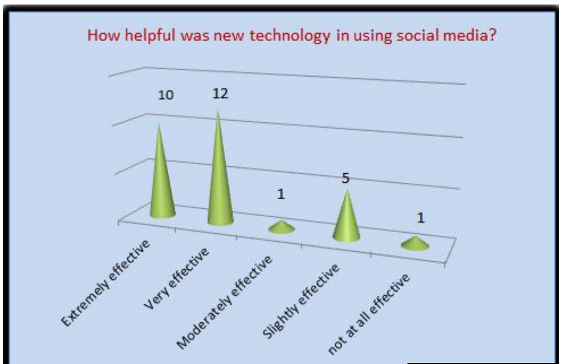

Figure (5)

Figure (5) shows the opinions of participants about the impact of social media on the recent Syrian revolution. According to the chart 6 participations believe that social media was extremely effective and 12 of them believe that it was very effective. However, just1 participation considers that social media was not at all effective. According to the chart 10 contributions believe that new technology was extremely effective and 12 of them consider that new technology was very effective nonetheless just1 participation think that technology was not at all effective.

It can be seen that there are several points in the arguments about this data that have been analysed and it could be said that according to these data social media was an effective revolutionary tool in Syria and it helped them to communicate online and arrange actions as well, as a final point, it can be seen that the number of online protesters were higher than the number of street protesters. Coincidently, the next section will explain and show the result of the paper in brief.

4. Results

This section will focus on the most significant results that have been achieved through conducting the process of the research. In the whole of the research, and by depending on the data we have been used.

It can be stated that social media tools were good mediums of electronic communication among protesters in Syria. The usage of the social media has been useful for participants during the uprising to liberate their countries and to change the economic-political systems of their states. Further, it was a vital medium for spreading information such as photos, videos and documents about the revolution for national, regional and international spheres. Here, the research is parallel with the notion of Chadwick (2010) who believes that social media are the main tools for connecting people all over the world because people can share ideas and information online. Even though, in the 21st century it has become a very significant part in many communities around the world.

According to the sources that have been used, social media was an effective tool to inspire people to join the revolution because they used it to send revolutionary messages via social media. As well as, it has a crucial role in drawing the world's attention to the Syrian uprising in order to achieve global support for the revolution.

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Again, in concordance with those scholars that believe social media has an important role, we also support the notion of Shirky (2011) that supported his argument as he stated that the power of social media has a great impact on many cases in history. In many cases, technological devices such as mobile phones are the reason for a fall of a party or a regime. Some examples are like the situations in 2009, when the Communist party lost its power in Moldova, when public protests were organized by text messages.

However, other academics have opposite views about the role of the social media in the Arab spring uprisings. Found in some sources that the social media was just a tool of communication among the people, because people just used those tools to gain information and communicate with each other but not for arranging political actions against regimes. However, the participants of the survey have explained that they used Facebook to choose dates and locations of the uprising.

Social media tools could be used in some countries for conspiracy and confidential activities including ''spying''. Morozov (2011, p146-156) states that ''Security has never been among the Internet's strong sides, and the proliferation of social media in the last decade has only made things worse. In the past, the KGB resorted to torture to learn about the connections between activities; today, they simply need to get on Facebook.'' The research agrees with that point that the case of security is an important case for individuals' privacy and also for organizations and states and it's a weak point of using social media, but it should not make other scholars ignore the important role that social media played in opening the world and societies. It is plausible to believe in the technology and networking that it has mutual positive and negative aspects. Moreover, the research agrees with Thomas Friedman who concentrates on a very essential point in which he emphasized that social media did not emancipate people to collaborate but helped the public to communicate (2012).

The final negative point is that the revolution needs another important element, which is the human resource. The whole concept of this research is that social media was a good tool in some terms but not all; it helped people to create a better public sphere to talk freely about events and political situation in the region. Hence, Gladwell states that: ''Social networks only create weak ties between people.''(2010).

Above all, new technology like smart-phones has a crucial role because protesters have used smart-phones to take photos and record videos of the uprising and then upload them to Facebook and other social media tools, according to our survey.

5. Conclusion

To summarize the arguments, it can be concluded that social media tools such as Facebook and Twitter were significant tools for demonstrators for spreading and exchanging information and sending their messages to the world. Conversely, it does not make a revolution alone because it was just a tool, and other factors pushed youths to explore the situation and to make revolutions in the region and Syria as well.

In brief, there are both positive and negative points of using social media in the Syrian uprising. However, the positive aspects outweigh the negative points because it has been an undeniable fact that social media played a fundamental role in the Syrian uprising but as a tool to spread information and it has

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a role to provoke people to join the revolution, but other factors such as economic, poverty, unemployment and the political situation pushed people to stand up against the regime.

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Opportunities of Establishment of Destination Management and Marketing Organizations in Bulgaria

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[1,2]University of Agribusiness and Rural Development

Abstract. *The paper examines tourism sector development in the Republic of Bulgaria in the context of the country's strategic priorities till 2020 of knowledge-based economy, sustainable growth and smart specialization, the opportunities for its integration with agri-food sector and potential contribution to balanced rural development. The principles and roles of destination management and marketing organizations are discussed and the opportunities for their application in the national conditions are explored. A framework for of establishment, management and functioning of such organizations is proposed based on integrated and participatory approaches, planning, coordination and communication activities, permanent monitoring and controlling.*

Keywords: marketing, tourism, rural development, smart specialization

JEL Codes: R10, M39

1. Introduction

Challenges before humanity in XXI century connected to climatic changes, insufficiency of resources, pollution of environment, dynamics in international business and uncertainty in economic and political sphere lead to a number of questions regarding sustainable development not only in the sense of "protecting nature for future generations" but also of development of steady in economic, ecological and social relation productions and first of all in internationally oriented knowledge-based economies – a difficult task which in fact includes different elements as: institutional environment for entrepreneurship encouragement, human resources, material and information structure, uniting link in which is the establishment of innovation systems on regional and national levels (Terziev& Arabska, 2014).

Sustainable rural development is one of the key priorities for future development of Bulgaria considering rural areas with their significant natural, human, economic and cultural potential and contribution to sustainable development. In Bulgaria rural areas are 81% of the whole territory (National

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strategic rural development plan 2007 - 2013, January 2008) and regional growth is the main target in a number of strategic documents. Sustainable forms of the alternative tourism is one of the key sectors in the processes of diversification of rural economy and it is a leading and a fast growing sector of Bulgarian economy regarding incomes, share in GDP and opportunities of creating employment (Shopova& Arabska, 2013).

In principle, the development of a sector is influenced by the political system of a country, its socio-economic environment and the policy framework and tourism policy has been discussed and defined by many authors as a statement of intent of a set course of action agreed upon by public body or agency such as the government or a private organization (Kamble& Bouchon, 2014).

The analyses of national strategic documents showing state policies and measures for sustainable tourism development conclude that despite the great potential for tourism development in the country the problems prevail and impede sector development outlining the following: predomination of mass seasonable tourism in sea and winter resorts giving the image of the country and the marketing shortcomings in alternative tourism connected to the absence of advertisement and trade marks as well as worsening the quality of tourist services offered, bad infrastructure and overbuilding of mass tourism resorts (Shopova& Arabska, 2013). The same study points out that tourist organizations have no good interactions and coordination and all year load is very low which has a negative impact on the incomes and sustainability of tourist products as well as on the qualified staff assurance. The following recommendations are given: national resources to be reassessed from the point of sustainable development of agriculture, processing industry and tourism as sectors which could not be developed separately of each other, the most important obstacles for sustainable tourism development to be identified, a national policy for sustainable tourism development to be elaborated based on the integrated approach and embracing all the stakeholders in the tourism sector as well as of other connected sectors. On the other hand, it is concluded that there is a need of diversification in national tourist product and improving the quality of tourist services and tourists' rights and safety assurance; effective marketing campaign of Bulgaria and Bulgarian regions as tourist destinations of alternative type; creating a common system for employment in the sector which will provide all year employment and a quality control of qualifications in the sector; creation of marketing cooperatives / associations / networks in the sector (Shopova& Arabska, 2013).

Sustainability of tourism (environmental protection and promotion, natural and other resources preservation, cultural values and integrity of local communities) implies extensive cooperation between tourist business and authorities in order to cover a wide group of challenges and at the same time to remain competitive (Angelkova *et al.*, 2012). The competitiveness abilities of tourist destinations in an explicit way show the level of socio-economic development of tourist destination with a special review to quality of life and preservation of natural heritage for future generations (Angelkova *et al.*, 2012).

