

# EVOLUTION OF UNEMPLOYMENT IN ROMANIA

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**Abstract:** *Unemployment represents a phenomenon frequently met in the economy of any state. This paper presents the unemployment evolution in Romania in order to observe its evolution and the category of people affected by unemployment, from the sex point of view. The statement that women are more affected by unemployment in our country, is not supported by the presented figures. The interval chosen to analyse the unemployment also includes a period in which the the Romanian economy was affected by depression, so that one could observe that the unemployment rate increased..*

**Keywords:** *unemployment, unemployment rate, unemployment structure, depression*

**JEL Classification:** E24

## 1. Introduction

Unemployment, a macroeconomic phenomenon, is analysed in the specialized literature due to its importance in the economy of any country. Besides presenting the basic notions concerning the phenomenon, the specialized papers present the unemployment structure depending on more characteristics, the most important ones being sex, age, training. Unemployment represents a macrosocial phenomenon, that can be particularized depending on the economic and social conditions specific to any state. (Dobrotă and Aceleanu, 2007)

Unemployment is a phenomenon which characterized the Romanian economy during the transition towards the market economy, but then also appearing in the economic growth periods.(Bădulescu, 2006)

This paper aims to present the unemployment evolution in Romania, specific to the period between 1991-2011, so that we could underline the evolution of this macroeconomic indicator for the whole period after the events in 1989, but also to observe the way in which this indicator met the economic depression. The unemployment evolution at a national level will be also presented depending on the sex characteristic.

Comments met in different textbooks or economic books present the fact that this phenomenon affects women more than men. "In the last decade, a high attention was granted to studying the unemployment structure depending on sex and age categories. One can observe that women are more affected by unemployment than men..." (Angelescu et al, 2009)

"There are little differences concerning the unemployment rate between women and men. In case of women, the unemployment rate is higher because the probability of interrupting work is higher, especially from maternal reasons. (Băcescu and Băcescu - Cărbunaru, 2004)

"In present, the unemployment rate is up to 11,2% from the active population, especially young people and women ." (Ionescu, 1999)

"Unemployment highly affects young people and women... The high rate of women among unemployed people is because of an old mentality concerning the role of women in society, a mentality which appears both when hiring and firing staff." (Ciucur et al, 2004)

By presenting the number of unemployed people and the unemployment structure depending on sex, we aim to observe if the previous statements are real and to observe the real situation in Romania referring to this phenomenon.

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## 2. Unemployment in Romania between 1991 – 2011

The period between 1991-2011 will be the interval chosen to underline and observe the unemployment evolution in Romania depending on sex. The unemployment will be analysed from the unemployed people point of view, but also from the unemployment rate point of view, rate registered in the statistic Yearbook of Romania the mentioned interval (figures registered present only people registered at the unemployment offices) and in Romania in figures (presents unemployment, The International Labour Office). As one can observe, we use sources of official data in order to be sure that the data are those used by all institutions in our country.

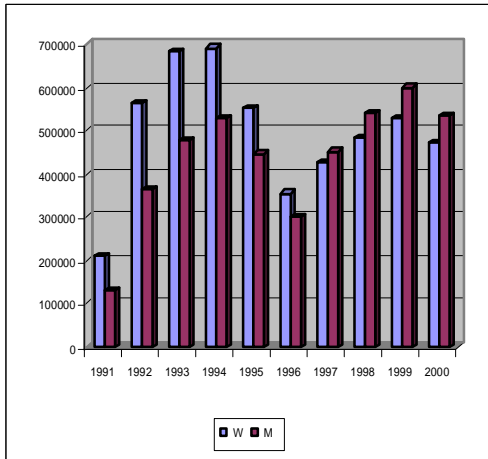
In its absolute value, unemployment registered in our country is underlined in table number 1, which presents both the number registered in at the end of each year, and the unemployment number depending on sex. At a national level, the unemployment number registered a sinuous evolution, with increase and decrease of the indicator for the period analysed. However, observing the unemployed number depending on sex in Romania, is more than obvious that, in the absolute value, the number of men is higher than the number of women, mentioning that in the first 6 years (1991-1996), the number of women affected by unemployment was higher.

