

SOCIAL CRISIS – AN IMPEDIMENT TO SUSTAINABLE DEVELOPMENT

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Abstract: *This paper is about social crisis and sets to give a dimension for this non-effective current. The paper is addressed to all persons interested in this domain, especially for those that work in this sector (non-governmental sector, third sector) and that need to have a better perspective on the situation. The methodology was based on self documentation which involved a wide range of materials: reports, case studies, paper works, articles, specific sites, European Union guides. This paper underlines the bad influence of the social crisis on sustainable development. My research includes both quantitative and qualitative dates; the ideas are embraced by my own convictions on the topic and tend to express also my beliefs on the matter. The added value of the paper is provided by the elements brought together: the topic, which, as common as can be, has a critical importance for the economy, blended with new information related to European Union Funds abortion and statistic dates regarding the work market in our country. The paper starts with an introduction that offers general information about the topic, a short background on the next headlines. As follows, each headline surprises with punctual elements of social crisis: determinant causes, solutions found, institutions involved, conclusions. The results of the paper shows that institutions in Romania are concerned about this situation and fight to bring out the best solutions, even if community is not totally prepared to accept it. Besides Romanian institutions, we have the support of the European Commission, through the European Union Funds. The Commission brings also the know-how of the other European Union Countries that confronted with these situations and, in better conditions know, sets here good practices within the projects they finance. This paper should be read and acknowledged as a base for the social economy development and it aims to create an interest for more persons in contributing to the strategic growth of the country and people.*

Keywords: social crisis; social exclusion; sustainable development; European Union

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1. Introduction

The first question we're asking is how we define social crisis and, why it is so important to the economic growth and sustainable development.

We already know that global economic downturn has had negative social outcomes for individuals, families, communities and societies, and its impact on social progress in areas such as education and health will only become fully evident over time.

Once with the 80's, Romania has resented an impoverishment process of the people, more accentuated in the transition period, by the two crisis: 1991-1993 and 1997-2000.

'The socio-economic evolutions registered in the last years have led to the poverty level of 18.8% in 2001, and the extreme poverty rate level up to 5.9% in 2004. The drastically reduction of the number of work places, the diminishing of the real level of salaries and the tax wedge in particular on the low paid have represented important causes of incomes 'depreciation. The increase of the life costs in the 1997-2000, has not been proportionally accompanied by an income increase, which implicitly lead to severe poverty'. (Impacts of the international economic crisis in Romania 2009-2010:14).

As the crisis deepened, more and more people have shared the belief that the economic crisis has drastically deteriorated the country economic situation and their household's living conditions. In August 2010, more than 92% of population considered that the economic crisis hit seriously the Romania's economy and 84% declared that their households were 'much' or 'very much' affected.

In the period of financial and economic crisis, households often adopt coping strategies, such as making changes in household expenditure patterns; however, these negatively influenced education, health and nutrition outcomes, which may lead to lifelong deficits for the children affected and thus perpetuate the intergenerational transmission of poverty. Given the fragility of the economic recovery and the uneven progress in major economies, social conditions are expected to recover only slowly. The increased levels of poverty, hunger and unemployment will continue to affect billions of people for years to come.

It is essential that Governments take into account the likely social implications of the economic policies. It has been shown, time and again, that economic policies considered in isolation from their social outcomes can have dire consequences for poverty, employment, nutrition, health and education, which, in turn, adversely affect long-term sustainable development. The gap between economic policies and their social consequences can create a vicious circle of slow growth and poor social progress. Universal social protection systems and active employment generation programs should become permanent measures, not temporary components of national crisis response measures. The recession has also affected various social and economic groups in very different ways. In general, women have been disproportionately adversely affected, but in some economies, the adverse impacts on men have been more severe than on women. In other economies, less skilled workers, youth, older persons and migrant workers have suffered in terms of lost jobs, benefits and earnings.

Social crisis exists over time and it became more accentuated in the economic downturns. Usually it is associated to poverty, but the new policies at European level raised the importance of social economy to a higher level. Now, we talk about a protective society where women, children and old persons are starting to be taking care through special programs. It started to come to our attention that things thought to be part of the Romanian society such as family violence, women exploitation at work, the low esteem of women in society, migration of workers to western Europe, children abandoned, low level qualifications, all these are social crisis features. If we want to overpass the economic crisis we have to be aware of our internal social difficulties and to solve them. Poverty will not disappear by its self and Romania will not lose the poverty etiquette until we give priority to our people.

Lately defined, sustainable development appears as an horizontal objective of the European Union strategy for society development. According to SOP HRD's (Sectorial Operational Program Human Resources Development) co-financed by

European Union, the general goal for the society's sustainable development is to have people better prepared to face the present and the future challenges and to act responsibly for the next generations.

