



## **An insight into the actual socio-economic situation of Romania<sup>1</sup>**

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Approximately half of the population experiences some degree of poverty while 10% live in extreme poverty (according to a report made by the Ministry of Labor, Social Solidarity and Family - MLSSF). This poverty has grown rapidly over the transition decade. Real wages, already amongst the lowest in Europe (including Central and Eastern Europe) in 1990, have since declined by approximately half. A high proportion of households, mostly those in rural areas, are engaged in informal economic activity such as small-scale farming, and it is estimated that at least one third of household incomes are in kind.

High levels of poverty in the country tend to be associated with families of more than three children. The only ethnic group with a markedly distinct level of poverty is the Roma, who collectively experience 3.5 times the average poverty rate. Poverty appears to be up to half as prevalent again in rural areas (where over 45 % of the population live) compared to the urban areas, as there is also some regional concentration, often associated with declining of industrial activity.

A variety of social problems are fundamentally related to this widespread poverty. Moreover, the informal nature of much economic activity reduces the resources available for social assistance and increases the costs for those who are obliged to pay them (the social insurance system is one of the most costly by international standards – demanding approximately 60% of wages). A substantial percentage of people (around 10%) live not only in poverty, but also in extreme poverty situations. In recent years, there has also been an apparent trend towards rising levels of inequality between a small minority of the population (about 5%) who are wealthy and the remainder.

The Romanian economy is still characterized by an exceptionally high degree of employment in activities that have only low productivity and do not respond efficiently to the needs of either consumers or producers. Moreover, wage levels often do not reflect either the productivity of those engaged in various activities or the value of those activities. While continued re-structuring of the economic activity in Romania is required, it should however kept in mind that such reform will inevitably result (in the short or medium term) in continued high levels of unemployment and, unless adequate compensatory mechanisms are established, into associated social problems.

The reform of the social assistance in Romania began in the early 1990's, supported by the World Bank and later by the EU PHARE funds. In 1993 a White Paper was published, describing the existing system of social assistance and suggesting options for its reform. Subsequent reforms included: increasing the value of the state allowance for children, establishing a supplementary allowance for families with children, increasing the allowance granted to adoptive families, expanding programs for care of the elderly both in institutions and at home, developing social aid canteens, and introducing a food supply system at home

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<sup>1</sup> The material presented here is based on the report made for a PHARE Project named "Social Services Institution Building in Romania", RO 0108.02 (2002).

for dependent elderly persons. Legislation was also adopted to provide fund from state or local budgets to some social services programs that had been established by NGO's.

A set of policy priorities were established for Social Assistance in Romania in general and three new laws came into force starting on 2002, 1<sup>st</sup> January:

- The law No. 416/2001 concerning the minimum income guarantee. According to this law the persons without any income or with low income have the right to receive financial aid provided by the local council. The state supports the local budgets to ensure the necessary funds to cover all the eligible beneficiaries.
- The law No. 705/2001 concerning to the national social assistance system, which set out the framework for the Romanian Government's intention to establish a new structure for the administration and deliverance of social benefits and services.
- The law No. 116/2002 on the reducing the effects of social marginalization. The main goal of this law is to guarantee the effective access, especially for youngsters, at elementary and fundamental rights: the access to a job, the access to housing, the access to education, the access to health assistance.

During the last years, the Romanian social assistance system has been characterized by the fragmentation of both responsibilities and sources of funding. This is particularly true in the case of targeted non-universal benefits, where it has been justified as a move towards subsidiary or de-centralization.

However, while responsibility for the provision of many social services was shifted to the local level, the financial and administrative capacity limitations of those responsible for social services delivery has led to an un-comprehensive coverage, the subsequent work has been poorly coordinated and monitoring and evaluation has been inadequate.

These problems are considered by the report made by MLSSF to be related to three fundamental and mutually related causes: financial, strategic and institutional framework (in relation of both the design of institutional arrangements and the staffing of the institutions).