The potential of tourism development and its socioeconomic and environmental impacts are discussed in a study pointing out some of the indicators of tourism-induced change (Table 1).

In the discussion of competitiveness' issues, it should be noticed that Travel & Tourism Competitiveness Report 2013 points out Travel & Tourism competitiveness enablers and change drivers (Fig. 1) among which prioritization of tourism and human resources development are underlined in the current study.

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Table 1. Indicators of tourism-induced changes (Modified by Nepal, 2002)

Tourism as a conservation tool	Tourism as a social catalyst	Tourism as an income and employment opportunity
Sustainable management of resources	Upward mobility of those in the lower social strata	Return of young people to villages
Environmental improvement	Increased self-reliance, confidence and motivation for community development	Local economic benefits, particularly to strategically located villages
Local awareness about environmental and social problems	Increased local participation in conservation	Some economic benefits to neighboring regions – spread effect
Biodiversity conservation efforts	Participation in planning processes	Some impacts on other economic sectors
Strengthening local culture and heritage	Redefinition of local economy structure	
Substantial revenues for government to invest in conservation and development		
Local community development projects		

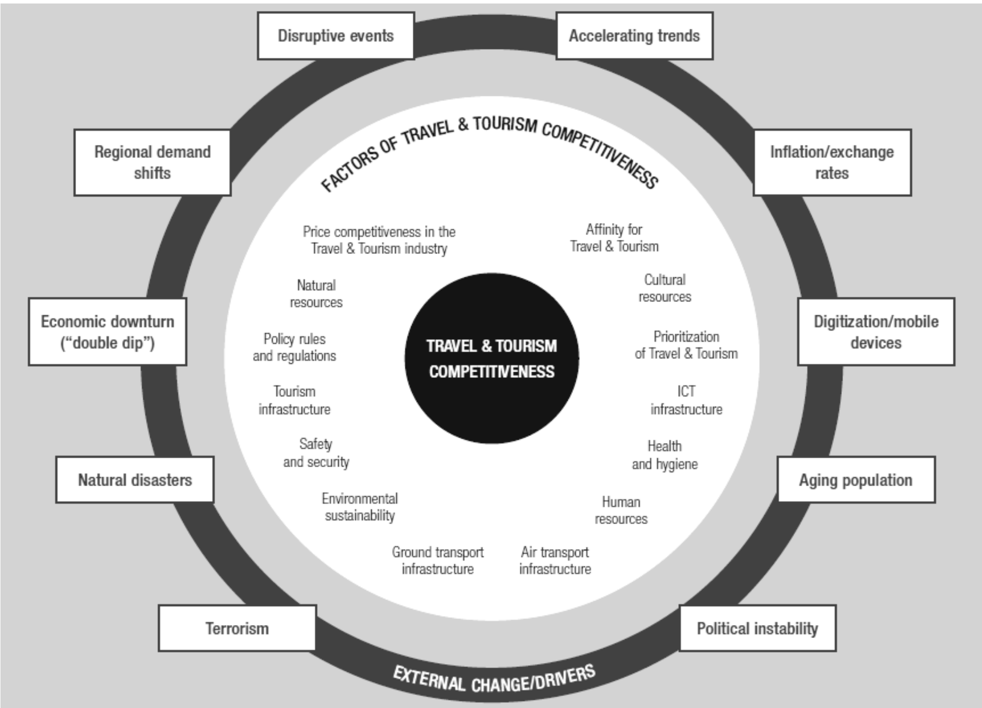

Fig. 1. Travel & Tourism competitiveness enablers and change drivers (Source: The Travel & Tourism Competitiveness Report 2013)

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Identification of tourism potentials is closely related to the achievement of destination competitiveness on tourism market and future actions should be related to promotion of tourist products within the regions, respect of principles for sustainable development, protection of natural environment, urgency of defined policy, priorities and activities (Nestoroska, 2012).

A study points out that there is a need for the formation of destination management and marketing organisations (DMMOs) in rural tourism destinations and identify its management and marketing roles (Adeyinka-Ojo *et al.*, 2014) summarized as follows: network management organisations, organiser, advocate, catalyst, tourism product developer, community brand builder, convener and facilitator, funding agent, information provider, partner and team builder.

Destination marketing organizations are defined by the Destination Marketing Association International as organizations "charged with representing a specific destination and helping the long-term development of communities through a travel and tourism strategy" regarding the organizations as valuable for visitors, business travelers or planners especially because of the information provided and saved time and energy and they are viewed as "a one-stop shop for local tourism interests". The most important point is the networking opportunities and realities bearing great benefits for all involved.

Destination management and marketing organizations are considered from the context of rural tourism and their roles are concluded for performance in collaboration with rural tourism destination stakeholders in achieving mutual benefits in management of resources, marketing of tourism products, positioning, host community well-being, brand building and tourism loyalty to rural destinations (Adeyinka-Ojo *et al.*, 2014). Roles of destination and marketing organizations could be divided in two groups (Table 2) underlying the framework of such organizations and the need of good management.

Table 2. Roles of destination and marketing organizations (Source: Adeyinka-Ojo *et al.*, 2014)

Destination management roles	Destination marketing roles
Human resource development	Destination marketing communication
Finance and budgeting management	Destination positioning and branding
Safety, security and crisis	Management of tourism assets, attractions management and sustainability
Politics (government, non-governmental organizations, community relations and industrial relationships), policy and destination strategy	Service quality, tourist experience and customer's relationship management
Monitoring service quality, standards and destination performance management	Tourism product development and management

On the other hand, the development of the sector is interlinked to development of infrastructure, transport, communications, agri-food sector, etc. Different synergy effects from the interaction of tourism and other local industries are categorized (Holmefjord, 2000): product synergy – local food industries offer tourist products based on existing buildings, competence, etc.; market synergy – marketing effects of

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tourists visiting and tasting products, and joint advertising of the place. Tourists are considered as a part of a larger public opinion. The synergy effects to regional resources are underlined too.

The diversification of agricultural producers' activities including agritourism is an opportunity for stabilization of incomes and more. There are numerous benefits from the development of agritourism: it may strengthen local economy, create job opportunities and new businesses; develop and promote training and certification programs to introduce young people to agriculture and environment (Privitera, 2010).

The hard competition on global markets for agricultural produce on one hand and the unattractiveness of rural areas for young people on the other impose the need of seeking for new ways, approaches, technology, products, services, etc. to foster rural development. The process is influenced both by the EU, state and other policies and support and by people's motivation too. (Arabska, 2013). EU policies till 2020 have an accent on organic production as a way of achieving sustainable development.

Organic farming and processing and alternative tourism are key sectors in the rural development and the integrated approach to sustainable rural development through these two sectors will bring economic and social benefits (Arabska, 2014). Organic production is economically effective, ecologically compatible and socially responsible and it occurs to be "an innovative solution for creating entrepreneurial initiatives in rural regions" (Nikolova, 2012) aiming at increase in competitiveness by applying an ecological technology using a new approach – planning, management and control over the production process.

Organic agritourism is a branch with great potentials for development in future in connection to rural development. The evolution of tourists' demand towards nature and its conservation, as well as social and cultural interactions imposes changes on tourist industry in relation to its competitiveness and sustainability. Organic farms offering additional services are a good example in development of sustainable ('green') local tourist products (Arabska, 2014).

The project of the Innovation strategy for intelligent (smart) specialization in the Republic of Bulgaria 2014-2020 from 09.09.2014, being in accordance to the Strategy of smart, sustainable and inclusive growth Europe 2020, puts in the agenda the solution of the problems of sectoral specialization and sustainable economic development. The underlined in its vision "managing social challenges in the fields of demography, sustainable development, intellectual capital and health of the nation" turns into expression through two operational goals embracing innovations in priority thematic fields and innovations for effectiveness of resources and information and communication technology (ICT). In that sense, in their essence as main economic sectors, agriculture and food industry will continue being in the focus of a great number of strategic and program documents in the new period 2014-2020 which is based on the traditional national competitive advantages and image (Terziev& Arabska, 2014).

The historical development of agricultural sector and the market pressure to provide produce in sufficient quantities at reasonable and acceptable prices lead to the mass application of unsustainable production methods and a as results today many debates are being conducted about ecological and social impacts of agriculture. The trends are that the population on the planet will continue growing in next years, and mostly in urban areas, which means that the food demand will increase too. The establishment of a qualitatively new relation between two opposite parties – urban and rural, is inevitable which will be mutually beneficial, will care of environment and will improve the well-being of both (Terziev& Arabska, 2014).