For this end, the initiatives to be taken must develop learning in all the fundamental areas, learning to know, learning to leave together, learning to do, learning to be and learning to transform oneself and society.

2. Social Crisis Key Elements

The social crisis term is complex by itself; it expresses the weaknesses of a society. 'In 2008 the EU was hit by the worst global recession for decades. The impact of this major crisis on economic growth and unemployment was felt almost immediately. But the social impact of the crisis, feeding through more indirect channels, is only beginning to appear'. (Social Europe, 2011:37).

The key elements are: migration, unemployment, social exclusion. Each element has its own particularities and from it, we can expand even more. Even if these elements exist in every country, they start to differ once by the effect on society, economy and second, by the quick reaction they are being solved by the Government. The relationship between social crisis and sustainable development is much tied since one influences the other. If a society cannot overpass its social crisis by solving its own problems, we cannot talk about growth, development, and a healthy, strong, well prepared new generation.

2.1 Migration

Workforce migration has major consequences on families: it reduces marriage and natality rates, as well as divorce rate. Migration influences also the relation between sexes; women that work abroad starts to get used with a good income, become more independent financial and not only. This experience gives them more safety and discretion. These are good parts, so why consider migration a weak point for social development?

People leave to work abroad first and foremost for money (for 'better incomes'), irrespective gender, age, education, marital status and number of children.

The majority of all migrants working abroad were married when they left Romania for the first time. More than a half of the married migrants, women and men, left children (0-18 years) at home. Nonetheless, 28-30% of the married migrants (with or without children at home) remarried (legally or consensual union) abroad.

The economic crisis has added negative financial effects to the existent damaging effects upon the family environment. Almost one in every three households with migrants abroad has experienced a fall in remittances. Thus, 10% of all childless households, 5% of the households with children and parents/relatives at home and 32% of the households with children/parents working abroad declared in August 2010 that the money received from overseas have decreased due to the crisis.

All data indicate that emigration for work abroad will not decrease in the future. Nor will a large number of migrants return in Romania at least not for many years from now. For example, only one recruiting platform ([www. Tjobs.ro](http://www.Tjobs.ro)) reported that in 2010, there were 592,183 online applications and 138 thousands working contracts abroad were concluded.

In January 2011, more than 64 thousands persons searched for work abroad through the same platform Emigration for work abroad from Romania is circular, which means that migrants alternate periods of working abroad with periods at home. The

highest rates of leaving Romania for the first time were recorded in 2005. Since 2006 the share of people leaving for work for the first time has continuously declined. Most returned migrants left Romania during the economic crisis in 2008-2009 when the demand for new workers was strongly declined. Thus, the migrants returned due to the crisis are predominantly among the migrants who left Romania for the first time later than those who succeeded to stay abroad.

In multigenerational households, retired grandparents provide an important contribution to the household budget, particularly in the households of unemployed and of informal workers. On the other hand, grandparents are in charge with the domestic labour and the care for children.

Taking into consideration that a big part of migration consist in young women, we talk about the diminish of reproduction capacity which leads to a decrease of natality rage, Romania being classified one of the low rage natality country in Europe.

On the other hand the children left in the care of the relatives, of the grandparents, of the neighbors have originated a social problem regarding their care, supervising, frustration feelings or school abandon. If we take education as a national priority, then children raised by their grandparents don't live in a good situation in terms of authority, with less firm control, even if the affection and responsibility compensates a little. Still, a good education one that fits the requirements of a knowledge-based society and market economy is hard to reach when the new generation doesn't grow leaded by new mentalities.

2.2 Unemployment

Unemployment is an element that becomes more visible once with a financial crisis. Unemployment is also the weak point that causes impoverishment. In our country starting with 2008, 2009 unemployment started to grow and rich the maximum level in 2010 with 8.2%. Nowadays, according to the statistics of the National Employment Agency, we see improvements, in 2012 the unemployment rate decreased to 5.5.

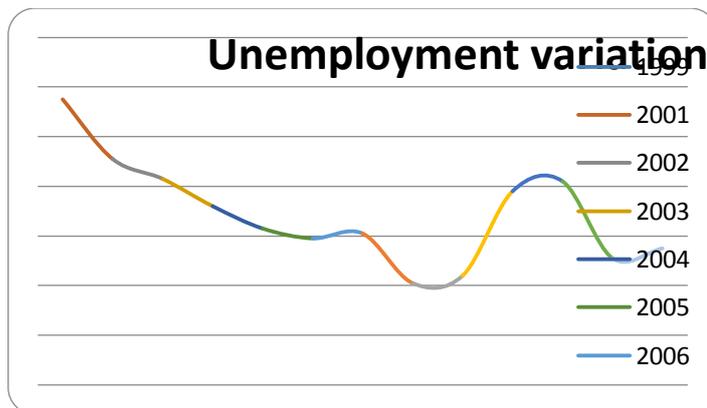


Figure 1: Unemployment variation

Source: National Agency for Unemployment

Unemployment is different determined at rural and urban area. In urban area, finding a job can be easier due to the fact that persons are more bound to use technology, have better skills or education, similar experience, they are more open minded and

