

SOCIAL PROTECTION IN ROMANIA – BETWEEN NECESSITY AND SYSTEMIC EFFICIENCY. AN ANALYSIS AT THE LEVEL OF SOUTH-MUNTENIA REGION

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Abstract:

In the context of the multiple structural modifications intervened in Romania, the social policy is in a permanent process of adjusting to the economic realities, as well as with the manifestation, at different intensities and different amplitudes of the forms of social risks which can emerge. Starting from the present differences between the different pannels (national versus regional, intra-regional, or on residence environments), the present approach is wishing to make an analysis of the efficiency of the the social protection system at the level of one of the biggest regions, respectively the South-Muntenia region, which is re-grouping seven counties with different characteristics, not only from the point of view of the geographical placement, but also of the nature of the activities developed, which are influencing, among others, the local social system.

Key words: social protection, efficiency, policies

JEL Classification: H50, H55

Introduction

Re-grouping the counties with different demo-economic, social, eenvironmental characteristics, South- Muntenia region is inscribed in the general trend of the insufficient implementation of some proper social policy measures in ratio to the necessities existent at local level. From this point of view, the present approach wishes to make a radiography of what means the social protection in the third big region of the country, from the perspective of the contribution to the formation of the National gross domestic product.

Stage Of Knowledge

The issue of the need to implement some efficient social protection mechanisms gave way to multiple debates, both among the civil society, and mainly, at the level of decident factors, with sspecific attributions in this respect. Multiple studies made at national level from the perspective of a proper measuring of the social protection measures met, first, with the limits imposed by the fiscal-budgetary of the State, to which was added, many times, the lack of its correlation with the real need to support the persons being in situations which claim for a corrective intervention on behalf of the State.

To these,there are added the studies made at international level which are reflecting the significant gaps existent between the different types of social policy measures implemented in other Member states and the efficiency of the national ones in ratio to the current needs.

In this context, the present approach, through the analysis made at regional level proposes itself to bring back into discussion the need to identify the best measures for social support, in view of reducing the pressure upon the existent labour force, but also of ensuring a minimum living standard for the persons under certain social situations.

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Material And Method

From methodological point of view, the present approach is based on public statistical information supplied by the national statistics, through the Tempo-Online database. In view of catching the evolution of the main value indicators which are characterizing the social protection system, for the ensuring of the data comparability it was proceeded to the transformation of the values into constant prices of the last year- statistically available. In the catching of the main evolutions of indicators, there were utilized well known statistical methods, of the comparisons, structures, dynamics' type. In ratio to the covered time period, it is imposed the statement that this is afferent to the interval 2007-to the present, respectively of the post-accession period.

Results Obtained

Given being the national dimension of the social protection measures, a first indicator held in view resides in the quantifying of the budget allocated to such measures, by comparison, on one side, to the level of the expenses, and also to the share in the GDP of the amounts dedicated to social protection.

From this latter perspective, we must precise the fact that, except the period 2009-2011, when the share of the expenses with the social protection in GDP oscillated between 16.4% and 17.3%, periods 2007-2008, respectively 2012-2017 do not exceed a level of the expenses of 15 percentages in the GDP.

Although in nominal terms we could say that the post-accession period marked a doubling of the level of expenses and incomes afferent to the social protection system, in real terms, given being the inflation rate, the budgeted sums and expenses in this respect decreased by around 27%.

Taking into account the stock of available statistical information at regional level, we must precise that in the period 2007-2018 the social protection expenses with the unemployment decreased, in constant values, with percentages oscillating between -44.8% (Ialomița) and -66.9% (Argeș) (Table 1).

Table 1.

Dynamic of the expenditures to unemployed social protection in 2018 comparative with 2007 (%)

	Nominal values	Real values 2018
TOTAL	-34.1	-54.3
South-Muntenia	-36.0	-55.6
Argeș	-52.4	-66.9
Călărași	-25.5	-48.3
Dâmbovița	-23.1	-46.6
Giurgiu	-27.9	-49.9
Ialomița	-20.6	-44.9
Prahova	-53.2	-67.5
Teleorman	7.3	-25.5

Source: Calculation on the Tempo-Online databases, National Institute of Statistics, 2019.

