The results of social policy in post-communist Romania: An increasing underclass and extensive social exclusion

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THE RESULTS OF SOCIAL POLICY IN POST-COMMUNIST ROMANIA:
AN INCREASING UNDERCLASS AND EXTENSIVE SOCIAL EXCLUSION

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SUMMARY:
The paper analyses the characteristics of the Romanian Social Policy during the transition period, from late 1989 to the present. Three aspects have been considered important for a clear and a correct diagnosis of the transformations in Romanian Welfare Policy during the last decade, namely: the context of the transition, the transformations/changes which occurred in social policies and the results of almost ten years of transition in Romania.

Concerning the transformations at social policy level, I consider that they have been a negative mirror image of the post-World War II social reforms that lead us to the modern welfare state in the West. A system of social security characterized by a “governmental culture of poverty”, huge social exclusion and, at the social structure level, a new and increasing social strata - the underclass- have been the main “achievements” of the transition in Romanian social policy to date.

In the last part of the paper, some specific types of social exclusion in the Romanian society faced by parts of The Gypsy/Roma ethnic minority and some other social segments are mentioned.

1. INTRODUCTION
It is very important to understand three aspects if one is to offer a clear and a correct diagnosis of the transformations in Romanian Welfare Policy during the last decade, namely: the context of the transition, the transformations/changes which occurred in social policies and the results of almost ten years of transition in Romania.

The context will be described using the image of a tunnel, a classical symbol of transition and uncertainty. Concerning the transformations at social policy level I emphasize that they have been a negative mirror image of the post-World War II social reforms that lead us to the modern welfare state in the West. In Romania, a system of social protection characterized by a “governmental culture of poverty”, huge social exclusion and, at the social structure level, a new and increasing social strata - the underclass- have been the main “achievements” of the transition in Romanian social policy to date.

In concluding this chapter, I will also discuss causes of the catastrophic results of the transition in Romanian social policy and possible solutions for escaping from “the governmental culture of poverty”.
THE CONTEXT OF TRANSITION IN ROMANIA

-The tunnel-

While the word “tunnel” is often thought of as a common word and not a scientific concept, I will employ it in this chapter with figurative significance and a restrictive meaning. “The tunnel of transition” means a social context (usually in a former communist country) where the social processes are more spontaneous than controlled, where uncertainty is high and overwhelming.

This tunnel of transition is the space where some communist-era social systems are moved towards a capitalist society, from a centralized to a market based economy, from state-egalitarian paternalism to social security systems. In such countries as Romania, for many citizens, the transition means fear, “darkness” isolation (i.e., isolation inside the country) or self-isolation (inside the family, inside the house). Their social control is weak (as it is for passengers on a train), the direction is only one (given by the governmental “rails”) the destination is fixed (the capitalist society) but there is no clue to anyone regarding either the time of departure to the destination, nor the route to the destination, nor the speed of the train. Nevertheless, everybody is looking and waiting for the first clue of the destination, the light from the end of the tunnel.

The Communist “legacy” or “before” the entrance into the tunnel towards transition

“The poor communist legacy” is an expression used frequently after 1989 by Romanian cabinet ministers in explanation for their failure in improving the economic and social state of the nation. Beyond the expression and its component of easy blame, there exists an empirical reality with important consequences upon the transition period.

As described by Bob Deacon, all former communist countries had promoted welfare systems characterized by strong state paternalism exerted through the communist party and the working place. These general characteristics of the communist social policies had been valid for Romanian case too: stable jobs for a big part of the working population, good salaries for the working class, free health services, state-funded pension systems, subsidies for dwellings and a very generous housing policy (Deacon, 1993).

Beyond the common features of the communist countries, in the last years of Ceausescu’s regime, Romania’s living standard was distinguished by three major characteristics:
- A marked scarcity of goods (as a result of repressed inflation, forced exportation of all goods accepted by other countries in order to eliminate the external debt, economic decline and decrease of production)
- An unacknowledged, hidden unemployment without any unemployment benefit
- Other off-record ways of reducing take-home earnings such as “quasi-compulsory contribution to the capital accumulation funds of the enterprises”, and penalties for “overconsumption” of varied goods or services. All of these measures lead to a “scarcity of money” in the economy (C. Zamfir, 1996, pp. 492-493).

The uniqueness of the Romanian case could be more evident if we mention also:
- The aggressive anti-abortion policy started by Ceausescu in 1965 and operative until 1989,
- The rationing of some basic goods including bread, sugar or edible oil, and
- The higher level of communicative isolation of ordinary people in Romania as compared to other communist countries (Romania being the only one without a capitalist neighbor).
All the above features of the Romanian social context, together with Ceausescu’s orders to repress violently social movements, set the stage for the Romanian Revolution to be the most violent power shift in the former communist countries in Europe. Understanding both “the legacy” and “the Revolution” are, in my opinion, essential for grasping the characteristics of Romanian social policies during the transition period.


Many authors have emphasized the influences of the communist periods upon the East-European welfare policy (Deacon, 1992, 1993; Standing, 1996, etc). For Romania the so-called “communist legacy” has been important too. Beyond that, one should consider that having the Romanian revolution as the (violent) event that caused the Communist Regime’s collapse has had a very important influence upon the configuration of post-communist social policy.

THE CONSEQUENCES OF THE COMMUNIST LEGACY AND THE NEED FOR POLITICAL LEGITIMACY

Because of the legacy noted above, the first priority of the new leaders of the new government after the Romanian Revolution was to reverse unpopular measures of the communist period, such as the scarcity of basic goods, elimination of the anti-abortion policy, among other policies.