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Considering that the tourist product is a conventional designation of the complex of tourist services offered at a common price, the product "rural tourism" is about the creation of packages of services, systems of reservation and monitoring targeted to certain groups, and the development of agrotourist market in Bulgaria requires the consolidation of rural tourism objects in a network and a trade marl guaranteeing quality and trust in the establishment of a specific agrotourist product assuring improvement of social and economic conditions in rural regions, diversification of activities in agriculture and high life standard, as well as capacity building and avoidance of rural abandonment (Nikolova *et al.*, 2010).

Responsible tourism is "the most economically, socially and environmentally efficient approach, a real opportunity for exploiting and promoting local products and services" (Petrovici, 2014). Responsible tourism's goals could be formulated as follows: stimulating interest in nature, traditions and communities, respect towards environment minimizing the negative and maximizing the negative impacts (Petrovici, 2014) through harmonization between nature and traditional living environment, unique customs and lifestyle of communities as part of the tourist attractions.

Tourism as a specific and complex industry is too sensitive to recent events of terrorist attacks, economic volatility, weather disasters, new conflict hot spots, etc., leading to changes in tourist demand and focus on new strategies and aspects of operation (Marinoski & Korunovski, 2012). In the adaptation to this environment, experience shows that the cluster model can be applied to various forms of tourist activities, incl. rural, cultural, mountain, lake and wine tourism (Marinoski & Korunovski, 2012). Partnerships and networks are a prerequisite for the acceptance of sustainable tourist development if a community and the residents, as part of the economic activity, should be incorporated in the processes of management, communication and advertisement of the region participating in organized and coordinated activities and safeguarding personal and common interests (Bitsani & Kavoura, 2014). Considering tourism and promotion in the aims of building a positive image and increasing the visibility of tourist destinations, public relations "may represent a bridge towards change, a means for adjusting to the new attitudes triggered by change" (Petrovici, 2014).

The above-described considerations about huge opportunities and great challenges to integrated development of tourism and agri-food sector in rural areas in Bulgaria underline the need of search of new ways and approaches involving stakeholders and local communities and providing support in management and marketing activities in destinations through networking for innovation transfer, capacity building and promotion.

2. Methodology and data

The study reviews the literature discussing roles of destination management and marketing organizations and makes an analysis of the main national strategic documents in the Republic of Bulgaria considering European and national priorities set as establishment of knowledge-based economy and smart specialization for sustainable development. In addition a SWOT-analysis (evaluations of statements in the scale from 1 – the lowest, to 10 – the highest score, which are then averaged) of the opportunities for development of tourism and agri-food sector development in rural regions in the country is made in an experts' focus group. Conclusions are made about the most important roles in establishment and functioning of DMMOs in the country and a framework is proposed.

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3. Results and discussion

As the leading strategic and program document in the country the National development program Bulgaria 2020 puts the main priorities among which are the achievement of sustainable and integrated regional development and use of local potential and development of the agrarian sector for provision of food security and production with high added value in conditions of sustainable management of natural resources. The opportunities of rural regions to contribute to the priorities and goals are connected to competitiveness of agriculture, attractiveness, networking and risk management, organic farming, qualification, tourism, marketing in tourism, etc. National strategy for sustainable tourism development 2014-2030 (putting special accents on semi-mountain and mountain regions) aims at the durable competitiveness of the country as a tourist destination and contribution to sustainable tourism development and underlines once more the unused potential of mountain regions for rural and ecotourism development and the need of combined tourist products, incl. mountain, pilgrim, cultural, spa and rehabilitation, etc. The project of the Concept for tourism zoning in Bulgaria state that the Tourism law of the country determines the zones as marketing tourist regions which management is connected to activities in three directions: creation of regional tourist products; regional marketing and advertisement; coordination and management of tourism on regional level; creation of tourist zones and organizations for their management – improving marketing, effective use of resources and coordinated activities. The concept provides some proposals about main and extended specialization of tourist zones. The project of the National Innovation strategy for smart specialization also considers tourism and agriculture as traditional sectors, and especially in connection to the good conditions for organic agriculture development.

In some previous analyses of national strategic documents on different levels concerning tourism and agri-food sector development in the country (Arabska, 2013; Shopova& Arabska, 2013) main conclusions are focused on the need of finding the right ways of implementation of strategic goals. Bearing in mind the opportunities and roles of DMMOs, the opportunities of application of DMMOs according to national conditions are explored through making a SWOT-analysis.

The SWOT-analysis shows very good evaluations for strengths, especially for natural resources, historical and cultural heritage, environmental and climatic conditions (Table 3, Fig. 2). Among the weaknesses training, education and provision of information are underlined which shows the need of new approaches towards capacity building in rural regions. The biggest opportunity is defined to be increasing demand, as well as EU funding opportunities and values and mentality. Financial instability is the greatest threat along with abandonment and replacement processes (Table 3, Fig. 2).

The analysis give insights that the strengths should be properly treated in the use of opportunities and overcoming threats and fighting weaknesses. The need of provision of information and training impose the use of new integrated approaches as networking and common development goals' achievement. An opportunity for that is the establishment of DMMOs in rural regions.

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Table 3. SWOT-analysis of the opportunities for development of tourism and agri-food sector development in rural regions through DMMOs

Strengths		Weaknesses	
Natural resources	9.00	Infrastructure	4.60
Environmental and climatic conditions	8.40	Age structure	4.40
Strategies for sustainable development	7.40	Living and labor conditions	5.20
Historical and cultural heritage	9.00	Ineffective use of national and EU funding	4.80
Personal motivation for development	7.40	Training and education, information	6.80
Opportunities		**Threats**	
Local investments	5.80	Abandonment / replacement processes	5.60
SME establishment	5.00	Negative impacts of globalization and climatic change	4.80
EU funding	6.20	Political instability	5.20
Increasing demand	6.60	Financial instability	6.00
Values and mentality	6.20	Communication	4.40

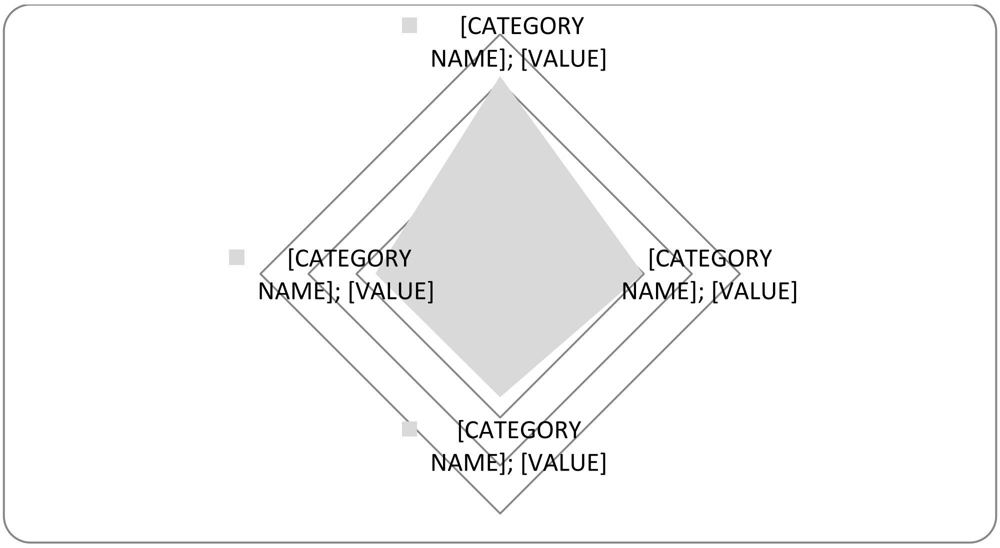

Fig. 2. SWOT-analysis' summarized results

Discussing the role of DMMOs for rural development in the examined country some of the roles are underlined as networking and those connected to development of products and building community brands in rural regions in connection to preparation and management of projects assuring funding (Fig. 3). The vision of country's development is substantiated by the potential of integrated tourism and agriculture activities for overcoming uneven regional development, rural regions' abandonment and low economic growth and assuring sustainable development and well-being of local communities.

