

Romania

Written by

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"Corporate society takes care of everything. All it asks of anyone - all it has ever asked of anyone ever - is not to interfere with management decisions." Attributed to John Houseman, born in Bucharest in 1902, died in Malibu, CA in 1988.

Located in Eastern Europe, Romania is home to nearly 23 million inhabitants and covers approximately 238 square kilometers (92,000 square miles). Romania is bordered by the Black Sea in the east and five countries including Ukraine in the north and west, Republic of Moldova in the northeast, Bulgaria in the south, Serbia in the southwest and Hungary in the west.

After enduring several decades of strict control by the Soviet Union, Romania successfully gained independence in December of 1989.

Although the country has and continues struggling to reconstruct itself, the people of Romania remain intent on developing a free-market economy and a democratic society.

Romania joined NATO on March 29, 2004, and the European Union (EU) on January 1, 2007. Romania has the seventh largest population and is the ninth largest territory in the EU.

Romania has what is called a "semi-presidential democratic republic," which means executive functions are shared between the president and prime minister. The president is elected by popular vote, and as of a constitutional amendment in 2003, his term of office is five years instead of four. The president nominates the prime minister, who in turn appoints the government, which must be confirmed by a vote of confidence from Parliament.

Romania remains a country with a generous mix of climate, culture, natural beauty and resource. Bucharest, with a population of 2.3 million, is the capital of Romania, and is located in the middle of the large, fertile plain of Wallachia. The city is split by the Dimbovita River which flows to the Danube River, 55 kilometers (34 miles) away. Bucharest, founded by a peasant named Bucur in the 1300s, is situated in the southern part of Romania near the Bulgarian border. Although the city's major influences range considerably, Bucharest was remodeled in a French style in the nineteenth century and even dubbed "the Paris of the East." Bucharest is by far the largest city and foremost industrial center of Romania.

Foreign nationals will be welcomed in Bucharest. Foreigners are usually admired by Romanians, especially those foreigner nationals attempting to develop the country and its economy. The scars of

communist rule are still evident throughout the city, but the residents of Bucharest have a positive outlook and appreciate their independence. Not unlike the entire country, Bucharest is a city of contrast and the city's inhabitants demonstrate the country's diversity. Although you will find almost 90% of the inhabitants are Romanian, you will also find a variety of cultures and ethnic groups in a cosmopolitan mixture of Arabs, Europeans, Gypsies, Chinese and Turks, to mention a few. The largest ethnic minority is Hungarian.

Climate

Romania's climate is characterized as temperate continental with hot summers and relatively cold winters. The climate is one of extremes and, depending upon the geographical area, temperatures will vary considerably. Spring is usually brief, but produces incredible contrast throughout the country, with blue skies found above Bucharest. In winter, a strong, chilly wind comes from the Russian Federation and snow covers a majority of Romania. In Bucharest, the average temperature in January is about negative three degrees Celsius (26 degrees Fahrenheit). In June and July, the average temperature will be about 22 degrees Celsius (72 degrees Fahrenheit). Temperatures in November are typically near six degrees Celsius (42 degrees Fahrenheit).

Bucharest lies 60 to 90 meters (200 to 300 feet) above sea level, directly on the Dimbovita River. Since the Dimbovita is subject to floods, it has been enclosed by levees. As a result, flooding in the capital is a rare occurrence. Rainfall is low, averaging about 530 millimeters (21 inches) annually. Rainfall is typically a factor during the summer months.

The Culture

As the country's largest ethnic group, Romanians can trace their ancestry back to the Romans in the third century when the area that is now Romania was under the control of the Roman Empire. As a result, Romanians have a Latin character. In regards to typical Latin characteristics, Romanians have retained many important cultural facets. In general, Romanians are warm and share a determination to celebrate and enjoy life. Some common Romanian characteristics include spontaneity, a relaxed attitude toward time and an expressive communication style which includes frequent physical contact and gesticulation.

Romanians place great value on family and friends. Romanian friendships usually last a lifetime, and taking the time to nurture relationships should be a top priority for a foreign national assigned to

this country. Romanians seek the good things in life, and regard work as a means to fulfill and better appreciate life's pleasures. Romanians are also world-renowned for being gracious hosts. Guests are usually welcomed wholeheartedly, and most Romanians have a genuine regard and admiration for foreigners.