First, funds available, for even those measures that have been adopted, had often been far from sufficient to meet the demands of the eligible beneficiaries. Constraints over local budgets, in particular, have in the past led to many claims for benefits remaining unpaid. An additional problem, with serious resource implications confronting Romania, is the fact that the number of pensioners is increasing (now over 6 million persons). It is self-evident that any future provisions for social assistance in Romania will need to have adequate and sustainable sources of funding.

Second, the generally underdeveloped level of the Romanian economy, compared to EU levels, combined with significant concentrations of severe poverty raises the question of what type of overall strategy the Romanian Government should adopt to direct the limited resources to the social assistance system. Only when substantial resources are available it will be feasible to both encourage the attainment of widespread levels of well-being (e.g. through support for a guaranteed minimum income) and also respond to the needs of the 10% of the population who suffer the consequences of severe poverty. At present, inevitably limited Romanian provisions for social assistance provide only a partial, a fragmented and a discontinuous "safety-net" for either section of the population. In relation to those experiencing severe poverty, assistance is largely targeted at present on allowing continued survival rather than promoting development to more acceptable living standards.

The law No 705/2001 concerning national assistance system, which represents a framework of the system, defines:

- Principles and definitions of social assistance, benefits and social services

- Legal rights and beneficiaries of social assistance measures
- A framework regarding social services
- General provisions concerning social assistance institutions
- A unique governmental organism responsible with policies in social assistance field
- Organization of public social services at county level
- Organization of social work, including the staff
- Principles of system financing.

One important aspect of the law is a significant degree of further de-centralization of responsibility from national authorities to local authorities. The latter comprise almost three thousand offices but almost invariably, extremely limited resources in term of both finance and personnel. It is therefore extremely important that any such de-centralization is carefully planned, supported and resourced.

The Romanian Government has decided to develop social services for vulnerable groups who are not covered by the existing services. The main target groups are elderly persons, disabled persons, families and individuals in difficult situations or living in extreme poverty, young people who leave placement centers.

### **The national structure of the social work service system (a brief overview)**

#### Central level

At this level the different units should provide the following:

- Development and implementation of the social policies
- Producing and providing of professional resources
- Elaboration and monitoring of the minimal standards regarding the quality and diversity of the different types of services

#### The Department of Social Policy

Created by the 605/13.06.2002 governmental decision, it is subordinated to the prime minister. The core activity represents the elaboration and integrated coordination of social policy. The main attributions of the department:

- To identify the effects for the current social policies
- To research and analyze the social impact of the generated legislation-change
- Relation with the mass-media, analyze the mass media
- Research and analyze the social problems

#### The commission of social inclusion and anti-poverty

It was founded and placed under the authority of the prime minister.

The main attributions are the following:

- To elaborate a national plan of social inclusion and anti-poverty
- To obtain the acceptance for this plan from the central government trough the General Secretary of the Cabinet and the MLSSF
- Monitoring the poverty and the social inclusion and the implementation of the national plan
- Assist the local authorities to elaborate and implement different programs of anti-poverty
- Promote a certain social action – the capacity of identifying and resolving social problems

#### The inter-ministerial commission for social problems

Founded in 2002, it is functioning as a consultative unit by the MLSSF. The base tasks for this commission is to elaborate a uniform policy in the field of social work, coordinating the social work activities at the national level

#### The Ministry of Labor, Social Solidarity and Family (MLSSF):

It is the most important authority in the field of elaboration of social assistance, defines the national strategy, promote the rights of children, families, single persons, elderly people, disabled people.

#### Some major structures subordinated to MLSSF:

- National authority for disabled people ([www.anph.ro](http://www.anph.ro))
- National Authority for Adoption and children's rights ([www.anpca.ro](http://www.anpca.ro))
- National Authority for family protection ([www.mmssf.ro/Agentiafamilie.htm](http://www.mmssf.ro/Agentiafamilie.htm))
- General Direction of Social Assistance
- County Directions for Dialog, Family and Social Solidarity
- The Direction for family policies

The attributions of the MLSSF in the area of social assistance are focused on the following coordinates:

- Controlling and coordinating the function of the national system of social care
- Elaborate law proposals, methodological norms and regulations
- Elaborate quality standards for social services
- Financing national social care programs
- Helping and controlling the activity of the associations, foundations involved in social care in order to satisfy the demands and rights of the people with special needs.