The reparation has been an important dimension of some social policies especially before June 1990. The excesses of communist regime had to be stopped and, as Zamfir (1999) observes, the reparation measures where seen by the population as a right obtained trough Revolution. On the other hand, the to much optimistic view of Romanian economic prospects, the pressures of trade unions and the political interests have acted in the same direction: towards an excessive generosity of the government in giving social and economic rights (Zamfir, 1996).

In my opinion, beyond that reparation function, of the first social policies, the political dimension of many decisions, namely, the need of the decision makers, the new political elite (with some former communists in key positions), for gaining political legitimacy was by far the most important reason for such generosity. We can not ignore also the incompetence of many decision-makers appointed in key position on the “revolutionary” merits. To abolish the anti-abortion low of Ceausescu, to stop the exports for food in order to be first satisfied the internal demand or to reimburse the previous compulsory contribution to the capital accumulation funds of the enterprises were reparation-type social policies. Even if it was anti-economic, the decision to employ al the applicants qualified for a job was “a reparation” too (Zamfir, 1996). To accept any request of the trade unions for better payment and privileges to distribute food or various goods especially in the big state factories for free or for symbolic prices was incompetence or populism.

WHAT HAS INFLUENCED THE CHARACTERISTICS OF ROMANIAN REVOLUTION AND THE SUBSEQUENT SOCIAL REFORMS?

The link between the communist legacy and the post-revolutionary policies is evident. In the
next section I intend to analyze a controversial hypothesis: the influence of the Romanian Revolution as the event that caused the change of the social regime upon the Romanian social policy, starting from ideas that argues that events of war produced the Welfare state.

The idea that the war influenced the development of the welfare states is well known. R. Titmuss, T.H. Marshall, A. Marwick, A. Giddens are only few of the authors who have done efforts to popularize the link between war and social change. Titmuss (1958) argued that the conditions of a total war such as the Second World War created a strong social solidarity among the British people that made them willing to accept and actively promote a great increase of egalitarian policies.

In post-communist Romania, however, the social changes are driving the society in the opposite direction, through the social conflicts, cleavages and an increase of inequality. Are these differences because of the difference between, on the one hand, the characteristics of the Second World War and, on the other hand, the characteristics of the Romanian Revolution?

The Romanian Revolution\(^1\): the entrance in the tunnel of transition: \(\text{Different contexts – different consequences}\)

The Second World War was a \textit{national war} for Britain. For Romania, 1989's Revolution was an \textit{internal war}. Furthermore, the duration of the war was many times longer than the duration of Romanian Revolution and the resources involved many times bigger in the case of Britain's experience. In addition, the historical and the international contexts were different in 1989 in comparison with 1945.

Despite these differences, there were a lot of \textit{similarities}.

Firstly, the communist economy and the wartime economy were, in many aspects similar: centralized, the control of the state over resources, full employment, control of prices, scarcity of rare resources like food or fuel.

Secondly, Romanian Revolution, unlike other similar East-European events, was a violent one. Mass media exaggerated the consequences of the fights and the number of victims. There were almost 1100 dead and 5 to 10 thousands wounded but journalists were speaking at that time about "tens of thousand of dead persons". Through TV all Romanians, from any town or small village had the illusion of a national war. In fact, watching TV, they all were mentally participating in a "war".

Thirdly, the rapid changes that happened immediately after the event have created in Romanian economy and society great damage, similar to those of a war. Romania lost its former communist partners in economy, its GDP fell to 71.1 per cent in 1992 related to 1989, and the population has decreased because of migration and the decrease of birth rate.

All these similar aspects are suggesting a comparison between Romania in 90's and Britain in 40's as "\textit{similar cases}" in terms of Dogan and Pelassy (1990). On the other hand, there remain important \textit{differences} that were the sources for the different evolution of the welfare state regimes in the two countries.

Unlike the Second World War for England, for Romania the Revolution was an internal war. That created a first cleavage in the Romanian population: \textit{revolutionary cleavage}. For British, the enemy was outside and it was a common one. For Romanians it was inside and it was not just one; some “fought” against communism, some against Ceausescu and his family and many others “fought” just against hunger and scarcity. Many other Romanians even supported Ceausescu and his regime during the Revolution and after.

The \textit{economic cleavage}: British society has been before the war an unequal one, unlike Romanian society before 1989. Revolution shared Romanian population in "we" and "you" and in
losers and winners. For some it was the event that provided new opportunities to increase their incomes and quality of life. For many others the revolution stopped the privileges and decreased the incomes. The majority of the people believed in that Revolution but there were (and still there are) many supporters of the Ceausescu's regime because of the social positions and privileges they possessed during communism.

The political parties that were established after 1989 also divided the population, until than without ideological options. That was the political cleavage.

In these circumstances, the reactions of the two societies had to be different, with elements of contrasting cases (Dogan and Pelassy, 1990).

In order to emphasize the different reactions, I am going to take a closer look at the changes that happened after the events in few social areas of the two countries.

MIRROR SOCIAL CHANGES IN GREAT BRITAIN AFTER THE SECOND WORLD WAR AND IN ROMANIA AFTER THE REVOLUTION.

