

**Social Risks and Inequities in  
(overlapping) Romanias**  
*- Evidences regarding generational, territorial  
and ethnic disparities -*

Marian Preda  
University of Bucharest-

*Motto:*

*“There are no other Romanias in the World,  
But only one and that’s The One we love”*

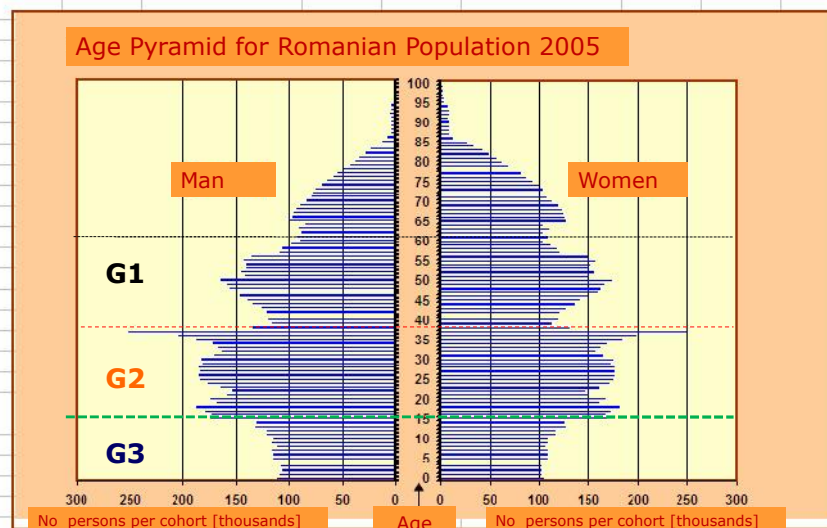
Communist poem in Ceausescu’s Regime

- Objective of this presentation:
- To argue that there is not just one “Romania” inside Romanian country and territory but many overlapping different “Romanias”; there are disparities between social contexts and opportunities associated to successive generations of Romanian citizens borne, educated and employed in different periods as well as huge disparities between various geographical entities within Romania.

## Milestones for Romanian generations:

- 1945 - the beginning of the communist regime,
- 1966 - antiabortion decree of Ceusescu (no of new born doubled in 2007 in comparison with 2006, a huge cohort of 527,000 newborn in 1967)
- 1989 Romanian “revolution”  
Consequences:
  - Almost 1 million abortions in 1990
  - TFR dropped from 2.3 to 1.3 (cohorts around 215,000 newborn/year)
- 2011 – a first cohort of less than 200,000 newborn since 1950’s

## G1, G2, G3 – 3 Different generations



Data source: "Romania – Population Green Paper 2006"

## G1 – The “communist generation” cohorts borne between 1945 and 1966

- - Increased access to high school and higher education , good quality teachers
- Entered labour market between 1961 – 1982 , jobs guaranteed, no formal unemployment
- Free access to state owned dwellings that has become private properties after 1990
- Generation that “has taken” the power in Romanian organizations in 1989 and it is still holding it.
- Retirement period 2005 – 2031 ( in fact many of them are already retired at an average real retirement age of 53 years in 2005 and 60 years in 2012. Pension budget deficit 3bn Euro/year
- There were 2.5 millions pensioners in 1989 and there are almost 6 millions nowadays

## G2 – The “decree” generation Cohorts borne between 1967 and 1989 270 000 new born in 1966 – 520 000 in 1967

- Quality in education has decreased since a primary school teachers must teach to classes of 40 pupils. The same schools, for those significantly larger cohorts. Only 10% access to higher education.
- Increase competition for rare places in good high schools and in higher education; perverse effects - almost generalised private lessons - increased inequality in access to education
- 1983-1989 - undeclared unemployment, after 1990 huge official unemployment – consequence: 2.5 million migrants
- - Very difficult access to housing; Number of new houses/apartments has decreased dramatically since 1985.
- - Decrease in fertility (TFR 2.3 to 1.3) and increase in number of abandoned children
- - Retirement period 2032 – 2054 ( in fact retirement age will probably increase till then). Who is going to pay pensions for G2 in a “pay as you go” system and with a G3 reduce through low TFR and through migration

