

**INSTITUTIONS AND ECONOMIC PERFORMANCE.
HOW CAN ROMANIA RESIST AT THE CHALLENGES OF
EUROPEAN INSTITUTIONAL COMPETITION?**

**INSTITUȚII ȘI PERFORMANȚĂ ECONOMICĂ .
CUM POATE REZISTA ROMÂNIA PROVOCĂRILOR
COMPETIȚIEI INSTITUȚIONALE EUROPENE?**

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Abstract:

In the last decades we are witnessing a series of phenomena and processes which characterize mankind evolution and indicates the fact that we are facing a period of profound transformations. Therefore, we argue the idea that economic and social transformation can be conceived only through the specific institutions of market and economic development. The question that raises is: which are the institutions that count in the transition process? How an communist economy can be transformed in an performant market economy? At a first analysis we can state that the most important institutions are those related to the right and protection of property, economic adjustment, macroeconomic stabilization, social protection and the conduct of enterprises in a competitive environment.

Yet, the simple realization of them, but without respecting the principles of economic development and the European frame of development, means an effort what could cost Romania another 50 years of attempts and failures.

Key words: *institutions, economic performance, private property, competitive market, free economy*