EDUCATION During the war for Great Britain, the discussions about the post-war educational system were very intense. In 1943 an Education White Paper was issued and it was translated into legislation before the end of the war in 1944. The school leaving age was raised to fifteen (this was implemented in 1947). Fees in state secondary education were abolished and subsidies for universities increased (Thane, 1982).

According to comparative legislation, “in Romania education represents a national priority” (The Law on Education no.84/1995, Art.2). Nonetheless, according to the actual social policies promoted by the post-communist cabinets, education ceased to be a governmental priority especially after 1991. (Many quantitative arguments in favor of the previous statement are available.)

Unlike in post-war Britain, in post-communist Romania the equality of opportunities has decreased. For the first time since 1944, private schools and especially private universities have appeared. Even if many of them will be closed after the accreditation process that is under way is completed, they are a privilege for rich people who cannot attend a state university. Too, compulsory education has decreased from 10 years in 1989 to 8 years at present.

Despite the minimum percentage of 4% of GDP voted by the Parliament and stipulated by the above mentioned Law, in Romania, the governmental expenditure for education as % of GDP have decreased from 3.6% in 1991 and 1992 to 3.3% in 1997. In real terms the cuts-of were bigger due to the decrease of the GDP with 12 % between 1990 and 1997 (HDR, 1998). This compares with public expenditure with education spending figures that are 40-65% higher in Czech Republic, Hungary and Poland than in Romania, according to 1996 data.

The main consequences of the insufficiency of governmental financial efforts and of its educational policy have been:
- The attendance rates at kindergartens decreased steadily between 1989 and 1994 from 83% to 55.2%, and has increased slowly to 60.4% in 1997.
- Gross rate of school enrolment for compulsory primary and secondary education (first to eighth year of study) decreased from 97.3% in 1989 to 93.5% in 1993. After the Law of child allowance that introduced school attendance as an eligibility condition for primary school pupils, their enrolment rate increased sharply to 99.4% but it decreased again to 94.4% in 1996/1997 despite the exclusion of the children from child allowance.
- The rate of enrolment in secondary school (for both high and vocational school) decreased from 91.1% in 1989 to 69.1% in 1995.
- The number of students in the state universities increased from 164,507 in 1989 to 336,141 in 1995.
- The private university sector have grown up from no students in 1989 to 85,305 in 1995, (25% of total number of students)

HEALTH In Britain, there were discussions about the reform of the health services before and during the war. Standards of health improved in wartime, in comparison with the previous war, especially as a result of improved living standards. With the outbreak of the war, a previously planned Emergency Medical Service (EMS) was established. It was a centralized state agency originally designed to deliver services for victims of air raids. Its doctors and nurses were directly employed by and paid by the government.

In Romania, conversely, the Public Expenditure on Health / GDP Ratio was 2.9% in 1990; it remained at the same level until 1995, and then decreased to 2.6% in 1997 (source: RHDR 1998). The structural reform in the health services is under way but a lot of interest groups are involved, which complicates the process. All the hospitals were state property before 1989. Now General Practitioners (GPs) have to have a full time or a part time job in state hospitals but they are also allowed to have private surgeries. The payment for physicians and nurses are made in accordance with the number of patients they see.

The Health Social Insurance Law passed at the end of 1997 is now facing many problems to be implemented. The contribution to health insurance fund increased from 10% to 14% of the salary fund of any institution (half paid by employer) but the quality of services looks to be the same. Even if the State is formally covering the cost of health for children, the unemployed and for those under social benefit, the accessibility of health services has decreased. Some people are not covered anymore and for some specific services as those for dental problems the costs are partially or totally paid by the patient.

A future increase in the quality of services looks to be accompanied by an inequality of benefits. The private sector is rapidly developing and in near future state health institutions will also be privatized. In any case, the poor will not be able to afford to use private services.

-SOCIAL POLICY FOR ELDERLY

The social insurance system includes, in Romania, 3 subsystems: a pension scheme, a health insurance scheme and an unemployment scheme.

In Romania, the life expectancy at birth is, according to the National Commission for Statistics, is 69 years (with 73 years for women and 65.2 years for men). Since 1991, it has decreased 0.8 years. Despite that, the ratio of the population aged “65 years and over” has increased from 10.4% in 1990 to 12.8% in 1998 (National Human Development Report, 1999). In rural areas, the ratio of the population aged “65+” is 17%. Social policy for elderly is very limited and social services for them are almost absent in Romania, especially in rural areas. Excepting the pension system, there are just some facilities for pensioners: reduction for the transportation, for costs of rest and treatments periods in spas and for some basic drugs.

The pension and social insurance fund's revenue consists of three "categories of labor" from a contribution of 25%, 30% or 35% of the monthly wage fund. The employer pays the contribution.
A different fund for the supplementary pension is based on a voluntary monthly contribution of 3% out of the monthly wage.

From the social insurance fund are provided the following benefits:
- Retirement pensions for those that contributed more than 10 years and are over 57 (women) and 62 (men). The pensions are given according to the salary in the best consecutive 5 years from the last 10 years of contribution.
(A new Pension Law was voted this year and will be implemented starting to next year (first year of a new electoral cycle). The calculation of the pension quantum will be more equitable, depending on the comparative contribution for each year and on the entire period of contribution. Retirement age will increase to 65 for men to 62 for women in the next 12 years.)
- Supplementary pension only for contributors.
- Inheritor pensions are paid to the inheritors after the death of an insured person; non-contributory to the veterans, war or revolution widows and orphans. IOVR (social) pensions paid.
- Disability pensions for three degrees of disability.
- Temporary incapacity benefits (for illness, accident and maternity) and a benefit of 85% of the last salary for one parent caring for a child aged under 2 years.