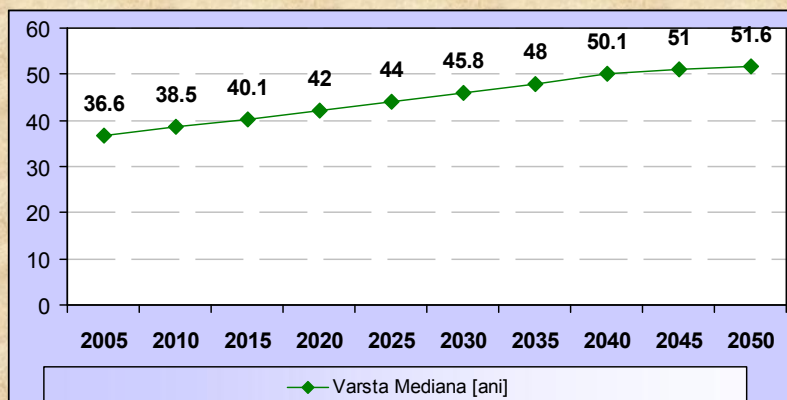
## G3 – The “transition” generation Cohorts borne between 1990 and 2010

- - Dramatic decrease in TFR and number of new born. Total population reduced with 2 millions in 20 years
- - Increased opportunities in access to higher education . Number of high school graduates has decreased with about 40% between 2008 and 2010. “Unlimited” number of places in higher education; opportunities to study abroad (especially in EU countries).
- - Better quality primary and secondary education
  - Entered labour market between 2008 – 2026 (if /when no crisis there will be better opportunities) Anyway, better salaries and opportunities to work abroad.
- - Better prices for dwellings