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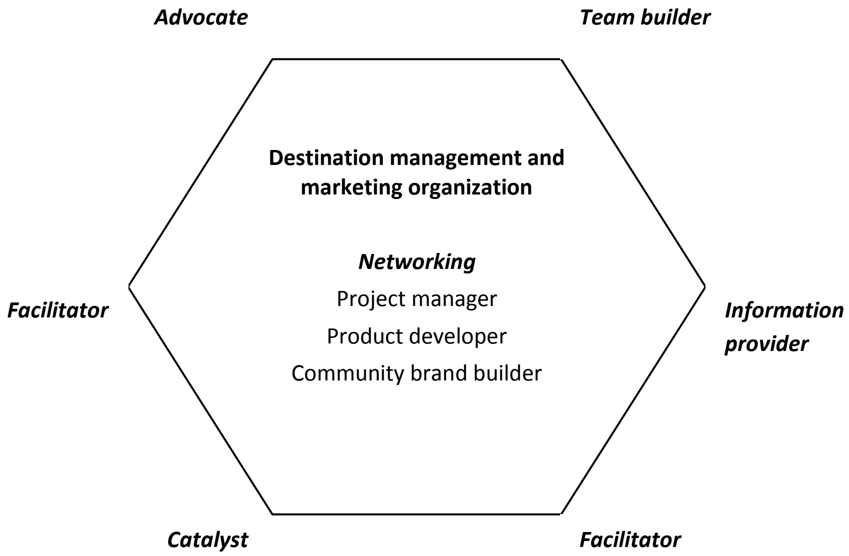

Fig. 3. Framework of the roles of destination management and marketing organizations (Adapted from Adeyinka-Ojo *et al.*, 2014, with modifications)

The framework for establishment, management and functioning of DMMOs as set in the course of the study (Fig. 4) provides the following implications: DMMOs are responsible for network management, management and marketing of destination; stakeholders and local community should be actively involved and motivated through a strategy for inclusion and participation and activities aiming at capacity building. All that would influence destination performance which management should include purposeful activities of planning, organization, implementation, coordination and communication, as well as monitoring and control.

The need of diversification of activities could be answered by the functioning of DMMOs and their contribution to promotion activities, provision of information, capacity building, entrepreneurship encouragement and project implementation, particularly for good practices and innovation transfer.

The establishment of DMMOs is also important because of another point of view – the need of establishment of an effective system of monitoring and control of destination performance in its various aspects and concerning different levels, incl. policies, strategies, programs and plans development, as well as making assessments and recommendations.

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DMMOs' roles	**DMMOs' activities**
Network management	**Strategy for motivation & inclusion**
Management of destination	**Capacity development**
Marketing of destination	**Stakeholders & Local community participation**

Destination performance management

Planning	**Organization**
Implementation	**Coordination**
Communication	**Monitoring & control**

Fig. 4. Framework for of establishment, management and functioning of DMMOs

The joint development of agriculture and tourism should be considered by the need of reducing negative economic, social and environmental impacts on one hand, and on the other of the need of bigger incomes for local population in rural regions. Sustainable growth predisposes the inclusion of local community in planning and decision taking concerning support to economic development, environmental protection and culture and historical heritage conservation. Rural development policies triggered by the fast expanding urbanization processes and rural abandonment should be focused on sustainable / responsible practices in agriculture and tourism development focused on preservation of environment and local communities but also on building confidence in the society as a whole.

4. Conclusion

The strategic priorities for next-year development as given to increase economic, social and territorial cohesion for sustainable balanced regional and municipal development are in regard to the new interrelations and interactions between urban and rural regions based on the use of strengths of both and joint development of mutual benefit through encouragement of sectors having the best potentials in connection to available resources and market realities. The establishment of DMMOs is an opportunity to assure the needed networking and synergy in interactions and activities of the stakeholders and local communities putting the accent on provision of information and rendering assistance in management and marketing of destinations. The study underlines the importance of DMMOs in destination performance management through smart specialization and capacity building.

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Which Governments May Control the Mass Media: Iran and Kurdistan as a Case Study?

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Abstract. *This paper is the comparative study in order to discover the motives of using censorship on Media. The main argument of this study is to determine the "Using of Censorship on Media in different government states" Consistently, the study depends on document analysis method and academic sources as well. Correspondingly, the study focuses on Media and democracy and then Mass Media in Iran and Kurdistan region of Iraq. Finally, the law of press in Iran and Kurdistan will be analysis to know the key elements of censorship in both governments.*

Keywords: Iran – Iraqi Kurdistan – Media – Censorship – democracy

JEL Codes: L82, D83

1. Introduction

Commonly, controlling mass media is a serious threat that faces democracy in the world; some governments practice some procedures to control the mass media, when media appeared that was happened and it have been continuing especially in the Middle East. Likewise, Media is an important issue in modern and democratic countries hence the human beings should work for freedom of expression as the human did several wars in order to speak out freely and exchange information, so how they would accept silence in twenty first century. Similarly, Nordenstreng (2001) argues that human beings cannot leave the journalism out of this neutralization, the media specifically TV has a great relation with democracy since it is a powerful democratizing power, however, the mass media could be a part to destroy public space of discourse they open up to grow the community and freedom of expression. In other words, it is the start to decrease morality among mass media and audiences thus controlling is one of the pressures completely threatening the freedom of media. Besides, DAY (2001) believes that restricting media occurs while a specific government or individual enforces its political values on others by limiting expressions. In addition, Siebert, Peterson and Schramm (2000) claims that there are Four Theories of the Press in the world; the ''Authoritarian theory'' in which media works for the benefits of the government, and advance the policies of the government in power and ownership can be either private or public. The second theory is ''Libertarian''. This theory takes the philosophical ideas that human being is a rational well-being and can

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differentiate between truths and false. Hence, he can make a good choice among his choices either good or bad. While the third theory is ''Social Responsibility'' that is an outgrowth of the libertarian theory. However, social responsibility goes beyond ''objective'' reporting to ''interpretive'' reporting. Lastly, the ''Soviet-Totalitarian'' or ''Communism'' theory aims to contribute to the success and continuance of the Soviet socialist system, and especially to the dictatorship of the party because the Ownership was public. But journalists are most interested in the libertarian theory and the social responsibility theory as a background for today's free press. Additionally, democracy is an essential condition for free media or modern media. In states where the political systems are non-democratic, such as in Islamic Republic of Iran, media is not free and it doesn't work as a modern media. In this essay threat of controlling on media will be discussed in non-democratic systems for instance in Iran and it will also compare and contrast the freedom of mass media between Iran and Kurdistan Region (KRG) in Northern Iraq.

2. Media and Democracy

Some experts believe that media and democracy have great relations and they leave enormous effect on humanity to establish a modern and a new system for their lives. According to Cambridge dictionary (2011) it’s potential that democracy is the norm in liberty and equality among beings, or a structure of administration created on this acceptance, in which power is whichever held by chosen senators or openly by the individuals themselves. Moreover, Jefferson (1991) states that ''If it were left on me to decide whether we should have a government without newspapers or newspapers without government, I should not hesitate a moment to prefer the latter.'' It has explained that media is crucial in democratic systems because if the media doesn’t distribute critical information about unwanted affairs, democracy doesn’t flourish. In a similar way, Dennis and Snyder (1998) maintain that modern media means a media that backs up the democratic order of liberate votes, common law, politically aware independence, common rights, characteristic government and an independent judicial system.

Democracy and media live together side by side by supporting each other through a process of cooperation about common affairs would be fruitful. Currently media is an important democratic art in human life since only mass media can deliver the public knowledge and it is essential for the democratic progress, whereas, it's not easy to work on cases about free media in non - democratic systems because it requires explaining how media work in totalitarian countries in which some politicians monopolize everything. Moreover, Vali (2004) argues that some of non-democratic governments always try to control media because they believe that media is the biggest hazard opposing their power. For example, Islamic Republic of Iran is one of the totalitarian governments that have controlled media since 1979, and that an Islamic group obtained power in the country. However, some democratic governments consider that media is one of the significant elements for any democratic country such as Kurdistan Region in northern Iraq. It has a modern law of journalism since 2007-2008, although it is a new region in the world without its independent territory.