A special pension from a separate fund is paid to the "retired" peasants (former agricultural workers). The resources for this fund comes from a supplementary tax (2-4% of the incomes) paid by the companies that produce or sell agricultural products and/or food. This kind of pension has had a "reparatory" function for those people that used to work for long periods in the former "Agricultural Production Cooperative Farmers" (the Romanian "colhoz"), bankrupted by the communist regime.

Regarding the pension system and the elderly who depend upon them, even if the pensions are insufficient for many pensioners the former agricultural workers that have extremely low pensions face the worst situation. Even so, the huge unemployment rate, black market and general economic decline has dramatically decreased the number of contributors to the pension fund and reduced the funds available for pensioners. In Romania the dependency ratio in the pension system is now 1.1 for any contributor (employee) corresponding more than one beneficiary (a pensioner).

FULL EMPLOYMENT. Full employment was a wonderful idea that did not become a long-term reality, even in England. It was one of the central proposals of Beveridge's Report. Keynes saw it as a crucial goal to be realized without which real social improvement was impossible. In 1944, a set of proposals included in the paper "Full Employment in a Free Society" framed the economic policy that would have to be promoted by the state to realize this purpose. The consequences of the war and the relative success of the post-war economy in the British Isles contributed to the fulfillment by 1950 of full employment without inflation. Perhaps this was the most significant effect of the war in peacetime. In that condition the resources for further social expenditure were limited in the short run.

Full employment was also a formal reality for all communist countries, and Romania had been one of them. However, in the last years of the Ceausescu regime a type of concealed unemployment (a result of sending employees on unpaid leave) emerged. After 1990 official unemployment became a reality in Romania. Now, the unemployment rate is between 10 and 11%

The Romanian unemployment scheme started in 1991 with The Unemployment Law (Law no. 1/1991) that regulated the constituency of the Unemployment Fund, the revenue sources for it and the rights of the unemployed. A contribution of 5% of the firms/economic units' monthly salary
fund is stipulated. Each employee is also charged 1% of the monthly salary. An unemployment benefit for the first 9 months was set up. For the next 9 months a support allowance is fixed. Unfortunately, there are a lot of people that have been unemployed for more than 18 months, in that was the median period of staying unemployed in Romania in 1997. In 1997, 46,7% out of total were unemployed for more than 24 months (source: RHDR, 1998)

Active measures against unemployment have not been enough large or efficient (11,1% of the total Unemployment Fund where spent on active measure in 1996). In fact, except the facilities for firms that employ graduates (coverage of 70% of the net salary for the first 12 months) and credits with low interest for small and medium-sized companies that create new jobs for unemployed, the state did not promoted active policies for unemployment. Neither infrastructure investments, nor new jobs in education, health or social services fields were made.

The thesis that links the social change to the experience of wars is very attractive. Like Titmuss and Marshall, I believe that the influence of The Second World War upon the beginning of the British Welfare State was extremely important. Because of its features the total war contributed to its share of increasing equality. But the war was not the single factor involved. The pre-war social situation had also its importance. In a similar manner, not only did the Romanian Revolution have a crucial influence upon the social evolution of Romanian society, but the communist past of Romania as well. This vital distinction might well explain the different outcomes of social policy in the two countries, "war" commonalties excepted.

4. THE RESULTS OF THE TRANSITION IN ROMANIA

- A governmental culture of poverty-

Analyzing the results of the social policy promoted by the post-communist cabinets, I have distinguished a lot of aspects similar with those of the culture of poverty described and defined by Oscar Lewis. Despite critics of the concept “culture of poverty”, I consider it still relevant for specific periods and for specific places and useful as a metaphor that characterizes in a very significant way Romanian governance during the transition. Consequently, the Romanian model of the welfare state will be named “the Model of the Governmental Culture of Poverty”

The concept “culture of poverty” is well known in social sciences. Its initial meaning was explained by Oscar Lewis, and became a classical thesis of value and characteristic formation of individuals, families and neighborhoods transmitted from a generation to another through socialization, constituting both a result and a source of poverty for individuals in that community. (Lewis, 1959) If we shift the unit of analyses from the individual, family or community to the government (especially national government and the executive part of it) we can observe, in some specific cases, similar characteristics:
- There are governments with weak financial resources, incapable to solve the social problems of the society they are governing with weak authority, thereby creating social and economic disorder, an increasing delinquency, etc.
- Marginal in the international relations and excluded from participation in/membership of various international organizations, such governments are sometimes helpless, financially dependent upon foreign creditors or investors and seeming incapable to overcome the
difficulties by themselves.
- This kind of government is focused more on solving crises of the present (how to reduce the budgetary deficit, how to reimburse the external debts, how to stop the social movements) than upon developing their nation's future (via development plans, sound social policy, investments etc)

From a social policy's point of view, the Romanian Governmental Culture of Poverty includes these main features:
- The state’s incapacity to finance “universalistic” policies such as education and health services, contributing to the growth of a gray parallel system of financing them.
- A safety net with many “holes” in it, increasing social exclusion and the unfair redistribution of welfare.
- The emerging of a new social stratum, the "underclass," composed from the losers of the transition (i.e., very poor, socially excluded people).