  - Retirement period 2055 – 2072 (?) Will benefit from private pensions (pillars II and III).

## A partial conclusion on “generations” and their rights:

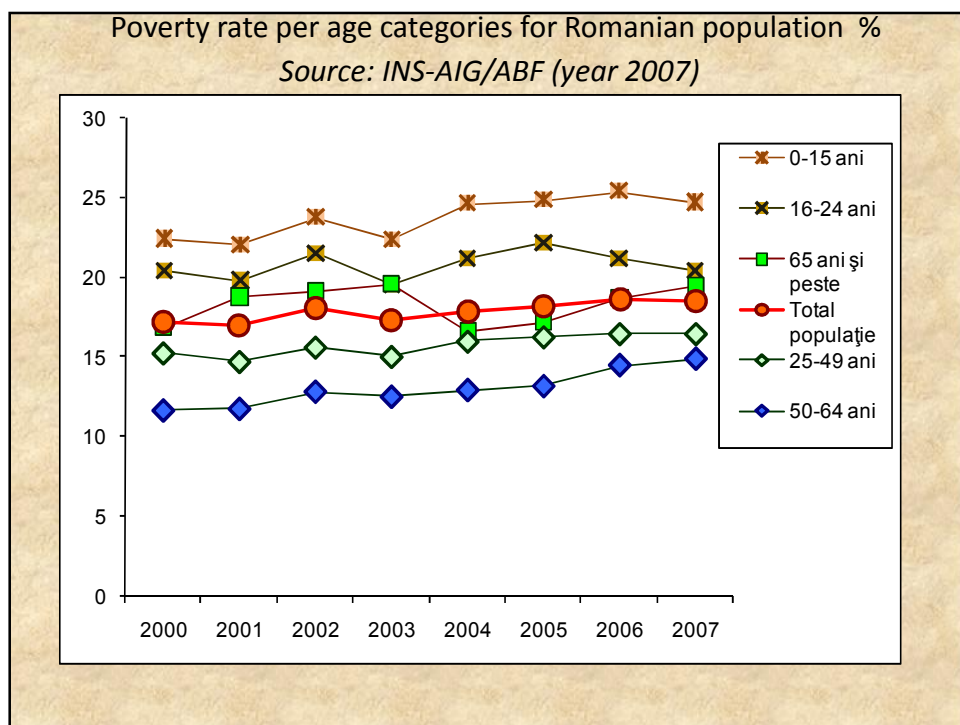
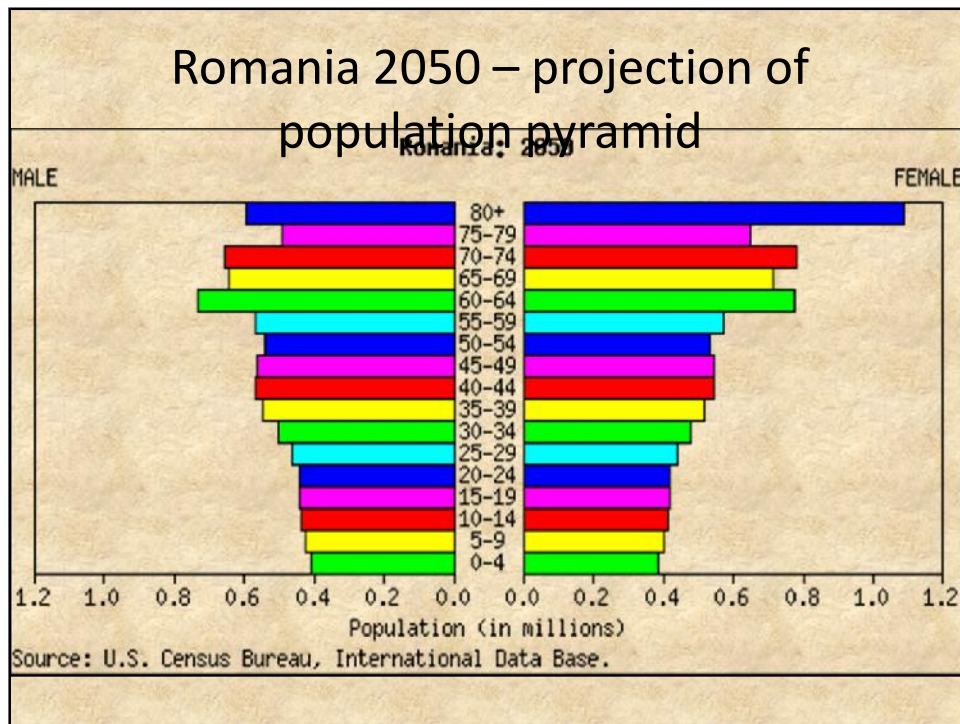
- "Then I say, the earth belongs to each of these generations during its course, fully and in its own right. The second generation receives it clear of the debts and incumbrances of the first, the third of the second, and so on. For if the first could charge it with a debt, then the earth would belong to the dead and not to the living generation. Then, no generation can contract debts greater than may be paid during the course of its own existence."
- (Thomas Jefferson to James Madison, 1789. ME 7:455, Papers 15:393 )