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3. Mass Media in Iran and Kurdistan

Both Islamic Republic of Iran and Kurdistan have press laws although they have a different law and culture for media and governmental systems. According to BBC (2011), it is probable that Iran became a sole Islamic Republic in 1979 when the kingdom was defeated and religious extreme individuals controlled power under ''Ayatollah Khomeini.'' The Iranian government has a good justification to control mass media through the country and apply censor on online journalism, because the system allowed implementing technical restrictions on mass media by limiting and implementing harsh polices, that is why Censorship make bigger to political and human rights web Pages. Furthermore, a lot of Social media sites have been closed in Iran such as: ''Face book, Twitter, MySpace, Flicker and YouTube.'' Similarly, consistent with Press Law of Iran (1986) is ratified in 1986, and its decision-making By-law in1987, the law started ''Let us swear by the pen and whatever is written.'' it taken from ''Holy Quran'', whereas, the state use censor on media and freedom of expression. Besides, according to BBC (2007), Shirin Ebadi, an Iranian Nobel peace laureate, supposed that Iran is getting worse in using censorship and the country doesn't like its local affairs and actions inside the state to be reproduced in the outside world. Also, Ebadi believed the regime of Iran tries to restrict the spread of information about current issues in the world. In addition, Iranian Online journalism has encountered a big hazard by political system in the country, since the system does not accept working social networks through the state; it also applied the control on mobile phones and every kind of online media. Additionally, Sreberny and Gholam (2010) claim that newly Iranian government intend the creation of sites booming news, editorials and blogs contain a new ethical not accessible within the command - controlled networks, for example, the telecommunication ministry of Iran in 2004 declared that it would begin filtering out 'immoral' movies and voice messages directed by mobile phones. Moreover, restriction and control operate several persons, excluding editors, authors, correspondents and normal people who follow the net to gain information to create discussion for free communication. On the other hand, the government doesn't care for freedom of mass media and the role of democracy. Besides these behaviors against media, the state keeps blocking sites. For instance, 2008 was a harsh year for media freedom in Iran, within the country creation noise about additional extending mass media, traditional controls and with the figures of bloggers and reporters in prison increasing. Furthermore, Sreberny and Gholam (2010) consider that Since 2000 the government has completed list of websites and blogs to be controlled, and 15,000 websites had already been drawn up by the government in 2003 and directed to the internet service providers to be blocked, in the same time, the government arrested some people in April 2009 like ''Omid Reza'' who was the first Iranian blogger to die in prison because he used online media to gain information. Additionally, According to Aljazeera (2009) the Iranian powers are killing not for only a traditional figures conflict – says their sideways of the story through country round news establishment and brawling with the story on global mass media vents. Conversely, the situation of media is very different in Kurdistan Region because the governmental system in Kurdistan is non-Islamic system it's the main factory of dissimilarity between these two systems. In the same way, Berzinjy (2001) claims that nowadays human beings live in contemporary world and it doesn't have any justification to using censorship on mass media by governments, whereas many governments use censor on media since sometimes they face some security challenges. For example, Kurdistan Regional Government in some situations used censor on media because the location of Kurdistan is very hazardous as it is located in the mid of three states, Iran, Turkey and Syria. It has also a historical political conflict with these countries, thus

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it is not easy to publish information particularly against them. As a result, the above examples explained that censorship exists everywhere.

Differences between Iran and Kurdistan are about significant democratic political cultures or modern media values. Moreover, Salih (2005) believes that Middle East is a risky place for reporters to work; Iran is the fourth state for controlling mass media in the region, and 27 correspondents were arrested in the Middle East in 2004 for ejaculation; libel the president of the country, affront Islam and publishing untrue information, half of them in Iran.

4. The Law of Press in Iran and Kurdistan

If we want to obtain a correct comparison between Iran and Kurdistan, the press laws in both countries should be taken into account. Iran's Press Law was ratified on 19 March 1986 and it's passed on 31 January 1987. In the introduction of the Press Law in Iran it is simplified that mass media has freedom of expression but the information that will be published does not infringe Islamic values or the public code, as it is stated in article 24 of the constitution. On the contrary, 2008 was the golden year for Kurdish journalists in Kurdistan because for the first time in that year the Kurdistan Regional government passed on the press law; now Kurdistan has the most liberal mass media autonomy. The essential law of Journalism in Kurdistan defends the reporters to keep save their sources, stops the imprisoning and illegal accusations of journalists.

According to Iranian law of press the journalists can work against colonist political for example In Chapter two, Article two explained that journalists should work against the face of colonial principles which intends to abuse Islamic ideology. It should encourage honest Islamic principles. And if they did not do it the government can charge them so it's a proper way for controlling the mass media, however, in ''essential law of Journalism in Kurdistan'' does not have any words about this issue and if the journalists libel any nations the law charges them because the human beings should respect each other in the world.

The Iranian law of press is very complex because in some parts it mentioned that freedom of expression is fundamental for journalists but it always revisit for Islamic values, such as in chapter three, article three illustrated that mass media has a right to spread criticisms, opinions and ideas from persons and official sources for society, but information should accordingly promoting and encouraging respect for the Islamic traditions and the greatest attention of the public. Nevertheless, the first chapter - article two in ''essential law of journalism in Kurdistan'' explained that mass media is free and there is no restrictions also freedom of expression for every type of press, secured to all civilian in regarding to the rights and liberties of persons and their private lives. Likewise, in the second and third points in this article the journalists have right to gain important evidence and information for people from different sources according to the law, the journalists also have right to save the sources of stories gained from confidential points, and in the fifth point clarified that the newspapers never forbidden and the authority cannot control them.

The chapter four of Iranian law of press is the biggest threat in front of democracy and modern mass media because it explained that mass media and prints are allowed to spread news bulletin just excluding it while it violates Islamic values and codes as it is defined in this chapter, for example print disbelieving articles or subjects which abuse the Islamic values and encourages issues which could disrupt the basis of

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Islamic Republic. In addition to spread indecent and actions which are banned by religion and printing obscene photos, topics which disrupt society decency or publishing luxury and well-being, or support people within or outside the country to act against the Islamic Republic of Iran and national interests. While spreading confidential information and evidences about the armed militaries, military plans, discussion and closed debates of the Islamic Consultative Assembly without legal permission. Moreover, belittling the Islamic leaders in hieratical levels would offend the authority. Besides, offending people who have reputation in state positions by libels, photos, and cartoons is not allowed. Regulating the commitment of plagiarism and quoting illegally from media outlets which are offending Islamic principles and laws on national and international arena would be restricted by Islamic executive law.

The fighting is a sense of human instincts that's why they apply law to reduce war against each other, but some laws indirectly has a big justifications and supports to break peace among individuals. However, some rules are help humanity to live peacefully for instant in chapter three - article six in ''essential law of journalism in Kurdistan'' confirmed whether the newspaper spread incorrect data to the individuals, they have rights to claim legally to answer the broadcast or news, and the editor in chief should publish respond in the same page by the same magnitude, and if the newspaper did not publish the answer or correction the newspaper face fine that amount is not unless one million diner and not more than 2 million diners as punishment, and sometimes the editor can refuse the respond for example if the newspaper has an evidence that their information is correct, and when the answer send after 90 days or the answer has conflict with the law. Similarly, according to Rudaw (2011) the Labor MP Meg Munn, who served as Minister for Women and Equality from 2005 to 2007 in the UK, said: ''We want to support a Kurdistan that is respecting Human rights and freedom of expression; however, we understand that democracy in Kurdistan is not complete yet.''

Some governments are working to limit the freedom of mass media by limiting and issuing a license of the applicant for example in chapter five in Iranian press of law shows the qualifications of the Applicant and Stages of Issuing a License such as Article nine illustrate that a real person who applies for a license must have the following qualifications: Be free of moral corruption, or a record of criminal conviction which, also according to the Islamic code, strips him/her of social rights; and almost all the officials in Iran such as in government, parliament, council, companies and banks those who have publicly spoken in favor of the former regime through the news media, radio or TV, are prohibited from publishing a publication. Correspondingly, According to Al Jazeera (2010) its certain that ''the Iranian authorities have prohibited a reformist daily newspaper and a moderate weekly magazine run by the family of Mehdi Karroubi, an opposition leader.'' additionally, Referring to Article tenth the Press Supervisory Board shall consist of devoted Muslims who possess the required scientific and moral competence and are committed to the Islamic Revolution as follows: Entry to and exit from the country of publications shall be in accordance with the basis of religious codes and the constitutional Law of the Islamic Republic as mentioned in Article 22. The regulations covering entry and exit of publications to and from the country shall be formulated within six months via the Ministry of Islamic Culture and Guidance and while being ratified by the Islamic Consultative Assembly, additionally the Article 27 clarify that the Islamic republic will revoke the license of those whose writings' insult the Leader or Council of Leadership of the Islamic Republic of Iran or senior religious authorities (top Islamic jurisprudents), not just the license of the publication but others who are involved as manager and editors will be subjected to punishments which are stated in constitution. On the other hand, according to the ''essential law of journalism in Kurdistan'' everyone has right to obtain a License of publication by government. In contrast, chapter 6 in Iranian law of press is about violations and according to Article 24 in this chapter, if any one tries to publish confidential military documents and orders, and secrets of the Islamic Revolutionary Guards Corps (IRGC), or, maps of military installations and fortifications during war or peace time in the press, will be treated according to law and the court decided on his punishments, and what mentioned in Article 25 is the importance of pushing people through the press, expressly, overtly instigates and encourages people for committing crimes against the domestic security or foreign policies of the state, as specified in the public penal code, if he/she accused of committing a crime while evidence be available then his/her action bear adverse consequences. However, if no evidence is found on such consequences then he/she would face a religious decision according to Islamic penal code. Also In Article 26 clarified that whoever intends to insult Islam and its principles via the press and his/her guilt amounts to apostasy, ought to be punished as leftist who violate religious principles according to the Islamic penal code. But Consistent with chapter fourth/ article seven in essential law of journalism in KRG journalists are freelance and they have no power in the presentation of their work additional that the legislation, and the information spread by journalists should not act to public disturbance, and the journalists can save their sources, excluding by legal decision, they also have a right to attend for public conferences. This chapter illustrated if any person affront or offensive journalists, are penalized by law, and in chapter five / article eight explained impunity for journalists in Kurdistan, in the first point police can't investigate with journalists and they can't search their houses unless the court authorizes to do.