The following table is relevant for the results of Romanian social policy between 1990 and 1997.
### Indicators of The Governmental Culture of Poverty in Romania, 1990-1997

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<tbody>
<tr>
<td><strong>GDP annual growth rate (%)</strong></td>
<td>-5.6</td>
<td>-12.9</td>
<td>-8.8</td>
<td>1.5</td>
<td>3.9</td>
<td>7.1</td>
<td>3.9</td>
<td>-6.9</td>
<td>-7.3</td>
</tr>
<tr>
<td><strong>Average annual inflation rate (%)</strong></td>
<td>5.1</td>
<td>170.2</td>
<td>210.4</td>
<td>256.1</td>
<td>136.7</td>
<td>32.3</td>
<td>38.8</td>
<td>154.8</td>
<td>59.1</td>
</tr>
<tr>
<td><strong>General budget exceeding/deficit (%) in GDP</strong></td>
<td>1.0</td>
<td>3.2</td>
<td>-4.6</td>
<td>-0.4</td>
<td>-2.4</td>
<td>-2.9</td>
<td>-4.1</td>
<td>-3.9</td>
<td>-4.5</td>
</tr>
<tr>
<td><strong>Total incomes in GDP (%)</strong></td>
<td>39.8</td>
<td>41.9</td>
<td>37.4</td>
<td>33.9</td>
<td>32.1</td>
<td>32.1</td>
<td>30.1</td>
<td>30.6</td>
<td>34.7</td>
</tr>
<tr>
<td><strong>Social Security expenditure (%) in GDP</strong></td>
<td>10.7</td>
<td>10.1</td>
<td>9.6</td>
<td>9.3</td>
<td>9.3</td>
<td>9.7</td>
<td>9.3</td>
<td>10.0</td>
<td>11.8</td>
</tr>
<tr>
<td><strong>Public expenditures on education (%) in GDP</strong></td>
<td>3.0</td>
<td>3.6</td>
<td>3.6</td>
<td>3.2</td>
<td>3.1</td>
<td>3.4</td>
<td>3.6</td>
<td>3.3</td>
<td>3.6</td>
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<tr>
<td><strong>Expenditure on health (%) in GDP</strong></td>
<td>2.9</td>
<td>3.3</td>
<td>3.3</td>
<td>2.7</td>
<td>3.1</td>
<td>2.9</td>
<td>2.8</td>
<td>2.6</td>
<td>3.3</td>
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<tr>
<td><strong>Number of employees [thousand persons]</strong></td>
<td>8,142</td>
<td>7,483</td>
<td>6,627</td>
<td>6,385</td>
<td>6,200</td>
<td>6,047</td>
<td>5,894</td>
<td>5,399</td>
<td>n.a.</td>
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<tr>
<td><strong>Number of pensioners [thousand persons]</strong></td>
<td>4,131</td>
<td>5,417</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Unemployment rate (%)</strong></td>
<td>-</td>
<td>3.0</td>
<td>8.2</td>
<td>10.4</td>
<td>10.9</td>
<td>9.5</td>
<td>6.6</td>
<td>8.8</td>
<td>10.5</td>
</tr>
<tr>
<td><strong>External public debt (billion USD)</strong></td>
<td>0.2</td>
<td>1</td>
<td>2.4</td>
<td>3.3</td>
<td>4.5</td>
<td>5.3</td>
<td>7.1</td>
<td>8.1</td>
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*Source: National Commission for Statistics*
4.1 A safety net with many “holes” that conducted to an increasing social exclusion

In modern societies, regardless of the social policy model promoted, the approach on social protection has an internal structure that depends on the system as a whole and, at least theoretically, no social group is neglected by all institutions providing social welfare. Even if a system has a prevalent residual internal logic and encourages redistribution only towards the groups of people that can not really help themselves (as it is the case for Anglo-Saxon countries), the holistic character of the approaches makes sure (at least theoretically) that no social group to be totally ignored by the social security system.

The emergence and (perhaps) extension within such systems (be it explained by structural or cultural reasons) of intensively marginalized groups forming an underclass is not due to a complete lack of programs, but rather to the inefficiency of some programs or to the insufficiency of the funds they obtain.

The difference between Romania and the above-mentioned states is that in our country there exist social segments and their problems that are completely neglected by the social security system. We might say that, if we use the metaphoric sense of the expression "safety net", the Romanian one has in it not only very large pockets, but it has also tremendous holes through which some of these social populations fall completely unprotected.

While some social groups, lacking means of lobbying and putting pressure onto the decision makers in order to get fair (re)distribution of welfare, others groups have well claimed for “their social rights,” and have obtained advantages (in fact privileges that have contributed to an unfair social distribution of benefits) from the political process. Thanks to the monopoly positions that some social groups occupy in Romania, in different vital economic sectors (e.g. National Railways, National Electricity Company) their workers have gotten salaries not based upon productivity and effectiveness but to political decisions taken under pressure. That kind of distribution of the national budget resources is unfair especially because, belonging to one company/sector or another, does not represent an individual’s merit but a simple happening for those trained and employed during the communist period.

This fact places those social segments that cannot collectively bargain nor go on strike at a great resource disadvantage. For schoolteachers, medical doctors or nurses, it is more difficult to make pressure by threat of strike than for the monopoly state owned companies that are financed more fully from the same state resources. Pensioners, the unemployed or the disabled (handicapped) are unable to strike at all, and thus are greatly disadvantaged in the battle for state resources. A similar situation occurs when we talk about children: they are even more disadvantaged than the groups mentioned above, because of the fact that they cannot vote and therefore they cannot exercise any pressures against decision-makers. This is why the government, as compared with their attention paid to workers in key industries and services, ignore these segments of the population. For example, the child allowance is very rarely corrected with inflation rate. Also, while state employees get free meal tickets, children in school or retired people do not.