## Median age for Romanian population 2005 - 2050

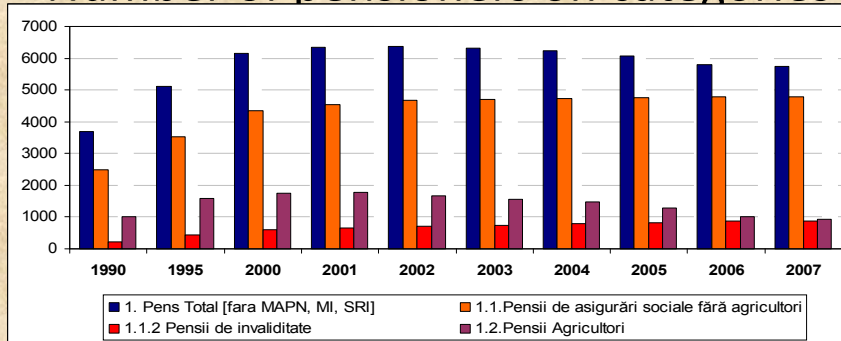


## Projections of various age segments/categories % of total population

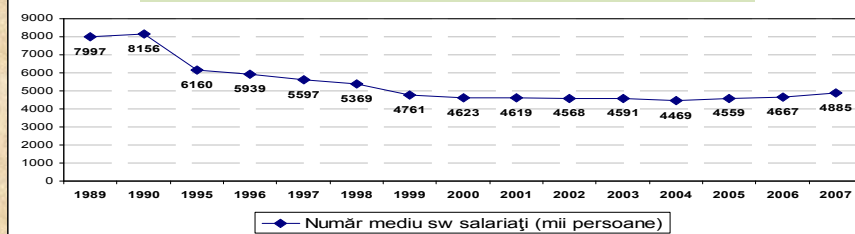
	Year / Age – segment	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050
Familie_scoala I	0-14	15.6	15.0	14.8	14.5	13.8	12.8	11.8	11.2	11.0	11.0
LIC-Facult- PiataM	15-24	15.5	13.7	11.0	10.4	10.3	10.4	10.2	9.7	8.9	8.4
PopActiva_v.I	15-59	65.1	64.8	63.3	61.9	62.0	60.0	58.3	55.7	53.3	50.0
PopActiva_v.II	15-64	69.6	70.2	69.7	68.3	67.3	67.8	66.0	64.2	61.4	59.1
Pens_vI	55+	25.0	26.9	28.6	29.1	32.1	35.0	38.5	41.2	44.7	45.7
Pens_vII	60+	19.3	20.2	21.9	23.6	24.2	27.2	29.9	33.1	35.7	39.0
Pens_vIII	65+	14.8	14.8	15.6	17.2	18.9	19.5	22.2	24.6	27.5	29.9
Pens+Chelt.San	75+	5.5	6.3	7.0	6.8	7.5	8.9	10.1	10.2	12.2	14.0
Pens++Chelt.San	85+	.7	1.0	1.3	1.6	1.8	1.8	2.2	2.7	3.1	3.0



### Number of pensioners on categories

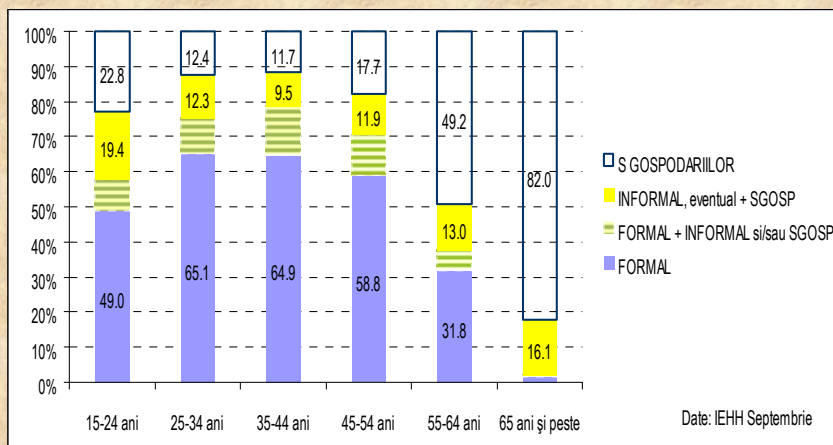


### Number of employees 1990 - 2007 [thousands]



### For "55-64" age category only 32% of occupied population works in formal economy [ year 2008]

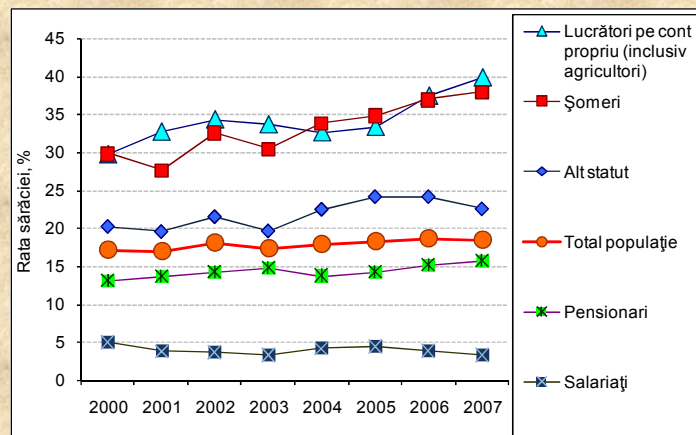
*Active ageing is a priority  
but it must be a "formal" active ageing*



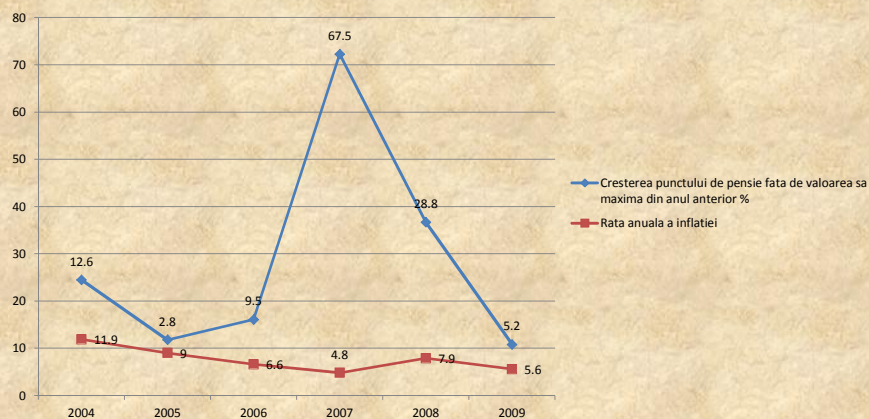
### Are pensioners the poorest of Romanians?