The Islamic republic of Iran banned journalists when they published information against Iranian law, likewise, According to Article 28, any media outlets that offend and abuse the social decency is strictly forbidden and would be punished by Islamic law, while sticking to publish such kind of publications would case the revoke of the publication's license and facing severe punishments. Similarly, article 31 concentrated on violating and threatening personal confidential affairs, is prohibited and the manager in charge will be punished according to law. However, in Kurdistan is different because when the journalists face problems and when they do not win the case, the law charge them by an amount of money according to law as penalty, for example article nine illustrated some points about fined journalists and editor in chief by an amount that is not fewer than one million diners and no extra than five million diners when they printed those points: when they abetment societies to grouch or disrelish odds and dissonance among the elements of community, despised the religious principles, sacred and spiritual, Any information relevant to the private life of people until if correct, because it leave impact on their personality or publish swearing and aspersion, if the newspaper repeat the action, the law could raise the fine amount to twice. Besides, article ten shows that conditions of article nine do not apply for the colleges and scientific research centers or scientific purposes.

5. Conclusion

In this essay a brief introduction about media and four theories of the Press in the world; have been explained, and controlling mass media in different governments like Islamic Republic of Iran and the freedom of expression in Kurdistan are argued, also the Media and democracy have been clarified. Besides, Media in Iran and Kurdistan have been illustrated, and then the comparison between Press law in Iran and Kurdistan and both governments systems have been discussed. Finally, it can be seen that controlling

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media always exists in the twenty first century in some countries in the world particularly in the Middle East such as in Islamic Republic of Iran, and it has shown that Kurdistan is a new region in the world however it has a modern law for press that its better than Iranian law of press. As well as, it is revealed that ''Social Responsibility'' theory is the best system for press rather than ''Authoritarian'', ''Libertarian'' and ''Communism'' theories, because it has more freedom for mass media and it can be adapted with democracy. In my opinion, controlling media is the biggest intimidation in front of democracy and modern media.

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Book review "Audit – sources and institutionalization"[1] By Evgeniy Nikolov Stoyanov

Venelin Terziev, D.Sc., Ph.D., Eng.

The author of the presented book (published in the form of a monograph)is a professor in economics with PhD in accounting, control and analysis of economic activity. He is a lecturer in: Burgas University "Asen Zlatarov", Agricultural University - Plovdiv and University of agribusiness and rural development - Bulgaria. His scientific research is in the field of audit and its application in various areas which is reflected in over 60 publications in Bulgaria and abroad. Prof. Evgeniy Stoyanov is one of the prominent Bulgarian scientists in that field having original ideas in his work presented on a number of conferences, seminars and scientific forums.

The monograph "Audit – sources and institutionalization" consists of an introduction, eight chapters, conclusion, references and a glossary of abbreviations used. It will be shortly presented and analyzed below as a book of special interest in the development of scientific thought in economics and management.

1. Topicality and importance of the issues studied

One of the main problem areas in research of theory and practice of accountability and good financial management at the beginning of the XXI century is the realization of an effective audit. Despite diverse efforts and registered significant results, the achievements can not be defined as satisfying public expectations in terms of both structural and formal integrity and ideological and conceptual completeness. This situation is largely due to the fact that the efforts of the professional and scientific community by the end of the 80s of the last century were aimed at creating standards and not to establishing their applicability and increase in their mass implementation. The analysis of this trend proved that problems arise at different levels and have different nature.

The status and accountability and the related audit in principle register difficulties caused by the promotion of intangible factors of organizational success as leading. At the organizational level specialized and institutionalized organizations lose part of their prestige and social significance because of low applicability of their product, i.e. poor realization. At the national (state) level negative economic trends develop and go deeper due to low effective financial management provoking also loss of public confidence. Globally (supranational level) financial and economic crises emerge in the bases of which lie well hidden results, fictitious accounting, studious auditing and manipulated opinions.

The practical development of this multi-layered problem area related to accountability and audit put before the economic and management science the need to rapidly rethink the contents of the instruments of accountability and auditing, and practices that affirm it. A conclusion is drawn that the existing formulations in this regard do not serve adequately the needs of the practice and the expectations of society. As a result of closer ties with the practice professional institutes quickly realized the problems and

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focused their efforts in this direction. Because of their specificity, the research was aimed mainly on the instrumental level, the result of which was the "canonized" system of international standards. As a result of its commitment to public expectations, justified by the declared interests of the modern state analyzing the problems, on the one hand it materializes their dedicated efforts in creating and development of regulations to ensure objectivity and institutionality, and on the other – it develops its characteristics of a fundamental, constituent institution, which improves conditions for the optimal functioning of the system of financial control institutions and their international integration.

Described in a wider scope processes in the development of the problem area of the effective financial management highlights the problems of modern audit and forms the basis for the actuality of the topic of the book "Audit – sources and institutionalism". Due to the specific topic, the author forms its image on the basis of systematization of known facts and sources in the field, while not ignoring the opportunity to analyze emerging trends possessing potential for future improvement.

The actuality of the theme of the monograph in a private plan is justified by the need to join the Bulgarian research and management practices to two leading trends of the development of accounting and auditing. The first trend is associated with the development and improvement of objectivity and optimum credibility in reporting the results. That is the key role of audit to provide a maximum correct and informed opinion, imputing to the public the necessary confidence in the proper and correct implementation of its declared interests. The second trend is associated with the development of the relationship between institutionally presented concepts state - control and trust. The consolidation of the potential of the three factors enables the audit to obtain the necessary institutionality and its publicly represented institutions represented expressing confidence in the current effective financial management to guarantee a predictable and prosperous future.

2. Subject and object of study

As an immediate object of study is defined widening circle of financial and accounting sources ensuring realization of the audit which forms and structures the socio-economic environment presupposing its institutionalization.

The subject is the process of institutional improvement of the audit and the purposes of the book examples of Bulgarian audit are selected.

3. Aim and tasks of the monograph

The aim of the study is on the basis of the systematization and analysis of existing theoretical works, legislation and practical experience in the field under investigation to bring contribution to the deepening the institutionality in the audit and improvement of mechanisms for effective institutionalization of the system of organizations realizing it

The objectives of the monograph are achieved by solving the following tasks:

First. Analyzing and summarizing existing studies for the development of accountability and the expanding circle of deliberately separate sources, reflecting the operations and actions by economic reality and construction of the author's view on the trends and prospects of their development and possible widening application.

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Second. Analyzing and summarizing the existing theoretical works, regulations and reinforcing practices forming perceptions of auditing and justifying concepts and structuring of the author's opinion on the guidelines for their development and in particular by socio-intellectual environment for the development of institutionality.

Third. Analyzing and summarizing all social mechanisms that create optimal conditions for establishing a system of audit institutions and their application in the Bulgarian financial and control sphere.

4. Main hypothesis and limitations of the study tools

At the beginning of the investigation a main hypothesis is set according which in the conditions of every economic crisis the accountability naturally changes putting another challenge to audit concerning its normative application and formal and institutional improvement whereby an opportunity is provided through the acquisition of a new higher institutionality and appropriate building of institutions to establish and preserve public confidence about the effectiveness of current and future purposes of economic development.

Based on a preliminary study of the object a series of problems has been registered that may arise certain restrictions as: qualities of accountability, maturity level of society, state of the legal basis, perception of control, particularly audit, and others.

In the process of the study have used a wide range of relatively less common but also specific methods are used. Among the common methods forefront possess scientific analysis and synthesis, comparative and historical method, induction and deduction, etc. Group of the more specific methods includes such as: method of functional modeling, methods for analyzing relationships and dependencies, methods of diagnosis in priorities, etc.