Language

The official language of Romania is Romanian. This language uses the Latin alphabet and is considered a Romance language which evolved from Latin. Although the Romanian language is spoken by nearly 90 percent of the population, other languages are widely spoken. The two most common secondary languages are French and Hungarian, although both English and German are spoken in many regions of the country. English, in particular, will be spoken in the capital of Bucharest, where many foreign nationals can be found.

Although Romanian is spoken by a large majority of the population, other languages such as English, French, German and Hungarian will be spoken. Romanians are generally friendly people who enjoy conversations with family, friends and business colleagues. Although it is not a necessity, foreign nationals in Romania should know a few basic Romanian words or expressions. Grammar usage is similar to

Latin, and Romanian vocabulary contains words of English, French, German, Greek, Slavic and Turkish origin. Since the Romanian language resembles certain languages, anyone who can speak French, Italian or Spanish will find it easier to recognize words and phrases in Romanian. Any attempt to understand and use the Romanian language will certainly be admired by most Romanian individuals.

Romanian lessons can be taken from companies providing full service language programs with highly-trained teachers. Often you will be offered a schedule of classes that is convenient to your work schedule.

Religion

Romania is perhaps the only country with a Romance language that does not have a Roman Catholic heritage. The Romanian majority follows the Romanian Orthodox creed with a nominal percentage following the Greek Orthodox Church. The Hungarian populous is split between two religious faiths, including Roman Catholicism and Calvinism. Baptists, Jews and Lutheran are also present.

Business Customs and Etiquette

Special customs do not significantly affect business dealings in Romania, as international standards of business conduct apply. In fact, you can expect western business standards to apply in business.

However, foreign nationals and their companies should expect certain

shortcomings when doing business in this developing country. Foreign nationals, for example, can expect a great deal of government red tape and bureaucratic delays when conducting business, especially those working with the government or state-owned and operated organizations. Apart from these elements, however, the foreign national who wishes to succeed in Romania must be aware of typical Romanian customs and beliefs.

In general, Romanians are regarded as friendly, industrious people and foreign nationals are usually welcomed into the country. A hand shake is the normal form of greeting, but Romanians generally enjoy expressive communication. In fact, frequent touching and physical contact should be expected. Most Romanians use formal addresses like Domnul (sir) and Doamna (madam) when addressing one another, but some members of the younger generation use first names when addressing foreign colleagues in the business arena.

It is important to create an open relationship with your Romanian colleagues. Romanian culture places emphasis on relationships, so you can expect a warm welcome and should try to build a strong relationship with Romanian friends and business colleagues. A good way to initiate such a bond is by exchanging business cards. In fact,

much emphasis is placed on the exchange of cards and when you are in a business meeting, be sure to give one to each person in the room. Cards may be printed in your native language, but also in the Romanian language.

Work is very important to Romanians, but the appreciation and the enjoyment of life is an overwhelming factor in their lives. In addition, you will find that Romanians are extremely relaxed when it comes to the issue of time. Deadlines and schedules are not strictly adhered to and many Romanians generally believe that things happen at their own pace. As a result, foreign nationals should expect some delays in many aspects of business operations. Business meetings and functions will not usually begin on time, but foreign nationals should always be punctual. This situation started to change after the Revolution in 1989, and one can see this is improving and that Romanians are realizing "time is money." The business environment is now very professional and follows the western business etiquette. Romanians sometimes apply the "academic quarter rule," which will give you a 15 minute excuse from the original meeting time, but it is not recommended.

Business Dress

Appropriate business attire is usually formal, conservative clothing, and casual wear is more suitable for most social occasions. An

exception might be made for office attire on the hottest of days, but even then avoid casual wear. More formal wear is necessary when attending a dinner in a restaurant or for evening entertaining on the town. If you are in doubt, it is best to mirror the dress typically worn by your Romanian business colleagues. Some places of business have "casual Friday" dress codes, but it all depends on local policy.

Entertaining

Romanians are also well known for being extravagant hosts. They are regarded as gracious hosts who believe in surplus. Dinner meetings and functions are appropriate times for nurturing relationships.

Successful business negotiations are conducted with the strengthening of a relationship. This is usually done while your host provides you with ample amounts of food, gifts and drink. Always be polite and open. The normal courtesies should be observed when visiting a Romanian home.

Bucharest is well known for its casinos which are a main attraction for most of the visitors. Groups from all over the world come to Bucharest every weekend just to gamble and have some fun.

Gift Giving

Flowers are extremely popular in Romanian culture and are given on virtually every occasion. Gifts are often exchanged and these should

be little gifts, like a gadget or book of common interest.