Furthermore, there are also social segments that have been not merely disadvantaged but completely ignored and excluded from different social benefits in the social protection system from Romania. It has been left to the civil society and international sectors to deal with some of these populations. UNICEF, UNDP, USAID or European Council have already focused their attention on such representative “human rights” problems in Romania especially due to the western media attention paid to them: street children, poverty eradication, woman discrimination, gay problems, relationships with minorities, etc.

In the meantime the special needs of social groups, such as single parents, families with many children, institutionalized children (and especially children that leave the institution of social protection at 18 years old), a segment of Roma population (mainly children) which do not have any identity
documents, children that do not attend school, young families without home, etc have been largely ignored by everybody.

While there are hundreds (may be thousands) of NGOs that claims they care about street children (there are maximum 2-3,000 street children in Romania), there is no support measures for the young people who, at the age of 18, leave the institutions, for the tens of thousand of gypsy children with no identity papers (consequently excluded from all social rights) or for millions of children living in very poor families.

For instance, children became “the main cause of family poverty” in Romania. The percentage of children in poverty is much higher than the percentage of adults in poverty, the number of women and the percentage of the poor people among some social disadvantaged groups, like Roma population, is also higher than among the other nationalities.

Single parents with 3 or more children and more than 70% among those with 1 or 2 children are living under the subsistence minimum level. Only about 20% from single parents with 1 child and about 10% from those with 2 children are living over the decent minimum living level set n 1993 by the Research Institute for the Quality of Life. (E. Zamfir, 1994)

These differences of living conditions are not due to some specific (re) distribution rules based on some specific proofs resulted from differing value systems but simply to the lack of policy. It is the case of some types/categories of families/persons, like single parents, young people institutionalized that at the age of 18th leave the institutions, homeless families, without identity documents (especially gypsy children), families without incomes or trifling incomes that for different reasons don't get social benefit. For all these categories, the Romanian State has neither social programs nor active social policies. Having no policy for them, it is very clear that they are not to blame for their condition but the governors that implemented in Romania a negligent governmental culture of poverty.

Examples of social excluded groups:

Social exclusion of poor gypsies in Romania

One of the most disadvantaged groups in Romania is the minority group of gypsies. Some statistics about gypsies’ social participation clearly reveal their social exclusion:
- Only 38% from among men and 15% out of women are employed.
- 16% (25% from among men and 8% from among women) are "self-employed" (whatever that means).
- 25% out of adult men and about 70% out of women are officially unemployed, but from among them only 4% of men and 2% of women receive any unemployment stipend.
- 27% of the Romany population is virtually illiterate (19% out of men and 27% of women).
- Only 4.5% from among them have attended high school.
- This abysmal educational condition is getting worse, with only about 50% from among children between age of 7 and 10 years old attending school regularly.

All these things have leaded to a disastrous social and economical condition of the Romany population from Romania:
* Number of persons per room is of 3.03 comparatively with 1.29 persons per room for the total Romanian population, including Romany population;
* In more than 10% of gypsy families 5 or more members live together in the same room;
* Only 20% out of Romany families have refrigerator and only 44% of gas stove;
* Only 48% from among Romany households have TV set and only 29% have radios;
* In 1992, virtually 80.9% from among Romany were living under the minimum decent level compared with 42% from among total Romanian population; 63% from among them were living under the subsistence level compared with only 16% from among the whole population. (Zamfir, E., Zamfir, C., 1993)
According to a study carried out by the Danish expert, Kjell Reidar Jonassen, in 1995 ("Gypsies in Dolj", Research Report, Red Barnet, Craiova, 1995) on six compact communities of Gypsies living in Dolj county (900 families), the majority of gypsy children live in poor and overcrowded housing, the living density being 3 persons per room (2.5 times higher than the national average). These data confirm the results of the research carried out in 1992 and coordinated by Elena and Catalin Zamfir on a representative sample of gypsies, according to which only 51% of gypsy children of 10 years old are attending school regularly. Other 14% interrupted school, 16% were attending it "from time to time" while 19% were never enrolled ("Tiganii intre ignorare si ingrijorare", coord. E. Zamfir, C. Zamfir, Editura Alternative, Bucuresti,1993).

The situation was very serious, but it was expected that the school attendance as eligible condition for getting the state child allowance would mostly solve it.

K.R. Jonassen has however noted in 1995 that 48% out of 2,274 gypsy children belonging to 900 families still do not go to school. The reasons invoked by their parents were the lack of money for buying clothes, footwear, school supplies or the lack of birth certificate (121 cases, or 5%). There are two other important reasons that should be mentioned:

* The lack of parental interest in school, given the fact that they have not attended it either.
* Many gypsy children (especially those living in compact communities) do not speak Romanian well at 7 years old.

The seriousness of this situation is enhanced by the fact that these children consider school as the single way to escape from the vicious circle: poverty - lack of interest in school - illiteracy - lack of profession and wage - poverty.