- poverty rate for pensioners was below national average in 2007
- despite that, average pension increased with 67 % in 2007 and with 29% in 2008

### Poverty Rate for various categories (2000 – 2007)



### Annual increase of Pension Point Value and of Inflation Rate according to previous year





## Are Romanian Pensioners really old?

- **In 2008, Population “60+” was 4.2 million**
- **In 2008, number of pensioners was 6 million**
- In fact, about 50 of Romanian pensioners were less than 60 years old in 2008
- Life expectancy at real retirement age (55years - for women, 56 years - for men) for those retired in 2009 was
  - 27 years for Women
  - 21 years for Men

## Comparand, intalnim situatii care sfideaza regulile statistice

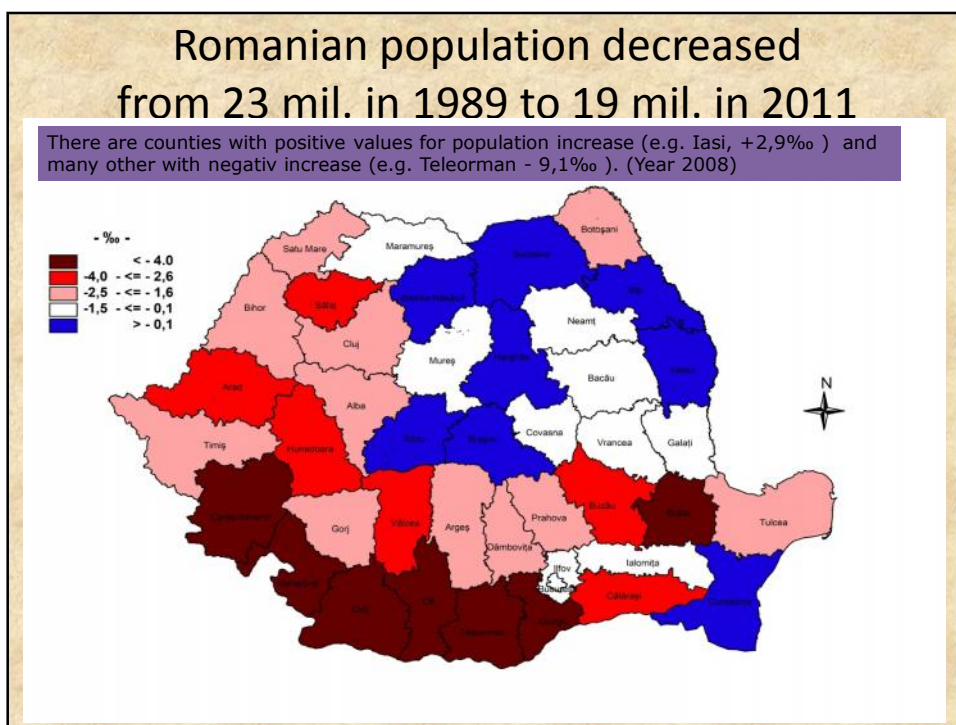
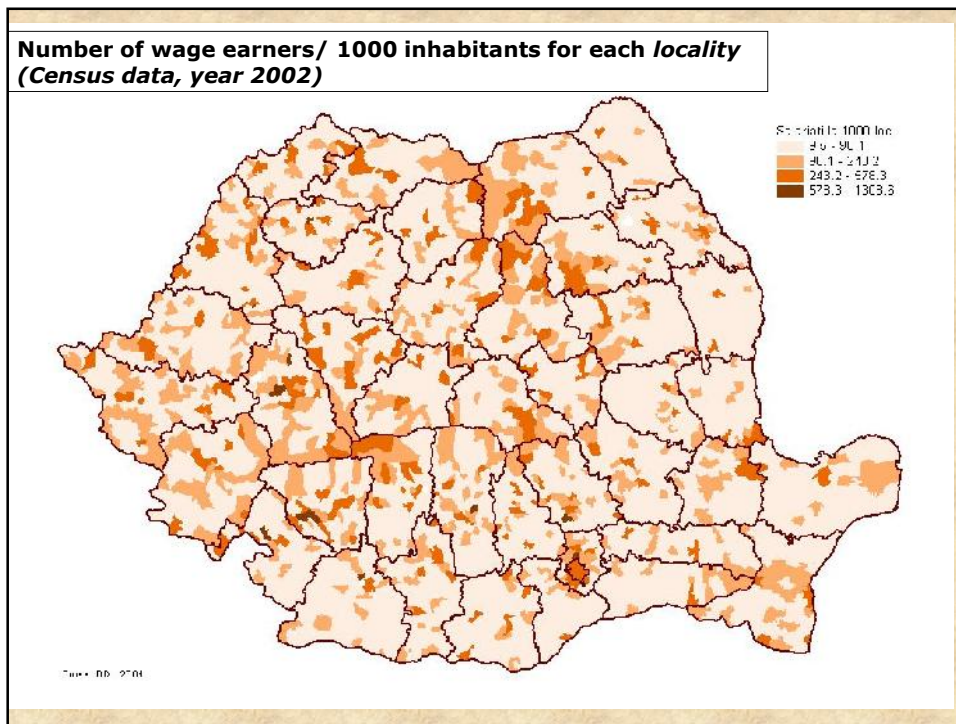
- - Numărul pensionarilor de invaliditate a crescut de la 208 mii în anul 1990 la 892 mii în 2008, (cu 430%)
- - în județul Bihor în anul 2008 din 158 053 pensionari de asigurări sociale de stat 52 447 (aproape 30%) erau pensionari de invaliditate
- - alături de Bihor cu 29,3 % pensionari de invaliditate putem așeza Satu Mare cu 28% sau Vâlcea cu 26%
- - în extrema cealaltă avem județe precum Tulcea cu “doar” 6 % pensionari de invaliditate, Galați cu 7 %, Teleorman cu 8 %