easier to access a location. In rural areas the interest in finding and also maintain a job is lower since persons prefer or choose to live from subsistence agriculture. Here we face another resistance in the sustainable development, that of persons not wanting to grow, to contribute to the development of the society. For the development of skills, qualification and self-esteem we have the European Social Fund (ESF). ESF projects in Romania give people the jobs and skills they need to benefit from the modernization of the economy and the new job openings this brings. They are also helping build a fairer society with training and job opportunities open to all citizens, including the most vulnerable. Nationwide, the ESF is supporting information campaigns to encourage people to take up vocational training opportunities and lifelong learning. And the ESF is helping public employment services to become more proactive and offer better services to job-seekers. Quality management systems are being installed in municipalities and training in customer service techniques is being delivered. In rural areas, one-stop shops to deliver a range of public services more efficiently are helping job-seekers and citizens in more isolated communities. The results of these actions are reflected in numbers. Romania is situated lately, among the countries that have the smallest unemployment rate. Unfortunately this is not enough to cover the other causes of the social crisis and poverty.

2.3 Social Exclusion

The European Union published within its 2004 Joint report the following definition of social exclusion: 'Social exclusion is a process whereby certain individuals are pushed to the edge of society and prevented from participating fully by virtue of their poverty, or lack of basic competencies and lifelong learning opportunities, or as a result of discrimination. This distances them from job, income and education opportunities, as well as social and community networks and activities. They have little access to power and decision-making bodies and thus often feeling powerless and unable to take control over the decisions that affect their day today lives'. Social exclusion is equal to disadvantaged persons through gender, religion, social layers, nationality, education, working skills and handicap. In order to reinforce social inclusion Romanians need to accept and embrace these differences, which unite us in the end, to militate for equality of chances and opportunities for all the persons. The Government already took measures, by introducing laws that promotes hiring persons with disabilities. European Union through its funds encourages companies to hire women and gives importance to creating social enterprises, training and counseling for the disadvantaged persons, in order for them to find better and more suitable jobs. The violence in the family is a subject that remains unsolved yet, in terms that law exists, but without a good methodology in applying it. European Union comes again with funds for projects that offer counseling to women involved in domestic violence, on how to solve this situation, for teenagers involved with drugs, in convicted to reintegrate in society and for other groups affected by the misconception or misjudgment, in order to eliminate the low esteem ideas and frustration. A person that doesn't trust its own abilities is incapable to overpass its statute of social excluded and forms a vicious circle that leads to a society denaturation. It is not enough for the inside or outside institutions to interfere in their development and support, if the entire nation doesn't change mentality, doesn't accept them, doesn't encourage them for the qualities they have, for what they have to offer. It is not only one example that reaches our knowledge when it comes to

disadvantages persons that proof to be more human, or more gifted than any other person that never confronted with social exclusion.

3. Old Generation vs. New Generation

Old generation vs. new generation or generation x vs. generation y. Nowadays we confront with knowledge-based society, very difficult to be kept up by the old generation. Even so, what is the relation with the sustainable development and social crisis? As mentioned before, society splits in persons that have access and support to technology and advanced knowledge and persons that tries to keep up to this changes. If sustainable development means among other growth, development and to act responsible for the next generation, this means that in order to contribute to a better society we have to analyze deeper the gaps between generations.

Let's take the example of children that should have access to the some information and technology. Sill, because of migration of their parents, or the fact they live in rural areas, they don't have access to the same support and guidance. In this way, raised by grandparents or in schools that are not properly equipped, they reach college (for those that don't abandon school earlier) with a handicap of knowledge that is very hard to repair.

This gap leads to frustration and low self-esteem that aggravates even more the initial situation. In terms of finding a job, it is very likely for an inexperienced person to find a job quicker that an elder one with the advantage of new society requirements: handling IT&C (Information, Technology and Communication) equipment and foreign languages.

If it seems that generation X is a cause of social exclusion, let's take a look on the other side, the lake of specialist prepared to take care of the old persons. It is a custom lately to immigrate in Western Europe in order to work in this domain, for better incomes, without special diplomas, instead of paying attention to our elder persons that are in needed for these services. Likely for us, European Union finances projects for creating elderly homes and also for training persons in becoming elderly caregiver. There is still interested in this domain since the co-financed lines were closed a few after opening, because of the big number of projects submitted and budget exhaustion.

