

# **THE INTERRELATIONS BETWEEN THE CENTRAL AND LOCAL BUDGETS IN ROMANIA - PROBLEMS AND POSSIBLE SOLUTIONS**

*Florin Oprea, “Alexandru Ioan Cuza” University of Iași*

*ABSTRACT: By integrating public budgets and their interrelationships, the public budgetary system must meet, through its actual configuration, some rationality requirements that should ensure the necessary support in order for it to contribute to the overall economic and social development. In these conditions, a universal structuring model of public budgetary systems is excluded on principle, but common foundation elements serving their functionality may and must be identified. On this premise, our article aims at highlighting, based on qualitative and quantitative research, the design and functioning method of the interrelationships between the state budget and local budgets, pointing out their implications for the functionality of the budgetary system and for the “soundness” of public finances, proposing corresponding improvement solutions.*

*Key words: public budgetary systems, intergovernmental fiscal relations, local financial autonomy*

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