## Geographical and urban/rural disparities

- On the other hand there have been huge disparities between various entities within Romania:
- Area/geographical differences
- Urban-rural differences
- Differences between majority and roma/gypsy ethnic minority
- 
- The national values measured for economic and social development indicators fail to provide an accurate picture about the widely diverging conditions that characterize the regions, counties, towns and villages within Romania.

## Territorial disparities

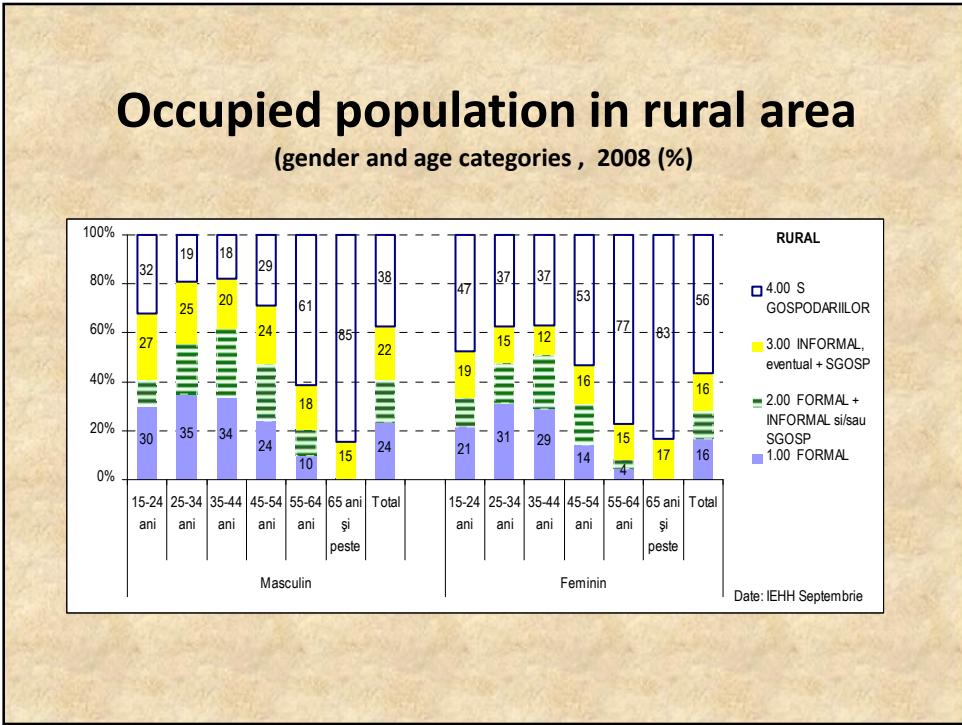
- The number of salaried employees per 100 inhabitants vary from 13 in Botosani county to 48 in Bucharest
- Bucharest's GDP per capita is almost 5 times bigger than in the two least developed counties, Vaslui and Botoşani.
- The per capita net investments were in 2007, 13-15 time bigger in Bucharest and Ilfov than in Vaslui county. (NIS data for 2007)
- The Bucharest-Ilfov area with 84% of the average European GDP/capita has been an almost medium developed European region while the North-Eastern Region (25% of the European average) and the Central Region (with 38% of the EU27 GDP/capita value) have been among the poorest regions in Europe. (EUROSTAT data for 2006)



