



**ROMANIAN ACADEMY  
Advanced Romanian Academy School  
Research Institute for Quality of Life**

**PHD STUDY SUMMARY**

**SOCIAL POLICIES FOR VULNERABLE GROUPS**

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**2024**

# Summary

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The **main topic**, of this thesis was to study the impact of Social Policies for Vulnerable Groups. We focus on policies such as flexibilization of the workforce, and social inclusion. This thesis is structured around five articles that are self-sufficient and comprise: an introduction stating the importance of the topic, theory that discusses theoretical perspectives, methodology that states the method used, findings that presents the results, conclusion that discusses the contribution brought to the literature. The main strength of this thesis is the statistical analysis which is used to test hypotheses, and advance the existing literature. There are two policies discussed in this thesis social inclusion and flexicurity and these topics are **important due** to the fact that that they are connected with the actual policies of labour market and new risks on the welfare state. The thesis is **novel** in approach, it uses the Sen's capability theory (Nussbaum, M.; Sen, A., K., 1993) and Doeringer and Piore labour market segmentation theory (Doeringer, P., Piore, M., 1971). The following section discusses the theoretical concepts used. Social inclusion "is the process by which efforts are made to ensure equal opportunities – that everyone, regardless of their background (race, ethnic group, gender, class, generation, and geography), can achieve their full potential in life. Such efforts include policies and actions that promote equal access to (public) services as well as enable citizen's participation in the decision-making processes that affect their lives" (United Nations, Department of Economic and Social Affairs, 2010). Social inclusion is "the process by which societies combat poverty and social exclusion" and it represents a "political imperative" in order to prevent armed rebellion, riots, civil unrest or conflict (United Nations, Department of Economic and Social Affairs; Atkison, A. B.; Marlier, E., 2010). Flexicurity is a labour market policy promoted by the European Union, whereby flexibility (for efficiency reasons) and security (through employment security and not job security) are mutually supportive, it aims to give flexibility to companies in order to adapt to globalization challenges while promoting employment security for workers. Flexicurity policy promoted atypical employment such as part-time jobs, and temporary work. The main motivation of this thesis is to see whether the policies promoted by the European Union are effective, in other words this thesis contributes to the existing literature asking whether they reached their goal, the goal is to have a standard job that protects the workers against the risk of poverty. Therefore this theme is of most importance for policy makers and promotes evidence based research. "De-standardization of work and informalization are twin

processes in the neo-liberal global era” (Edgell, S.; Gottfried, H.; Granter, E., 2016). The neoliberal programme advocated for ““free markets”, strong private property rights, financial labour market liberalization, free trade, commodification, privatization and the dismantling of all institutions and mechanisms of social solidarity which in their view were rigidities holding back the market” ( (Standing, G., 2019): 116) . De-standardization “is predicated on the idea that standard work is associated with the rise of Fordism and is usually conceptualized in terms of three key dimensions: the labour contract, the work site and working hours” ( (Edgell, S. , 2020):234). Beck’s risk society books (1992, 2000), and Castells’ network enterprise books (2000, 2001), “have advanced a de-standardization of work thesis that claims that non-standard work is increasing at the expense of standard work and is characterized by flexibility, individualization and insecurity, but with potential social benefits for workers in terms of their work–life balance” (Edgell, S. , 2020): 234. Non-standard work is deregulated and individually negotiated, spatially variable, multiple sites, has variable time or is impermanent, is organized around dual-earner/ variable houseworker whereas standard work is highly regulated and collectively negotiated, spatially concentrated, specialist site separate from home, full-time, permanent, and the gender system is male breadwinner-female houseworker (Edgell, S. , 2020): 206. Informalization according to Oxford Dictionary of Human Geography is: “the process by which work is undertaken in conditions characteristic of an informal economy i.e. one in which economic activities are outside formal regulation, including labour laws, wage policies, health and safety rules, and accounting for tax purposes” (Rogers, A.; Castree, N.; Kitchin, R., 2013) (...) “The processes of informalization include the pressures to subcontract tasks, engage casual labour, and avoid regulations” (Rogers, A.; Castree, N.; Kitchin, R., 2013). (Sassen, S. , 1997) advances the following hypothesis that “the processes of economic restructuring have contributed to the decline of manufacturing-dominated industrial complex”. (Sassen, S. , 1997) affirms that “the combination of growing inequalities in earnings and profit making capabilities of different sectors in the urban economy have promoted the informalization of a growing array of economic activities”. The neoliberal ideology pushed “a decline of Fordism”, economic restructuring in favour of “finance and services, sharp deregulation and a marked orientation towards the global markets” (Sassen, S. , 1997). Standing (2019) argues that there is the spread of rentier capitalism and as a result a new class has emerged the precariat with potential for transformative action and that the key to understanding lies “in the breakdown of the income distribution system of the mid-twentieth century”, and the processes of deregulation, loss of the commons resources and amenities, privatization of the