5. Chapter One. Development and organization of information with financial and accounting nature

The purpose of the first chapter is through the comprehensive analysis of the deepening trends of the global economic system in general, and in particular radically changed financial function of the modern organization, to substantiate evidences that information with financial and accounting character is constantly developing and improving and this whole process is the logical result of the growing information needs of society and the introduction into use of newer and more innovative sources of information.

The review of trends in economic development and the associated changes finding expression in the state and development of accountability provide objective conditions to form the following conclusions:

First. Rapid socio-economic development determines the formation of new, constantly evolving needs of society for specialized financial and reporting information. The reasons for this trend may be mentioned on one hand general economic factors of reality, and on the other - internal organizational ones. That gives rise to new criteria by which to create, organize and structure different and more comprehensive specialized information.

Second. Conceptually different approach to building new data sets proves that reality itself is undergoing significant changes as a whole and in particular as structured in separate units, i.e. all this is interpreted as a sufficient challenge to rethink the process of improvement both in functional and in formal

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plan. Organizational functionality tolerate the enormous impact of the new and key factors for organizational success which predominantly possess intangible character2. In this sense, the new content determines the specific directions of the transformation for organizational forms being also perceived as adequate solutions of organizational architecture3.

Third. Although economic reality and actual practice have proven the importance of accounting as a primary mechanism or leading classification system and transformation of primary information on past economic events and government decisions on disposition of resources led to the quantitative and qualitative changes ownership, the new reality and changed object structure in the direction from material to immaterial prerequisites for inclusion of new models and to financial reporting process as defined management information models, but with a certain control character. The process of their inclusion on the basis of their potential consolidation make it possible information framework itself be interpreted as an active form of exercising a controlling influence on all levels and in every moment.

6. Chapter Two. Peculiarities in common reporting systems

The purpose of the chapter is through a critical review of the proposed evidences to justify the understanding that besides the common and standardized changes in the development of accountability highly specific are also observed and developing tailored to the characteristics of the objects which at some stage create opportunities and conditions for both adaptation and upgrade of the international system of standards. The process of harmonization of accounting provides a wider scope for expression and optimization of maximum objectivity, transparency, authenticity and relevant specifics.

The second chapter derives several conclusions:

First. Despite the deepening of globalization in all areas and processes in society, prerequisites and conditions exist in the development of accountability that determines the existence of certain differences between countries and within their samples. Academics seek the reasons for differences in factors with exogenous nature such as the legal system, the development of the property and the related rules of power, management and control, while analysts give priority to increased need for objectivity in reporting. The question which position is correct remains underrated because the important thing is that the accountability, as an objective reflection of ongoing operations and processes, evolve and optimize reflecting the dynamics of economic development and justifying phenomena and events.

Second. Development of financial and accounting reporting and sustainably present in it differences prove that this is a logically organized system in which are reflected international trends for a balanced harmonization, as well as the national one for storage of the specifics defining each national economy as a unique set of interacting reporting items. It is this dialectical unity provoking the improvement of the system itself, but also putting challenges to its regulation and especially the capability to carry out adequate control on this overall process.

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Third. Summarizing the findings of evolution and specific development of accountability a view can be justified that this is a real highly social system that creates enough awareness of representatives of all stakeholder. In essence, on the basis of the principle beginning of the methods, standards and organization it can be interpreted as a kind of mechanism optimizing the objective beginning in recording of data, but also the beginning of reconciliation and development of the feedback substantiating all social forms of control. The increase in full and complete satisfaction of the public needs arising from information deficit makes possible not only the improvement of the financial control, but also the opportunity society itself to be convinced that results are objective and meet its dynamically changing needs.

7. Chapter Three. The idea of the audit - origination, development and distribution

The purpose of the chapter is justified by history in the emergence of the audit process in which social needs provoke public expression of critical public attitude, which when put into accordance to management needs in the realization of socially important objectives and interests forms the structure of the control and development of various forms such as financial control, audit, etc. The critical analysis of the facts from the history of society proves that due to its social burdens and increasing administration financial control, and the audit in particular, imposes itself as a leading concept and a key factor in the improvement of the global economic system and international economic relations.

The findings about the formation, development and spread of the idea of the audit give reasons to make the following conclusions:

First. Under what circumstances and at what historical moment the audit has occurred is not so important, the essential thing is that each step in the development of society is a result of a successfully implemented concept of good management and effective control. The idea for the emergence of the audit focuses the attention precisely on the fact that for objective control it is required independence in sufficient extent, different of that resulting from the possession of the property and therefore justifiably power resources. The idea of the audit finds its genesis in society at the moment when monetary targets propel quickly and with priority social progress and development of the stated interests because on the increasingly perceived need for correct measurement and objective optimal control. On this basis, accountability creates conditions for manifestations and improvement of audit as a specific financial control and socially valuable form imposing in society confidence for the orderly development of its financial function and generated by it innovative ideas and their transformation into public goods.

Second. Despite the general ideological start of the audit and the dominant presence of the idea of globalization in the developing world in every national economy, even in the use of common models and proven best practices, the audit develops and improves in its own and unique way. In this process as determinants appear the features of the regulatory framework and system of accountability and specific features and phenomena such as psychology, morality and others. Anyway, the common interests that go far beyond national borders create prerequisites for the consolidation of the overall efforts to maximize coherence and harmonization as the fundamental basis of the audit and the logic of its procedures and imposing common international standards. This trend can be interpreted as the development of a specific control system in which the subject has a complex structure built from the conceptual and institutional systems having impact on a dynamic object as are the results of ongoing economic processes.

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Third. Approval of the audit as a specific control system marks a significant growth, as judged by adequate legislative changes, social regulation mechanisms, the creation of institutions and the set of high criteria in vocational training and development. The analysis proves that the public is aware of the need and the importance of an adequate control, in particular the audit, imposing to them a special social status substantiated by a wide range of powers forming a sufficiently serious authority. The main arguments of the statement are imputed role and authority of the audit in improving global economy and the optimization of international economic relations based on the international system of standards and regulating their practical application system of supranational institutions.

8. Chapter Four. Evolution of the perceptions of the independent audit

The purpose of the fourth chapter of the monograph is to present the key moments in the evolution of the concept of the independent audit. In the course of the study this analytical process is presented on global and Bulgarian level.

The exposition provides opportunities for several conclusions:

First. In practice the audit is a product of social development and strengthen the democratic idea accelerating this process. The need for independence and its public expression are the most important proofs that society credits with trust those who manage it. This act can be interpreted as satisfaction of a private legislative and social need caused in a high concentration of capital and the distinction of ownership from management, namely ignoring conflicts of interests between owners and employees through the implementation of the social function of the independent financial audit.

Second. The development of the audit and the formation of two major schools, respectively Anglo-American and European, prove that according to the specifics of the economic development of leading economic areas and main mechanisms justifying capital and social improvement the idea for audit is developed and evolved. Although on the audit national characteristics render influence, the main trends that develop in both schools actually specify the range of actions that develop the content of the independent financial audit from an expression of opinion on the fair presentation of the financial position of the company in its accounts to conducting of financial consultancy based on the accounts, current accounts and management reports. Objectively, changing forms of ownership, the main mechanisms for the development of capital markets and ways to generate profit predetermine the desire for harmonization and implementation of a unified methodology and common standards in the realization of the independent financial audit. The new economic reality necessitates the introduction of new content in the rules and ethics, as well as in the practical implementation of audit and other similar procedures.

Third. The audit in Bulgaria appears relatively early for the maturity of the society, and especially according to the condition of economic development. Nevertheless, the legal framework and institutional development show that German, or rather the European school, finds followers who implement independent audit complying with national economic circumstances. Although in the years of planned development of economy the idea of audit is almost ignored, indirectly the development of accounting science paves after political and economic changes and the introduction of market principles of development the audit to recover relatively quickly its positions. The legal basis with its adequate changes and the creation of specialized professional institutes and extension of the audit applications in key areas of

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socio-economic sphere prove that these the idea of auditing finds a good control and intellectual environment and it undergoes a dynamic development.

9. Chapter Five. Functionally conceptual analysis of the audit

The purpose of the fifth chapter of the monograph is based on the summary and analysis of the modern understanding of audit justified by the principle beginning and applied approaches structured in a conceptual framework to bring evidence that the audit in its functionally founded essence proving sufficient conceptual maturity generates significant internal structural prerequisites for the realization of institutionality. Development trends complement the impression of audit as a unique, highly intellectual, increasing its inherent responsibility, and a widely applicable business.

The statements may be related to the following conclusions:

First. The analysis on the audit confirms the view that this is a specific control event structured in a process which expresses an independent opinion of professional and highly erudite specialists aiming to obtain reasonable assurance on the reliability of the evidence accumulated and the opportunity to meet certain preliminary set criteria to optimization of risk management, control and management. The official and public disclosure of that opinion enables a wide range of stakeholders to take an attitude towards the development of the auditing object.