### Rural-urban disparities

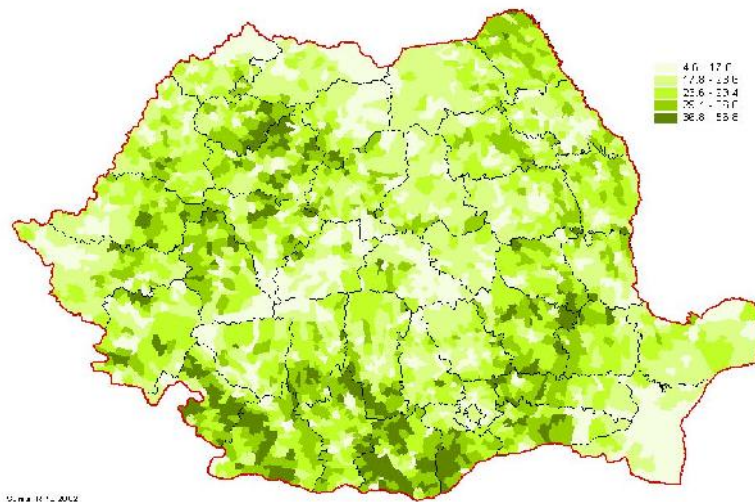
**Romania has the largest percentage of population living in rural areas within EU: 45%**

- Share of rural population living under the poverty threshold is three times bigger than of the corresponding urban segment: 29.9% in villages in comparison to 9.2% in towns. (National Statistics Institute, 2009, data for 2008)
- Share of salaried employees in the occupied population is 36% in the rural area, in comparison to 92% in the urban area,
- Percentage of higher education graduates is extremely low in the villages ( 3% of the occupied population), in comparison with 23% in the urban occupied population.
- demographic ageing (23.8% elderly people in rural and 15,9% in the urban area)
- 89% of hospitals, 92% of medical cabinets (GPs) 79,5% of total drugstores/pharmacies are places in urban areas.



Both deprived areas, North-East and South are demographically dependent  
But, is obvious that the south is gradually deserted by the young families with children

Percentage of "60+" population/locality (Census, 2002)



## Roma/gypsy – the dependent minority

- There are about 1.5 millions hetero-identified Roma/Gypsy (6.7% of the population in 1998) and 535,000 (2.5% of the population) self-identified at 2002 national census and 619, 000 (3,2%) at 2011 national census.
- 24% of those over the age of 10 never went to school (1998)
- About 50.000 did not have any ID paper in 1998
- 21% did not have legal property of the their dwelling in 1998
- Aprox 50% have been living in extreme poverty

## Conclusions

- Due to the different realities overlapping in Romania or, we can say, there are many overlapping “Romanias”:
- there is a developed Romania and an underdeveloped one;
- there is a rural and an urban Romania
- there is an economically active and a socially dependent Romania
- These realities cannot be ignored if we try to change things for better.

## Conclusions

- The values of the indicators for large numbers of people cover the differences under the veil of averages or labels.
- The different realities imply different approaches; the sub-national approach of social problems is essential for
  - monitoring development indicators at these levels
  - supporting effective and better focused programs and projects.
- If we split the indicators on regions, communities or social groups we get the arguments for better targeting resources and for reducing disparities and inequities.

## Conclusions

- Improving social conditions and social indicators for the weakest parts of Romania and Romanian social system is the best way to a better situation of Romania as a whole.

» Thank You