public services, a plunder on the commons ( (Standing, G., 2019): 116). The precariat is “characterized by unstable labour, low and unpredictable incomes, the loss of citizenship rights” ( (Standing, G., 2019):115). Standing argues that rentier capitalism, pushed for extracting rents, and for a system that favours capital over labour, while profits have gone up, and productivity increased, the old system based on manufacturing and distributing income to low skilled people was dismantled in the quest for minimizing costs of production, and offshored to third countries where wages are only a fraction of the previous salaries, and social protection lacks firm foundations (Standing, G., 2019). The system designed by neoliberals to extract rents is not only not sustainable it endangers the whole planet, while preserving benefits for the few (Standing, G., 2019).

This thesis is concerned with the risk factors on the labour market in Romania, factors that lead to vulnerable employment of several groups in Romania. Therefore in this context the thesis asks the following **research questions**: *What leads to vulnerability on the Romanian labour market? Which are the main factors causing this vulnerability?*. The thesis identifies and analyses the risk factors that lead to increased vulnerability on the labour market such as: **education, gender, atypical occupations, ethnicity and the health pandemics**. From a theoretical perspective the thesis seeks to address the question *What is the impact of the flexicurity policy?* endorsed by the European Union which led to a proliferation of atypical non-standard jobs, and this thesis discusses under-employment in part-time jobs, temporary work, day labour, and work done by the Roma. According to ILO (2016:186), non-standard employment “can therefore contribute to improved employment outcomes and to a better work–life balance, increase overall job performance and life satisfaction, provided that this type of employment is the result of the worker’s choice and the job is of good quality” (International Labour Organization, 2016):186). The problem is as this thesis shows flexible jobs are involuntary in Romania and moreover they are done by men who cannot find full time jobs unlike in Western Europe where they are more prevalent among women with caring responsibilities (See chapter 2). Therefore the second chapter looks at employment patterns of vulnerable groups in Romania and asks the questions *Which are the vulnerable groups in Romania and which are the policies targeting them?*. The third chapter looks into the promise of the flexicurity policy - that an atypical job first protects the worker from unemployment, skill obsolescence ( (de Grip, A., 2004) (de Grip, A.; van Loo, J., 2002), and second it is expected to provide information for employers about the worker thus enhancing the odds to transform into a full time job (International Labour Organization,

2016)- so the question asked *Does a first atypical job lead to an atypical job five years later for youth?*. The fourth chapter looks into ethnicity, asking *What is the impact of ethnicity on deprivation?* The fifth chapter looks into under-employment of day workers in Romanian agriculture and asks the question *What are the characteristics of subsistence agriculture?, and Who are employed as day workers in Romania?* . The sixth chapter asks the question *What is the impact of the health crisis on quality life in Romania?*, where productive activities are only one dimension of the quality of life.

We formulated the **following hypotheses**:

Chapter two:

- *H1: Women, youth, inactive, Roma are more likely to be vulnerable on the labour market in Romania.*
- *H2: As a result of flexicurity policy by the EU we expect to see an increase in part-time and temporary jobs and self-employment in Romania.*
- *H3: Social inclusion policy of the EU and in Romania will decrease poverty rates.*

Chapter three:

- *H1. Having a first flexible job increases the chances of being trapped in a secondary labour market as predicted by the labour market segmentation theory.*
- *H2. Being employed in a more innovative firm increases the chances of flexible employment.*
- *H3. Being employed in a firm facing strong competition and unstable demand increases the chances to be a flexible worker controlling for industry among other variables.*
- *H4. Investments in human capital either formal courses during the first job decrease the probability of having a flexible job five years later.*
- *H5. Mismatch of labour such as reallocation of work, changing sectors, changing occupations will have a higher impact on having a flexible job five years later.*

Chapter four:

- H1: Roma are more likely than Romanians to suffer of multiple deprivations in “health, nutrition, education, living conditions, income/expenditure, employment, cross-cutting indicators” (Buligescu, B., 2019).*

- H2: *Social inclusion policies of Roma will decrease poverty rates of the Roma.*

Chapter five:

- H1: *The dismantling of manufacturing industries located in the urban areas led to an informalization of work in agriculture through subsistence agriculture coupled with day work while migration was another pathway out of inactivity.*

- H2: *Day workers are more likely to be men working in subsistence agriculture with a low level of education. They are often youth (between 18–24 years) or those over 45 years of age, the latter of which have a higher risk of unemployment.*

Chapter six:

- H1: *The pandemic led to a decrease in Quality of life.*

The **objective of this thesis** is to provide a descriptive analysis of some of the vulnerable groups in Romanian labour market and to discuss its vulnerabilities such as low education, gender, atypical occupations, Roma ethnicity and the health pandemic.