As share in total expenses with unemployment protection, the counties Argeș, Dâmbovița and Prahova, characterized by pluri-activities from all fields of activity, attracted in the year 2007 around 68 percentages from total of these expenses, percentage which was reduced in the year 2018 to 56.1% (Table 2).

Table 2.

Structure of the expenditures to unemployed social protection in the period 2007-2018 (%)

	Argeş	Călăraşi	Dâmboviţa	Giurgiu	Ialomiţa	Prahova	Teleorman
2007	23.7	5.2	13.1	6.0	9.1	31.1	11.8
2008	23.1	5.3	12.8	5.6	9.4	30.8	12.9
2009	25.9	5.6	12.4	5.3	7.8	31.7	11.4
2010	22.3	6.2	14.3	6.0	8.3	31.2	11.7
2011	19.9	6.4	15.1	7.1	8.2	31.4	12.0
2012	19.3	7.0	15.4	7.2	8.6	30.8	11.7
2013	20.6	6.7	18.4	8.7	8.2	26.2	11.2
2014	23.5	7.4	15.5	7.2	8.8	24.7	13.0
2015	20.2	9.5	13.2	10.1	9.2	22.9	14.9
2016	18.4	6.7	14.6	7.2	10.4	25.2	17.6
2017	18.1	6.9	14.6	7.7	11.1	23.8	17.8
2018	17.6	6.0	15.7	6.8	11.3	22.8	19.8
2018/2007 (%)	-6.1	0.9	2.6	0.8	2.2	-8.4	8.0

Source: Calculation on the Tempo-Online databases, National Institute of Statistics, 2019.

In the absence of any information relevant to the efficiency of social protection measures regarding the unemployment or only the budget available, allotted to this support measure, we must precise that in the period 2007-2018, the expenses afferent to the fight with social marginalization of the unemployment were inscribed on a strongly descending slope, both in nominal terms, but mainly in real terms (Table 3).

Table 3.

Dynamic of the expenditures to unemployed social protection in 2018 comparative with 2007, from the fighting against social exclusion perspective (%)

	Nominal values	Real values 2018
TOTAL	-76.4	-83.6
South-Muntenia	-78.1	-84.8
Argeş	-38.0	-57.0
Călăraşi	-68.6	-78.2
Dâmboviţa
Giurgiu	-90.7	-93.5
Ialomiţa	-73.5	-81.6
Prahova	-48.9	-64.5
Teleorman	-91.9	-94.4

Source: Calculation on the Tempo-Online databases, National Institute of Statistics, 2019.

Practically, if per total country, the expenses with the reduction of social marginalization of the unemployment were diminished in the year 2018 comparatively to the year 2007 with noneless than around 84%, at the level of each county-component of the South-Muntenia region the trend is more alarming. Two of each of the seven counties (Giurgiu and Teleorman) are approaching very quickly to the lack of any financial support measures from the State, the recoil exceeding, averagely, 94%.

At the level of the year 2018, the Romanian State paid for the ensuring of the minimum guaranteed income significant sums, increasing both per total country, and per ensemble of South-Muntenia Region. The approximative 6 percentages for increasing these expenses per ensemble of the South-Muntenia Region were due, mainly, to the significant increase with over 20 percentages in the counties Ialomiţa and Teleorman, while the rest of the counties have attenuated the budget effort allocated in this respect (Table 4).

Table 4.

Dynamic of the social allowances assuring the minimum guaranteed income (lei 2018)

	Total	South -Muntenia	Argeş	Călăraşi	Dâmboviţa	Giurgiu	Ialomiţa	Prahova	Teleorman
2011	186704	35205	6372	4067	6685	3152	2903	4575	7451
2012	192713	36076	6753	4031	6702	3512	2865	4546	7667
2013	217109	41604	7334	4596	7975	3755	3394	5252	9298
2014	240617	46385	8052	5131	8905	4120	3804	5826	10547
2015	245545	48554	8405	5272	8956	4700	4042	6030	11149
2016	244814	47155	8305	5141	8620	4294	4144	5633	11018
2017	233966	43848	7745	4536	7918	3857	3957	5333	10502
2018	202976	37275	6707	3712	6416	3041	3536	4638	9225
2018/ 2011 (%)	8.7	5.9	5.3	-8.7	-4.0	-3.5	21.8	1.4	23.8

Source: Calculation on the Tempo-Online databases, National Institute of Statistics, 2019.