4. Solutions to Social Crisis – Actions and Results

European Commission has decided to create a fund to help the most disadvantaged persons in European Union The fund will support the member states systems of providing food for the most disadvantaged persons and clothes and other goods for the homeless persons and material deprived children. There will be allocated 2.5 billion euros, for the period 2014-2020, at European level. In Romania, the program had encountered a few difficulties. In Bucharest, for example, only 30% of the persons received the 12 foodstuff, public authorities justifying the difficulties in supplying some of the foodstuff.

The city halls, through social protection departments, started to distribute starting 5th of November 2012 the welfare from intervention stocks, for the most disadvantaged persons in Romania, but the list of foods sometimes still lacking some products. It is also thought, that the lack of organization or the stiling of goods would be another reason for this community program not to work as planned.

One of the main characteristics of material deprivation is the incapacity to have access to adequate quantitative and qualitative food. The proportion of the EU

population who cannot afford a meal with meat, chicken, fish (or vegetarian equivalent) every second day – which is a base need according to Health World Organization – was 8.7% in 2010, meaning over 43 mil persons. The first numbers for 2011 shows a worst perspective.

If this was a solution to social crisis, another solution is given by the European Union funds through the ESF (European Social Funds). The European Union is committed to creating more and better jobs and a socially inclusive society. These goals are at the core of the Europe 2020 strategy for generating smart, sustainable and inclusive growth in the EU. The current economic crisis is making this an even more demanding challenge. The ESF is playing an important role in meeting Europe's goals, and in mitigating the consequences of the economic crisis – especially the rise in unemployment and poverty levels.

One financing line, 6.1 Social economy is addressed strictly to disadvantaged persons with the scope of social inclusion. For the projects submitted in 2009, the implementation started in 2010-2011, results started to be seen in 2012 through activities such as social enterprises created, training delivered for vulnerable persons. In terms of statistics is very hard to find real numbers, regarding these projects, even if it is in terms of number of projects or results. We only hear about the poor absorption of funds but less about results. In 2011 the 6.1 line opened again, this time it was known that the number of projects submitted in the first day overpassed 2000. The answer received is that all projects were cancelled. In 2013, the ESF program is announcing that the line may open again. It is a good practice but unfortunately in the same spirit of uncertainty. This would have been a good solution to social crisis waiting to find space in the local strategy.

5. Conclusions

In conclusion, our actions influence next generation and the growth of our society. Therefore it is a must to embrace the new policies and think foreword for actions more complex and more suitable to our needs. This means helping each other to eliminate social exclusion actions, all generations to mix together and learn from each other, creating jobs, and encouraging persons to be more opened to the new solutions there are provided.

The economic crisis has served as a reminder that it is essential for people to be healthy, educated, adequately housed and well fed to be more productive and better able to contribute to society. In other words, social policy in general, as well as measures to end poverty in all its dimensions, should be an integral part of macroeconomic policy to promote development. Approaches to poverty reduction should, therefore, be developmental and holistic, integrating economic and social policies to achieve people-centered development outcomes.

Risk of poverty or social exclusion rises to 46 percent in Romania, due to population decline to 19 million people, the highest in the entire European Union, in all age groups, results from a study presented by Bloc National Sindical (BNS).

The economic crisis led to job loss, but also to an increase of work overtime for fear of not losing job. Consequently, in many households, children are exposed either to risk-of-poverty associated with parents' job loss or to reduction of the quality time with parents.

According to the recruitment site Myjob, over 86 percent of Romanians would leave to work abroad if they had a chance. Besides the nearly 2 million Romanians who have already left the country, more than 400,000 Romanians applied from January

to June 2010 for a job abroad. Given the austerity measures implemented by the government this summer, the number of those fleeing the country will invariably reach new peaks this year.

Much of the media focus in recent years has been on 'the new poor'. While it is undoubtedly true that many people who previously believed themselves to be secure are now falling into poverty, many of those who have been worst hit come from distinct vulnerable groups – in particular, people already experiencing poverty before the crisis, young people, people who are educationally disadvantaged, migrants and ethnic minorities, older people, children and lone parents.

Alternatives to the present approach are possible, but need to be built and fought for through new alliances. The immediate solutions for social crisis would be:

- A pro-active social impact assessment on the causes and consequences of the crisis;
- Alternative exit strategies, which reduce deficits more slowly and invest in recovery, boost demand and include a commitment to a social model which offers adequate protection and equality of opportunity;
- A comprehensive rethink of the development model which has predominated in recent decades, with a view to devising an alternative that will allow for the hope of building a better life for all.

Social crisis has to be the first point to be solved for the next years for the good health of the population, for the economic growth but mostly for the sustainable development.

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