(Cambridge University Press and Assessment, 2023) gives the following definition to the quality of being vulnerable: “able to be easily hurt, influenced, or attacked”. The adjective of vulnerable has the following synonyms weak, frail, feeble, puny, weedy (Cambridge University Press and Assessment, 2023). The Oxford dictionary defines vulnerability as “the quality or state of being exposed to the possibility of being attacked or harmed, either physically or emotionally” (Limantè, A.; Tereškinas, A., 2022). Vulnerability is connected with the notion of risk/shock or hazard and to the possibility of its occurrence. The United Nations Office for Disaster Reduction gives the following definition to vulnerability: “The conditions determined by physical, social, economic and environmental factors or processes which increase the susceptibility of an individual, a community, assets or systems to the impacts of hazards” (United Nations Office for Disaster Reduction, 2017). Thus vulnerability relates to the preconditions determined by physical, social, economic, and environmental factors that are aggravated by the occurrence of risk or hazard under the form of job loss (unemployment), family break-ups, illness etc. (Ranci, C., 2010)

Another definition of vulnerability is the following: “a state of high exposure to certain risks and uncertainties, in combination with a reduced ability to protect or defend oneself against those risks and uncertainties and cope with their negative consequences”

(Macioce, F., 2022). At the core of vulnerability “are social inequalities in the distribution of resources” (Ministerul Muncii și Justiției Sociale; Școala Națională de Studii Politice și Administrative; Agenția Națională pentru Egalitatea de Șanse între femei și bărbați, 2019). There are three ways in which social inequalities can arise (Zarowsky, C.; Haddad, S.; Nguyen V.-K., 2003): 1) the basic level of well-being 2) the degree of risk exposure and 3) the capacity to effectively cope with the risk. The United Nations Report on the World Social Situation 2003 Social vulnerability: sources and challenges (The United Nations , 2003), states that “no social group is inherently vulnerable” but rather “all groups face vulnerabilities that are largely the outcome of economic, social and cultural barriers that restrict opportunities for and impede the social integration and participation of the members of the group”.

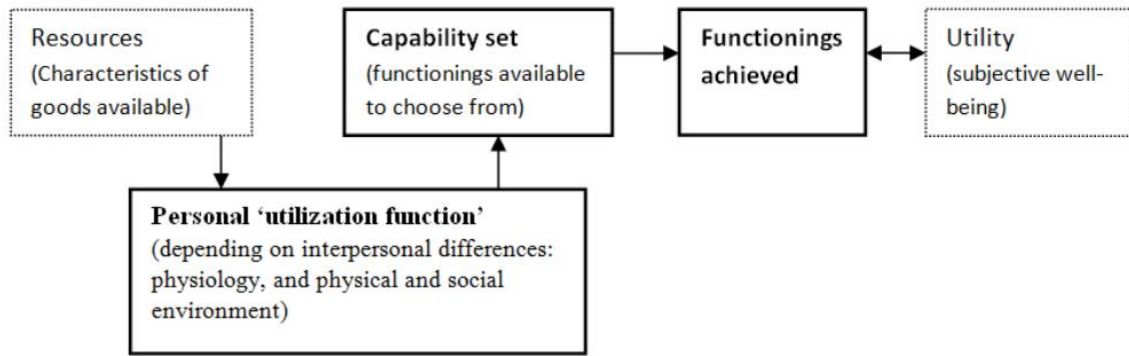
From a policy perspective, the term of vulnerable groups is frequently used in policy making but at the EU level there is no precise definition in the system of international law, however that does not preclude “this notion from being widely used in international law (for instance by the European Court of Human Rights and other Courts), in so representing an effective way for the protection of individual and collective rights” (Macioce, F., 2022). (Limantė, A.; Tereškinas, A., 2022) make the point that despite lack of agreement on a common definition and lack of agreement on which groups are vulnerable, the term is usually used to refer to the notion of disadvantage and the risks causing disadvantage since “vulnerable groups are disadvantaged economically, socially, politically or culturally”.