An extremely important indicator which characterises the Romanian social protection system is referring to the retired persons number and, implicitly, to the level of the average pension paid by the budget.

Correlated to the dynamics of the degree of occupation, the importance of this indicator derives also from the necessity to reduce the financial pressure exercised by the payment of pensions from a non-sustainable financial system on long-term.

From this perspective, we must precise that in the period 2007-2018, the average number of retired persons in the system of State social securities was reduced at level of the South-Muntenia Region, a trend divergent with the national average, with percentages oscillating between -2.1% (Argeş) and +0.4% (Prahova), percentages net inferior to the number of farmers retired persons (Table 5).

Table 5.

Dynamic of the total number of pensioners in 2018 comparative with 2007 (%)

		2018/2007	
Social pensioners	insurance	TOTAL	0.9
		South-Muntenia	-4.3
		Argeş	-2.1
		Călăraşi	-8.2
		Dâmboviţa	-9.0
		Giurgiu	-9.7
		Ialomiţa	-5.3
		Prahova	0.5
		Teleorman	-4.6
Farmers		TOTAL	-64.0
		South-Muntenia	-64.3
		Argeş	-66.7
		Călăraşi	-63.3
		Dâmboviţa	-66.4
		Giurgiu	-64.3
		Ialomiţa	-62.4
		Prahova	-65.3
		Teleorman	-63.2

Source: Calculation on the Tempo-Online databases, National Institute of Statistics, 2019.

Modifications which intervened in the structure of the average number of retired persons, as well as the necessity of correlating the pensions system with the need for protecting the beneficiaries of this system facing the rate of inflation evolutions, have led to the implementation of some specific measures, respectively the increase the value of pension point or the re-thinking of the policy in this field.

As result, the period 2007-2018 is characterized by a tendency to increase the value of the average pension, both for the retired persons coming from the state social securities system, but mainly of the farmers retired persons, who, except the counties Călărași and Ialomița are registering during the post-accession period a triple of the afferent pensions value (Table 6).

Table 6

Dynamic of the monthly average pension at the regional level in 2018 comparative with 2007

	Monthly average pension in the state social insurance (%)		Monthly average pension - farmers (%)	
	Nominal values	Real values 2018	Nominal values	Real values 2018
TOTAL	182.2	95.9	191.2	102.2
South-Muntenia	188.8	100.5	193.2	103.5
Argeș	194.4	104.4	208.3	114.1
Călărași	182.4	96.1	186.1	98.7
Dâmbovița	191.6	102.5	201.3	109.2
Giurgiu	184.1	97.2	189.7	101.1
Ialomița	187.9	99.9	186.4	98.8
Prahova	183.1	96.6	200.7	108.7
Teleorman	190.1	101.5	189.2	100.8

Source: Calculation on the Tempo-Online databases, National Institute of Statistics, 2019.

Conclusions

Without proposing ourselves during this short approach a more detailed analysis of the social protection system at the level of South-Muntenia region and component counties, given being the limitation of the informational support, we must precise the fact that the evolution of the present social protection system developed under the impact of some contradictory factors, which, many times, have blocked the imprint of a clear direction.

The social pressure, correlated with the lack of a clear strategy in this field have generated a reduced level of the efficiency of the support measures, the positive effects being reduced in ratio to the social needs manifested with different intensities at local level.

In this context, the necessity of intervention on behalf of the State becomes so much necessary, not only from the perspective of allocation of a supplementary sum for the protection of the persons under less-favoured situations, but mainly of monitoring these measures' degree of efficiency.

In this respect, the program documents elaborated at national level must be based on an objective evaluation of the necessities existent within each community, such that the allocation of some limited budget resources reach, as possible, the goals proposed, respectively to protect the vulnerable population categories.

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