**Tabel no 1. Number of the unemployed in Romania (pers.)**

Year	Total	W	M
1991	337440	208457	128983
1992	929019	563065	365954
1993	1164705	685496	479209
1994	1223925	693342	530583
1995	998432	551492	446940
1996	657564	355435	302129
1997	881435	428620	452815
1998	1025056	485181	539875
1999	1130296	530119	600177
2000	1007131	471608	535523
2001	826932	381139	445793
2002	760623	339520	421103
2003	658891	286271	372620
2004	557892	234592	323300
2005	522967	219224	303743
2006	460495	191449	269046
2007	367838	166626	201212
2008	403441	187228	216213
2009	709383	302124	407259
2010	626960	264401	362559
2011	461013	203677	257336

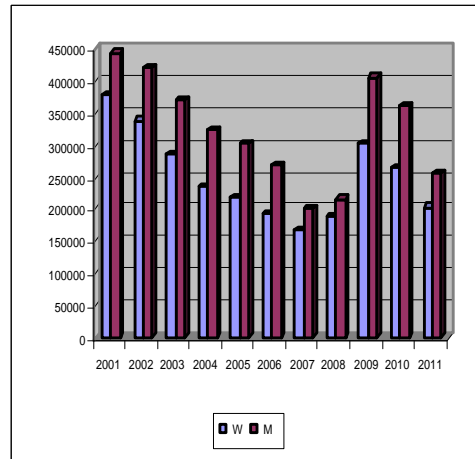
*Source: Statistical Yearbook of Romania 1994-2012*

In order to easily observe the values registered by the unemployed number depending on sex, we used graphics to present the data. Thus, graphic no.1, presents the evolution of the unemployed specific to the period between 1991-2000, and graphic no. 2 presents the evolution of the unemployed for the period between 2001-2011.



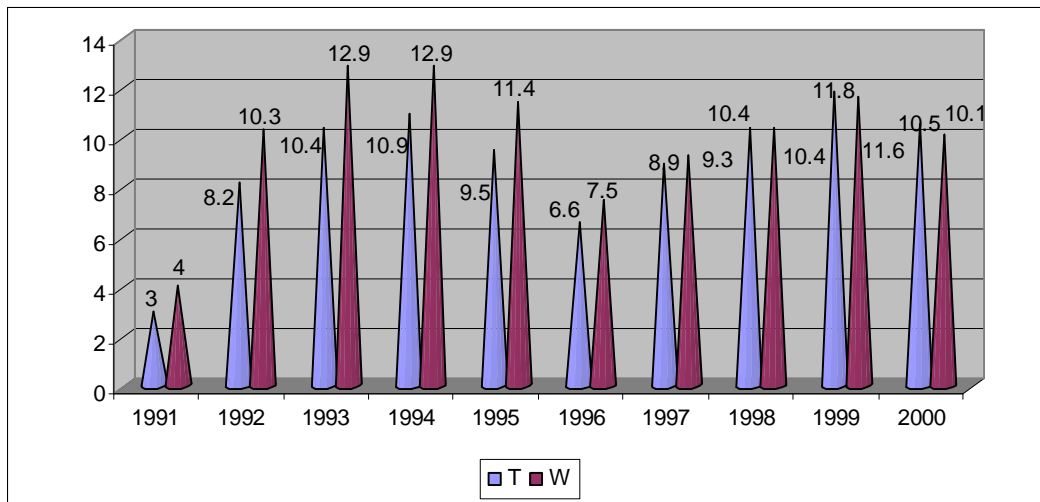
**Graphic no 1. The unemployed number depending on sex in Romania between 1991-2000**

Source: Statistical Yearbook of Romania 1994-2012



**Graphic no 2. The unemployed number depending on sex in Romania between 2001-2011**

The specialized literature refers to both the absolute value of the phenomenon and the relative value. In this case, the following graphics will present the the evolution of the unemployed rate for all the unemployed people and for women.