In 2016 a study published by the European Parliament citing the European Commission gave the following definition to vulnerable groups: “groups that experience a higher risk of poverty and social exclusion than the general population” (Kiss, M., 2016). “Social exclusion implies the lack or denial of certain resources, rights, goods or services, as well as the incapacity to take part into the normal relations and activities at hand to most people within the society, no matter if these belong to the economic, social, cultural or political domain. Exclusion affects both people’s quality of life, and the society’s equity and cohesion as a whole.” (Di Nardo, L.; Cortese, V.; McAnaney, 2010). Thomas et al. cited in (Kuran, C., H., A.; Morsut, C.; Kruke, B., I.; Kruger, M.; Segnestam, L.; Orru, K.; Nævestad, T., O.; Airola, M.; Keränen, J.; Gabel, F.; Hansson, S.; Torpan S., 2020) states that “vulnerability is a social construction, highly contextual, and differs between social groups.” “Vulnerability can differ, due to, for example”: “income”, gender, age, ethnicity, migration status, work status, “livelihood”, housing, “education, health”, substance abuse, or “area of

residence” (adapted from (Kuran, C., H., A.; Morsut, C.; Kruke, B., I.; Kruger, M.; Segnestam, L.; Orru, K.; Nævestad, T., O.; Airola, M.; Keränen, J.; Gabel, F.; Hansson, S.; Torpan S., 2020)). For example poor people, women, children, youth, elderly, Roma, immigrants, unemployed, underemployed, homeless, less educated, disabled, mentally impaired, drug addicts, or people residing in rural areas face a greater likelihood to be at risk of poverty and social exclusion than the general population and to be considered a vulnerable group (adapted from (Kuran, C., H., A.; Morsut, C.; Kruke, B., I.; Kruger, M.; Segnestam, L.; Orru, K.; Nævestad, T., O.; Airola, M.; Keränen, J.; Gabel, F.; Hansson, S.; Torpan S., 2020))( (Ministerul Muncii și Justiției Sociale; Școala Națională de Studii Politice și Administrative; Agenția Națională pentru Egalitatea de Șanse între femei și bărbați, 2019): 41).

The notion of social vulnerability can be better understood using the theory of capability of Amartya Sen. The capability theory has three important concepts: capability, functionings and resources that constitute the basis of how an individual derives well-being and the quality of life they are able to achieve ( (Binder, M.; Coad, A. , 2014): 524). Well-being is reached by the achievement of valuable functionings, and it is not utility or preferences satisfaction ( (Binder, M.; Coad, A. , 2014): 524). The concept of well-being implies what people are actually able to be and do. *Functionings* are states of ‘being and doing’ such as reading a book, going to a movie, having a good health, being well-nourished, having a shelter, being socially integrated (Sen 1993 in (Berger-Schmidt, R.; Noll, H.-H., 2000), 9, (Sen, A., K., 1993), 31). Valuable functionings are “multiple aspects of a person’s life, what a person is and does” ( (Binder, M.; Coad, A. , 2014): 524). “The capability of the person refers to the alternative combinations of functionings. In this sense, the capability of the the person corresponds to the freedom that a person has to lead a kind of life or another ( (Nussbaum, M.; Sen, A., K., 1993): 3).” (Buligescu, B.; Țoc, S., 2021). “Capability is a set of vectors of functionings which reflect the freedom of the individual to follow a certain way of life ...to choose between possible life alternatives” ( (Sen, A., K., 1992):40 cited in (Șerban-Oprescu, G. , 2011)). Resources include both market and non-market goods and services and through them the individual derives well-being ( (Binder, M.; Coad, A. , 2014): 524) .





Source: (Wells, T., n.d.)

The capability approach relies on individual freedom and has been criticised of individualism, circularity, endogeneity, under-theoretisation, illiberalism information gaps ( (Binder, M.; Coad, A. , 2014): 525-527, (Wells, T., n.d.) ) .