Necessary measures should be taken for improving the situation, namely:

- Direct, palpable incentives, for instance the provision of a free meal in the school.
- An active policy by teachers to attract children to school and a tolerant attitude towards gypsy children who do not accept discipline easily because of their traditional life style
- A preparatory year should be introduced in areas with many gypsies, so as to allow the children to learn Romanian and overcome adaptation difficulties.
- Education in gypsy language is not a viable option, since this language is not a written one and the dialects are very different. However, it would be better to have gypsy teachers in areas predominated by ethnic population.
- Awareness by local councils, school and police concerning the importance of promptly issuing identity documents for all school-age children and the punishment of parents in the case they do not support the institutions mentioned above in this respect.

Out of 2,274 gypsy children studied by Jonassen in 1995, 121 (5%) do not have birth certificate. If the proportion were the same across the whole gypsy population, the total number of children without birth certificate could reach 20,000-40,000 at country level. According to a very recent research based on a national sample of Roma (gypsy) population at the national level there are about 50,000 persons without any identification paper among gypsies (3.5% of total number of gypsies). More than a half of them are children under 14. About 6.3% of the gypsy children in Romania do not have an official identity.

"Social exclusion" is a concept that is more and more used in European literature on social policy for its advantages (as compared with the concept of "poverty") in that it is multidimensional, dynamic (versus the "static" measure of poverty) and the opportunities it provides for decision makers to initiate programs that are focussed directly to a specific group and/or to a specific type of exclusion, not mediated by general criterion as incomes or consumption that, even when raised, do not clearly solve the specific social problems of the targeted individuals.

In Romania during the transition period poverty has been considered the main social problem.

1 The research was carried out by a team from The Research Institute for Quality of Life coordinated by Prof. C. Zamfir and M.Preda in 1998 and financed by The Open Society Fundation.
There have thus been numerous researches, measurements, and programs on poverty. The recent major program, The National Poverty Alleviation Program has been initiated and financed by UNDP and its main purpose is to alleviate absolute poverty in Romania. Even if it is a major social problem and a source of exclusion, poverty is not a social problem that can be solved on short term. What Romania has to do is trying to realize a distribution as fair as possible of the transition's costs, on “every individual's shoulders”, until we overcome the economic crisis. By reducing social exclusion that people and sometimes groups of individuals bear for many of them the relative poverty will be reduced.

Social policies promoted by Romanian post-communist governments have been unfair and inequitable. They have advantaged some social groups and have heavily disadvantaged other social segments. These social segments that can not organize and promote their interests in a structured, institutionalized fashion, are marginalized, highly disadvantaged, and excluded from rights and social participation. Their problems become more and graver, becoming much more difficult for the system to solve. Leaving them outside the social protection system represents a very dangerous phenomenon that the state must to diminish urgently through efficient social policies.

The lack of any institutional solutions for the problems of these social segments is the most evident proof of the emergence of a "Romanian underclass" that, however hard to define and measure are compound of individuals and families strongly disadvantaged, marginalized, excluded from social rights, social benefits and social participation.

4.2 The emerging Romanian Underclass

In order to tack about “a Romanian underclass” I need to re-emphasize that the concept has been not just interesting and heuristic but also controversial.

In North America and Western Europe many people (journalists, sociologists, politicians or even ordinary people) are used to talking about the "underclass" but none of them can give a clear, or scientific, definition of this concept. This lack of precision in this debate becomes understandable if we take a closer look, firstly, at the term itself; secondly, at the criteria used to characterize underclass membership and, thirdly at the reasons for using such a term.

THE TERM

"Underclass" is a compound word. If the association of its two parts (“under” and “class”) has a significance it has to be the sum of the significance of each part and, maybe, something else besides.

The origin of the notion “class” is well known. It was one of the main concepts invented and used by Karl Marx. But, as Giddens said, “the problem of Marx’s usage of term “class” is complicated, given the fact that he does not provide a formal definition of the concept” (1973, p.27). In his writings Marx refers to “the three great social classes”. To be more precise, class membership for an individual is provided not by the level of income but by the type of income which is the result of his relationship to the “means of production.” (Giddens, 1973) We have to add that Marx also used interchangeable terms such as “stratum” or “estate” to describe social structure and he used as the word “class” to define strata which, theoretically speaking, are only parts of “classes” such as intellectuals (“ideological class”) or the “lumpenproletariat (“dangerous class”).

This last term has been the source of inspiration for the “underclass” concept and it is used like a certificate of birth especially by those who see the “underclass” as a cultural phenomenon. This fact is completely understandable because some people, like Charles Murray, are not so interested in describing a new very poor class, an under-class, as they are interested in describing, in terms of Marx, a “dangerous class” that deserves to be blamed.

But if there is something “under” something else, on the one hand, there are two distinct
entities and, on the other hand, there is a threshold, a border between them. This means that we need a criterion (or some criteria) to define the parts and the threshold. To the best of my recollection nobody has settled upon a scientific criterion or an empirical threshold to separate the underclass from the rest of society. Moreover, a lot of criteria, trying to outdo each other, where invented and published by various authors. Two main kinds of distinguishing criteria and approaches to the concept are well-known: a) the behavior for cultural approach ("underclass" is the class of the bad and dangerous citizens, of undeserving poor); or, b) the income for structuralism approach ("underclass" is the class of the very poor people).

In a broader view we can assert two ideas regarding the criteria:
- The first types of criteria are relative and introduce measures that have nothing in common with a social class (e.g., what is normal and what is a deviant behavior?)
- The second type of criterion is not important for class’s definition in Marx’s terms and the methods of measuring poverty or deprivation (the main consequences of low incomes) are also relative.