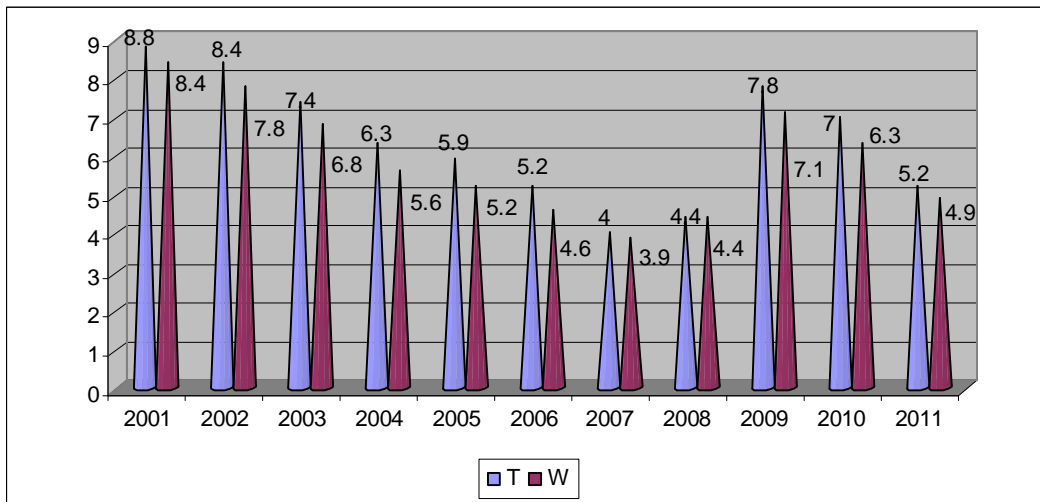


Source: Statistical Yearbook of Romania 1994-2012

**Graphic no 3. The unemployment rate in Romania 1991-2000**

Depending on the unemployment rate, for the period between 1991-2000 (graphic no 3), we can observe that the first 7 years registered higher values in case of women comparing with the unemployment rate at th elevel of all unemployed. In 1998, the two rates underlined in the graphic, registered equal values, and the last year shows a decrease concerning the unemployment rate among women.

Between 2001-2011, the unemployment rate among women is lower comparing with the values registered for all people affected by unemployment (graphic no. 4). Only in 2008, there are equal values of the unemployment.



Source: Statistical Yearbook of Romania 1994-2012

**Graphic no 4. The unemployment rate in Romania 2001-2011**

Comparing the values obtained in a relative expression, it seems surprising that the unemployment rate among women is higher in the first 7 years comparing with the unemployment rates for people affected by unemployment. There is an explanation in the way the unemployment rate is calculated, that means that the unemployed people are related to the active population or the employed people. In case of determining the unemployment rate depending on sex, the number of women is related to the number of active or employed women. At the Romanian economy level, men are more registered active or employed people, comparing with women.

**Table no 2. Employment rate depending on sex in Romania (%)**

Sex	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
W	63	62,3	56,8	57	57,4	56,9	58,5	57,9	57,3	56,3	55,9	55,7
M	75,4	74,6	70,1	70,5	69,7	70,4	71,2	71	71,6	70,6	70,8	69,9
Total	69,1	68,3	63,3	63,7	63,5	63,6	64,8	64,4	64,4	63,5	63,3	62,8

Source: [http://epp.eurostat.ec.europa.eu/portal/page/portal/europe\\_2020\\_indicators/headline\\_indicators](http://epp.eurostat.ec.europa.eu/portal/page/portal/europe_2020_indicators/headline_indicators)

Values registered by men are higher than those of women concerning the employment rate (table no. 2). Analysing both the employment rate and the unemployment number, it is surprising that in the last 12 years, the number of women affected by unemployment is smaller than that of men, in the situation when the employment rate is higher for the last category.