#### The territorial level

At this level the different units should provide the following:

- To establish the eligibility and to provide the social benefits (money or other services)
- To promote local social work programs
- To coordinate, mobilize and facilitate local initiatives in social work
- To initiate local partnerships in the social work field
- To Contribute and/or initiate community development programs
- Supervising the quality standards in the social work institutes

#### The General Directions of Labor and Social Solidarity from each county

They are the local representatives of the MLSSF with the following attributions:

- Keep a registry with the eligible persons and the expenditures
- Studying the impact of social policies on the individuals
- Elaboration of programs at county level for developing local intervention strategies

#### County Councils

#### Local Councils

### **The public social assistance service (at the territorial level)**

For some of the county- capitals there are also different centers such as:

- Anti drug Centres
- Centres against home violence
- Centres against human traffic
- Social canteens

### Social care responsibilities at other ministerial levels

#### Health centres

A wide variety of medical units maybe involved in investigation, treatment and recuperation of the persons with health risks, social cases, or victims of abuses etc.

- Medical Directions – in charge to organize and monitoring the medical activity of the given area (this is not necessarily a county)
- Family Doctor – extended attributions of medical assistance
- Legal medicine laboratories – in charge to investigate and interpret medical proofs
- Pediatric sections
- Police
- Educational units

The actual social care system is dealing with a series of problems, from which we emphasis the followings (see Zamfir 2004):

- The lack of services in certain areas, fragmentation (vulnerable areas: 18 years old children, coming from institutions, persons without living spaces, single elders, abused children or elders)
- The lack of a coherent developmental strategy. Very often the development is due to the momentary needs and urgencies but not priorities.
- Weak development regarding the implementation of law (procedures, methods)
- The low capacity of the actual system regarding the prevention and recuperation
- The professional level of the services is not equal. There are some services with the minimal level of professionals (and this is not because of the lack of professionals).
- Some of the social services belong to different ministries, which do not help the integrated development of the social care system.
- The relations between the local units and central authorities are not clearly defined, affecting the diversification and optimization of the services.
- The continuous learning system of the specialists has a limited structure
- Financial problems: not only the lack of money, but the fluctuant level of them.

Trends and strategies in developing the social care system:

- Decentralization of the services (maintaining the quality level)
- Decentralization of the budget.
- Multi-sectional development
- Stimulating researches in the field of social assistance
- Stimulating the development of the NGO's
- Reconsideration of the mechanism of benefit-distribution

- Create a national council for procedures and standards in the social care system
- Unifying the social care system into an integrate unit (to avoid fragmentation).

### **Social work education**

In Romania social work education takes place in Universities. Two dozen state and private universities are committed to offer social work programs, many of them give double specialization: social work and religion teacher. Since 1994 each year there is a larger and larger number of graduates of mono and double specialization in social work, who compete for social worker jobs in the increasing number of state and private social services.

I present briefly the "Babes-Bolyai" University, being a modern institution, which acquired a remarkable fame by its long-time achievements at national and international level. Offering services for more than 43,010 students in the 20 Faculties by means of 1,700 experienced teaching staff members, "Babes-Bolyai" University joins at present the specialty academic associations from Europe and America. After 1989 the University entered the field of the great European research and education institutions by reasserting its multicultural character and becoming today - with its 20 Faculties, 18 Colleges and study programs for four levels (colleges, university degrees, advanced postgraduate studies and master's degrees, Ph.D. degrees) - not only the most impressive academic institution from Romania but also the most distinguished from this part of Europe.

Not all social work-programs have equal strength. We, in Cluj, at Babes-Bolyai University, consider that a good program has to offer solid theoretical background, and related practical skills in individual, family, group and community work. Since 1991, when we started the program, our aim was to offer competences, which are not yet there at service level, but very much needed. Today our graduates have succeeded to put in place a large scale of social services at state and nonprofit level, but there is still a long way to go. Therefore we continue to give place to innovative learning, to allow the development of students' creativity.

### **Reference**

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& Society**