Second. The philosophy of the audit and its characteristics determine in its development a fundamental role to be played by the principal beginning. Multi-layered nature of the audit allows for the expression of general principles of financial control on the one hand, and on the other – of ethical auditing principles. Namely the principal beginning creates the idea of the audit to improve both in theoretical and in practical terms. The principal specifics presupposes the development of the audit process to be implemented in a targeted, systematic and appropriate way. In this sense, the methods and the combinations of approaches enable the results of the audit engagements to meet adequately the needs of stakeholders.

Third. Improvement of audit approaches, in contrast to the approaches in accountability, evolves quickly. Factors influencing on one hand are the dominant presence of the two competing schools - Anglo-Saxon and continental, and on the other – the deepening trend on validation of intangible assets as leading the formation of organizational value. Expressed on this occasion opinions impose on the audit greater significance and challenge it to assess objectively to maximum the practically immeasurable.

Fourth. Development of audit gives sufficient evidence that its conceptual framework associates to the idea of the independent audit more and more theoretically control models. Although in different stages of evolution of the audit key role to be played by different concepts, perhaps at this stage the modern audit suffers the serious influence of the concepts of ethics, independence, essentiality and international standards. Conceptual models create the impression of a particular functional failure regarding intangible factors for organizational success and therefore appropriately in the frame the concept of management control fits as a specific compensation mechanism possessing relevant tools for optimal wide impact.

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10. Chapter Six. Genesis in audit modeling and institutionality

The purpose of this chapter is to justify the understanding that the genesis of the audit modeling and development of institutionality are two different sides of a structured, balanced and controlled process. The emergence of new functional models and new degrees of institutionalization are two mutually substantiated and actively developing trends related to the audit in which priority can be assigned to institutionality. In fact, the models can be viewed in a sense as a result of the adequate reaction of society resulting from its growing needs for controlling impact predetermined by adherence to principles and prepared by the statutory regulations. In other words the rational principle in the audit determines, structures and controls its formal appearances.

The following conclusions could be summarized:

First. The analysis conducted on the genesis in audit modeling proves that the relevant fact of the dynamic economic development of the idea of audit is a prerequisite for improving audit. The rationale behind this trend is seen as a result of the audit capabilities to minimize information risk, which in turn imposes it another significant feature - to be perceived as a subsidiary control function. In reality, that predetermines on the one hand performances of the audit as a specific mechanism for information logistics to all stakeholders, and on the other - to deepen the process of diagnosis and subsequent counseling.

Second. Reviewed the portion of benefits in theory audit classifications gives reason to conclude that the audit continues to challenge the development and improvement of its theory. Perhaps at this stage socio-grounded necessity of increasing practical applicability is the engine of its development. Opportunities and potentials of formed and publicly expressed auditor opinions in making strategic and especially investment decisions predetermine the expansion of its perimeter. Perhaps the idea of the perpetuum mobile is in force for the audit too, taking into account its role in the process of creating a scenario for overcoming the crisis in the global economic system, and at the same time and in addition creating conditions predetermining the increase of its institutionality.

Third. Imputation of institutionality, as a moral burden and a key feature of the audit, is another recognition for its social significance. Actually, it is a process which integrates moral and ethical beginning, the principal regulation, objective legality and credit with and of public trust. The initiation of such activity is conscious and proper act of state governance which perceiving the place and role of the audit provides monopoly powers to control over the process of its social self-improvement, and especially the ability to be ignored largely falling on the whole economic system in unacceptable situations and critical (crisis) conditions.

11. Chapter Seven. Institutionalization in the process of the independent financial audit

The purpose of the next chapter is in sufficient burden of proof to justify the statement that institutionalization is an objective process gaining greater social significance because of the potential at least partially to satisfy the need of the society and of development, and the presence of well-structured and authoritative organizations. In this sense, the analyzed process is a testimonial to its maturity and willingness, and parallel to that it can be defined as a historically proven effective mechanism connected to the appropriate audit while preserving its interests and their legitimate, lawful and controlled implementation.

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The following conclusions can be made:

First. The process of institutionalization in the audit is a historically justified regularity. Imputation of institutionality as a leading feature of the audit implies to justify public expectations for the creation of organizational structures with specific financial control, legally established functionality. Actually, this is a significant result of the emergence of institutions in a demand-driven way by the interests of the state and society. Under these conditions the search for solutions can be seen in the strict sense as the satisfaction of public needs from issuing independent opinions regarding decisions, actions and responsibility, and in a broader scope as alternatives for decisions arising out of the challenges to control as a whole due to problems in metrification. Opportunities to society offered by the institutionalization in the audit may be also perceived as an optimization plan or effective counseling for effective development of the interaction between principals and agents based on the minimization of conflicts in meeting the stated interests.

Second. Development of institutionality in the independent Bulgarian audit and deepening institutionalization are reasonable prerequisites to suggest that despite the established rules of development, in the idea of audit they undergo individual improvement in Bulgarian economic conditions. Even for short periods with a large space between them, in the analysis features of the new institutionalism are established which appears in the new institutional Bulgarian economy. For the process of improvement regarding both perimeter and contents, it can be stated that it covers major fields fixed between the imposition of international standards and case studies of real economic reality on the one hand, and on the other -from the principal decisions on key audit issues to management consulting decisions by the Bulgarian practice. In this sense, if the need of control becomes more serious, the audit can reasonably be interpreted as the most sensitive part of the structure of this socially significant relationship, which has grown in a conceptually and formally declared self-improving institutional system.

12. Chapter Eight. Institutional models in the independent audit

The purpose of the last chapter is tracing the expression of institutionalized control forms thematically related and organized by the audit to prove that they have a systemic nature, tested in the implementation process, providing an opportunity the logical linking in the institutional models in a significantly higher degree to be seen as an expression of hierarchical dependence, as justified by the level of subordination. Proofs of the presentation discuss institutionally established audit patterns in internal control, internal audit, external audit and state audit.

From institutional audit models reviewed and on the basis of comparisons made between them can the conclusions could be drawn:

First. Socially conscious significance of audit is reflected in the development of high institutionality. Under these conditions in the construction of a system of institutions according to the public interest institution established audit models would be normally improved. The registered level is a proof of the maturity of the society and its ability to generate ideas and mechanisms sparing stated interests. In this sense, the hierarchically constructed system of independent audits can be perceived as an expression of the symbiosis between trust and control function in an environment of relatively high independence. The rapid development of the subjective side in all dealing with audit systems is indicative of the increasing demand of the society to approach the maximum of its institutionalized subjects to growing list of diverse nature, activity and significance objects of auditing.

Second. The opportunity the independent audit system to be viewed in light of management functionality, critical public attitude and architectural design of the organizational structure (i.e. its result) is a prerequisite for enhancing the role of the modern organization and especially to expand state intervention as the supreme institutionalizing organization. The development of this process, driven by independent audit, is another proof of Jewish wisdom that trust is good but control is something far better.

Third. If about accounting W. Buffett argues that it is the language of business, rightly audit might add that this is its mechanism for formal, international recognition based on authoritative intervention in the analysis and disclosure of achievements in the implementation the stated interest results and allowing those who make it to be institutionalized. Establishment of a system of institutional audit models presents an opportunity to perceive the assurance of every effective step made in social development as a challenge to constantly improve internal alternative for a better future.

13. Conclusion

In its unity, the contents of the book proves the growing social need for rapid development of optimal audit by achieving sufficient confidence in increased transparency in the analysis of the results, interpreted as financial values and moral significance, as well as an engine of cash flows and an innovative form of effective control.

The main contribution of the monograph can be formulated in two main panels:

1. On the basis of the analysis on the development of accounting reflecting the main trends in the global economy the evolution in the improvement of the audit has been reviewed. This process is viewed as an opportunity for mutual influence of each element of a particular factor system on the other. On the one hand the created opportunity to enable the attribution of institutionality in the audit is seen principally as a result of this impact, and on the other - as a scientific contribution of the study.

2. The critical analysis of the conditions and circumstances that provoke meaningful and formal development of the audit for the first time in Bulgarian scientific literature have been thoroughly considered and specifically presented as ideological sources and leading arguments in initiating and deliberate building of a unified system of institutional audit presented models functioning in coherence with the development of the idea of audit globally. The major contribution moment in the analysis of the process in question is associated with a practical proposal tabled by a specific pattern (matrix) to measure and control the process of institutionalization in the field of Bulgarian financial control.

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