In other words, even if we will accept that the people we are talking about are “under: the rest of society, at the bottom of social structure (in terms of incomes or behavior), they are not a “class” (with class-consciousness, class identity and so on). But we are not even sure that they are at the bottom of the social structure. These are the main reasons for us to consider that this compound word, “underclass” (despite its rapid “adoption” and success in the field) is not the best solution for describing and defining our existing social reality in Romania.

If all this is so, why then such “an ugly word” (Murray, 1990, p 1) spread rapidly in mass media, or in scientific and political debates, and why has it found a strong adherence between common people? First of all because people need to classify and to define reality. But their classifications and definitions are not all the time logically and scientific.

On the one hand, “underclass is a potent term which can capture popular fears and concerns regarding delinquency … and dependency.” Delinquency and dependency, are two negative social phenomena opposite to and dangerous for the values and interests of the majority of individuals. The two “D”- phenomena are threatening individual’s welfare and way of life and common peace (or social order). So that “the underclass concept is most interesting not for its explanatory value, but for the way in which it has so often drawn together and illuminated preoccupation with delinquency and dependency and for the way in which it permits often unspoken associations between the two” (Dean & Taylor-Goodby, 1992 p. 28).

As for “the common sense” of the people, it is easier for them to adopt such “umbrella terms” like “underclass” than to discover scientific definitions or criteria of poverty. Consequently, different entities and overlapping criteria are putted together under a common identity (a common “umbrella” because of strong “popular stereotypes”. And if under “umbrella” are social minorities (like the unemployed, ethnic minorities or delinquents) it is easier for the majority to define itself as different than all of them. If somebody wishes to "blame the victims" it is easier to blame all the victims together, all the “bad” from the society, by blaming the “umbrella” under which it is covered, in this case the “underclass” and escaping from the responsibility of blaming individuals with personal stories, explanations and identities.

On the other hand, for ideologically committed scientists and politicians is better to use in their discourse a "loaded" term such as “underclass” than to invent and to fight to impose another expression without such an impact (like “truly disadvantaged” in the case of W. J. Wilson).

I will end the discussion about the term “underclass” with two evidences of its relativity. Charles Murray, probably in a moment of self-irony asserted: “the size of the underclass can be made to look huge or insignificant, depending on what one wants the answer to be”. (Murray, 1990, p 23). Dahrendorf (1987, p 4) wrote about the size of the American “underclass”, claiming that, “estimates based on differing measures, vary widely from less than 1 per cent of the population to more than 10 per cent.”
Conclusions

If one takes a closer look at the above-mentioned definitions of underclass a mixture of some types of social exclusion (exclusion from the labor market lack of school attendance, etc) is visible, along with their consequences (delinquency, dependency, poverty, etc). All of them are mixed and become characteristics of an "underclass." In my opinion, using the concept of "social exclusion" is more useful in defining poverty than is the term "underclass," in that it is more significant and useful for separating criteria and their consequences.

At least for the Romanian case, neither neighborhood nor the income is good in describing underclass membership. Some underclass members became poor due to the transition processes. They did not “inherited” their poverty. Some other have got money but they haven’t got opportunities for maintaining or increasing their incomes in the future (as, for example, some very rich Gypsies or even Romanians enriched from “grey” businesses developed in the past that are illiterate or without ID’s). They can live now in rich neighborhoods or in rich houses inside very poor areas, they have rich properties but are excluded from one or more of the four systems that are essential for social inclusion:

- the democratic and legal system which promotes civic integration
- the labour market which promotes economic integration
- the welfare state system promoting what may be called social integration and
- the family and community system which promotes interpersonal integration.” (Poverty 3, cf. Jos Bergman, 1995, p 19)

I criticized the definition and the term "underclass" and posit that we have to put something instead of it on the table.
- A new criterion can be used for defining underclass in Romania, i.e., those socially excluded, with no chances for improving their situation and community participation by themselves on short term. They cannot participate on labour market, are not (or not enough) integrated in the democratic and legal system and/or are not socially integrated because they are not able to avail themselves of the social services provided by the state or by communities.
- The term underclass can be eventually replaced with another one such as “outerclass” or, maybe “excluded -class” more fitted with the Romanian reality and more easy to be defined.

Beyond the theoretical arguments, the Romanian society is now facing a serious crisis characterized by important social segments of very poor, unemployed and social excluded. According with the official figures about 20% leaving in absolute poverty and about 30% under the relative poverty line in 1997 (Human Development Report, 1999). Other researches, carried out by The Research Institute for Quality of Life are talking about much many poor. Long term unemployed, single-parent families, a part of the Roma/Gypsy minority (unemployed, illiterate, some of them without any identification papers) families with many children are certain segments that have impoverished and suffered forms of exclusion. All those realities are the results of lack of coherence and efficiency of the Romanian social policies during the transition, social policies elaborated and implemented by a political elite characterized by “governmental culture of poverty”.

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NOTES

1 C. Zamfir (1996) evaluated the unemployment rate at about 5% using the number of job created by low in 1990 for all applicants for a job, this been “unacknowledged unemployment” prior to 1990. The “hidden unemployment” means having a job and a salary (guaranteed) but not having to perform productive activities for long periods.

2 I am not going to discuss the nature and denomination of the events from december 1989 in Romania. I consider stil unclear some aspects of the so-called Revolution but it is also difficult to prove that it was a Cup de’tat or just a popular revolt. My option for the term “revolution” was made due to it’s very freqvent utilization when somebody refers to the Events from December 1989 in Romania.