For the period between 2000 – 2011, we calculate the Spearman ratio which shows the force of connection between employment and unemployment rate. For determining the ratio, the employment rate is considered the independent variable (X), and the unemployment rate is considered the dependent variable (Y).

The calculation formula for the Spearman ratio is presented below.

$$C_s = 1 - \frac{6 \sum_{i=1}^n (R_{x_i} - R_{y_i})^2}{n(n^2 - 1)} \quad (1)$$

were:  $R_{x_i}$  – position of X;  $R_{y_i}$  – position of Y; n – number of pairs

Replacing in the formula (1) the values calculated in the table no.1, we determine the value of Spearman ratio and show the force between the two variables.

$$C_s = 1 - \frac{6 \cdot 234}{12(12^2 - 1)} = 0,18$$

After calculating, the result is 0,18 which shows that the intensity of the two connections is very low. The result shows that besides the employment rate, there are also other influencing elements on the unemployment rate.

For the years when the depression was felt in Romania, the unemployment rate highly increased (Voicu I.I. și Talmaciu I., 2011). At the European level, the depression deeply affected the population, concerning the values registered by the unemployment rate, comparing with our country (table no. 3).

**Tabel no 3. Unemployment according to ILO (International Labour Offices) in the EU member states (%)**

State	2008	2009	2010	2011
UE - 27	7,1	9	9,7	9,7
Bulgaria	5,6	6,8	10,2	11,2
France	7,8	9,5	9,8	9,7
Germany	7,5	7,8	7,1	5,9
Greece	7,7	9,5	12,6	17,7
Italy	6,7	7,8	8,4	8,4
Spain	11,3	18	20,1	21,7
Hungary	7,8	10	11,2	10,9
Romania	5,8	6,9	7,3	7,4

*Source: Romania în figures 2012*

The unemployment rate in our country is under the European Union average, but especially under the values registered by states considered developed ones, such as France and Italy. Germany registers higher rates than Romania in the first two years, then the unemployment rates are lower, being lower than the rates in our country. Hungary has in the four years higher values than our country, and Bulgaria is higher than us only in the last two years. Greece and Spain register superior values of the unemployment rate not only comparing with Romania but also with the European Union average, but they have a special situation in the depression context.

### 3. Conclusions

The unemployment values registered at the Romanian level prove that the men are more numerous than the women so that it is important to underline that the men are more affected by this phenomenon. The idea that women are the most affected by the unemployment is not correct, even if in the first 6 years of the analysed period, this category is affected. The period between 1997 – 2011 invert the men and women report..

Before the depression effects influence our country, the unemployment rate registered a decreasing trend, but since 2008, it began to increase, this being a sign that the economic depression appeared at once.

However, unemployment is one of the factors that determined the emigration of the citizens in the new member states of the European Union towards developed states (other factors are represented by: lower salaries, the decline of the industrial sectors, the desire of increasing the life standard etc.). (Son, Noja, 2012) Emigration is a phenomenon which our country is facing with, together with the other neighbouring countries, especially that the figures show a higher emigration of women comparing with men.

The Club of Rome underlined the possible solutions for diminishing the unemployment negative effects, setting up 4 categories:

- labour force mobilization ;
- developing skills related to employment of the available labour force;
- promoting the spirit of active research;
- direct providing of work places.(Dobrotă and Aceleanu, 2007)

In the same direction, at the level of the European Union and other member states achieving the Lisbon Strategy for more and better work places, means implementing new ways of flexibility and security (Dindire, 2012). In this context, the persons affected by unemployment, will have the chance of finding work places by the implementation of new ways of flexibility and security, since these lead to a better organization of work, a strong mobility of the labour force depending on the competences achieved after investing in the professional training during the active life time.

Flexibility implementation means a very important element especially for the countries in the Eastern Europe, affected by the depression. But this means reforms for the labour force, implementing educational and social policies, all these in accordance with the feature of every member state.

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