Business Hours

In general, business hours in Romania are from 9:00 a.m. to 6:00 p.m., Monday through Friday. However, some employees (factory workers, etc.) begin their day at 7:00 a.m.

Financial Conditions

Since the revolution in 1989, Romania has made substantial progress towards the development and stability of the nation's economy.

Although the country continues to struggle, Romania's private sector continues to grow and has become the chief factor in the economy's overall development. Creating a positive business and investment climate, the country's economic reform policies have succeeded considerably. However, since Romania began its transition to a market economy from the dregs of communism, the economy has had a great deal of trouble. Significant improvement and economic stability remain the country's major goals, but progress has been made and the future looks promising.

A few important factors in the improvement of the economy are the continued development of the private sector and the reliance of foreign investment. Germany has been the largest foreign investor in the past,

followed by South Korea, Italy and the United States. Since domestic competition is not particularly a factor, foreign investors and corporations continue to prosper in Romania. With the completion of the essential legislation needed to operate a market economy in Romania, foreigners will find more and more opportunities are available to them. However, Romania remains a difficult business environment, especially for those individuals or companies that do not regularly do business with developing countries. In order to succeed in Romania, certain customs and etiquette should be taken into consideration.

Romania's currency is the Leu, plural Lei (L). One Leu consists of 100 bani and coins can be found in denominations of 1 ban, 5 bani, 10 bani and 50 bani. Banknotes currently in circulation include 1 leu, 5 lei, 10 lei, 50 lei, 100 lei, 200 lei, 500 lei.

Because of recent inflation and fluctuating currency rates, most of the prices for items and services listed in the profile are given in Euro. Many vendors prefer this kind of "hard currency," whether it is US dollars or Euro.

Romania was admitted to the European Union (EU) on January 1, 2007. Although the EU permits free movement of citizens within the

member countries, it also allows existing members to inflict temporary immigration and labor market restrictions on new countries. With the entrance of Romania and Bulgaria this year, the majority of EU member countries have opted to impose these restrictions. Currently, only Finland and Sweden have given Romanian nationals unlimited access to their labor markets. Other member countries that were admitted prior to 2004 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom), have chosen to either impose restrictions on work or residence permits. On the other hand, of the ten countries that entered the European Union in 2004 (Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia), only Hungary has chosen to impose any restrictions on Romania and Bulgaria.

Countries that have imposed restrictions on new members have a seven-year time limit to enforce them. Conversely, countries that did not impose restrictions initially may do so at a later date.

Banking Services

Most banks offer a variety of accounts including checking and savings accounts. The most important banking service available to foreign

nationals, though, is probably a money wiring service. Some banks will offer foreign currency accounts, but you should check several banks and their specific policies before choosing one. To open an account in Romania you will most likely need your passport, visa and a letter from your employer. Since Romania is still primarily a cash economy, automatic teller machine (ATM) cards and credit cards are fairly rare. However, both types of cards have been introduced in the past couple years.

Foreign nationals who are accustomed to convenient banking hours may be in for a surprise in Romania. Banks are usually open for only a few hours on weekday mornings. Officially, however, they are open from 9:00 a.m. to 4:30 p.m. Each bank will offer different hours, so be sure to check with the individual branch.

Security in Romania

Crime in Romania is usually limited to petty theft and burglary. Organized groups of thieves sometimes frequent bus and train stations, as well as public transportation, and theft in taxis does occasionally occur.

Some criminal scams do target foreigners in Romania. One such trick involves a thief who impersonates a plainclothes police officer who

requests to see the victim's passport and wallet. By doing so, the thief obtains cash, credit cards and important personal documents.

However, credit cards have very limited acceptability, so cash is more important to a thief in this nation.

Getting Around

Public transportation is available in most towns and cities, but Bucharest probably offers the best network. A wide variety of options are available including buses, taxis, trains, trams, trolleybuses, as well as an efficient metro system. Since driving in Romania can be hazardous, public transportation provides numerous safe travel options for the short or long-distance traveler. Fares for public transportation are low, and the entire system continues to be improved and is considerably less chaotic than in the past.

While road travel in Romania can be challenging, public transportation is widely available and inexpensive. Roads are poorly maintained and difficult to traverse, since they are often used by pedestrians, as well as vehicles. Winter weather also makes for hazardous driving conditions.

Foreign nationals living or working in Bucharest will find that buses and trams, along with the city's metro and a few express buses,

service the city center. Today, virtually every region of the country can be accessed by public transportation in this beautiful and evolving country.