Using Amartya Sen capability theory Ranci (Ranci, C., 2010) identifies three major functionings of the household:

Table 1 Household Functionings according to (Ranci, C., 2010)

Functioning Number	Functioning type	Conversion of resources into capabilities	Emergence of new risks
Functioning 1	“acquisition and use of basic resources that are necessary for the material survival of household members”	“stable income, stable job, and permanent housing that are important not only for material survival of the household members but also for its organisational stability”	Unstable income, unstable job, lack of permanent housing
Functioning 2	“management of major life events (job seeking, forming a family, birth of children, old age) that preserves the material survival of the household”	“Job seeking, forming a family, birth of children, old age”	“The most problematic phases of the life course today seem to be the transition to adult life on the one hand and the organisation of everyday life at

			advanced age on the other” “two critical situations that reflect the demographic pressures today in Europe connected with low child birth, delayed child birth, ageing of the population”
Functioning 3	“provision of social care for dependent members (children of pre-school age or disabled persons) while material survival (and/or management of major life events) has to be guaranteed”	“Social care for dependent members of the household”	The main problem is the caregiving burden placed on women in most European countries on top of house keeping activities to “the point that strong financial and organisational tensions undermine the stability of families”

Source: (Ranci, C., 2010)

All of these functionings of the households have been questioned by the emergence of new risks in the welfare states posed by the flexicurity policy such as unstable jobs, unstable income, the troublesome transition to adulthood of youth who delay child birth or give birth to less babies due to low prospects in the labour market, poor security of income and low wages, the increased pressure to care for the elderly and for children might lead to family disorganization (Ranci, C., 2010).

The **methodology** used is quantitative in nature, using descriptive analysis of secondary data (chapter 2, chapter 4, chapter 6), probit regression (chapter 3), logistic regression (chapter 5), multinomial logistic regression (chapter 3), multilevel mixed logit (chapter 3). While the probit and logistic regressions account for the binary variables, the multinomial accounts for different transitions into the labour market and the multilevel mixed logit takes into account the nested structure of the data within countries which have different labour markets and welfare policies in place. The thesis uses secondary micro-data

from large scale surveys such as the REFLEX data from the Netherlands, micro-data large scale survey the Household Budget from Romania, and secondary statistical data from Eurostat, ILO, The World Bank, National Institute of Statistics, IRES, INSCOP, CURS. The use of the various sources of data available have enabled the comparison of Romania with the European Union average benchmark (EU 27) and with European Union average of the eight post-communist countries (excluding Romania and Bulgaria): Czechia, Slovakia, Slovenia, Lithuania, Latvia, Estonia, Hungary, Poland. The **comparative method** is used through out this thesis, and this is justified because: 1) we can better understand the Romanian case in the European context, and we can better understand where we are standing, 2) Romania has “exported” labour-force in the last thirty years this is why it is necessary to understand where the labour market in Romania is compared with the EU27 and EU8, 3) this “export” of labour created vulnerabilities that affects the dynamics of the internal labour market in Romania.

**Next we present briefly each chapter focusing on the contributions to the existing knowledge.**

The second chapter aims to describe the vulnerable groups in Romania from an occupational point of view perspective. The main purpose of this chapter is to provide a framework of interpretation for the rest of the thesis. This chapter asks the following research questions: *Which are the vulnerable groups in Romania and Which are the policies targeting them?* To answer this research question, we use a comparative framework comparing Romania to the European Union average and to the average of the eight post-communist countries (excluding Romania and Bulgaria): Czechia, Slovakia, Slovenia, Lithuania, Latvia, Estonia, Hungary, Poland using data from the World Bank, International Labour Organisation, Eurostat, European Union Agency for Fundamental Rights over 1990-2021 time period. Although Romania has a lower level of overall unemployment and under employment (temporary and part-time jobs) compared to EU 8 and EU 27, it has a higher rate of inactivity, emigration for labour market opportunities, informal economy hiding structural problems on the labour market such as lack of jobs and opportunities in the formal sector and low wages. Romania also has a higher youth unemployment than the EU average, youth not in employment, education or training (NEETs) than the EU average showing problems with integration of those groups which lack experience in the labour market. Roma employment is among the lowest and Roma face higher NEETs rates, and higher discrimination in the labour market in the context of the COVID 19 crisis.

The third chapter aims to investigate cross country variation in labour market prospects and policies for young people and focuses on the following research question: *To what extent atypical employment (part-time, temporary job) is a stepping stone for a career?* Despite of the comparative advantage of a higher receptivity to change, youth are a vulnerable group on the labour market and young people have been particularly hit by the economic crisis. Overall employment among tertiary graduates in 2015 compared to 2000 has decreased in most European Union states (youth aged 25-34 years). Even among youth that are employed in the labour market, they are more likely to be employed in atypical employment. In the context of a global economy, labour market flexibilization was proposed as a set of measures aiming at providing the competitive edge ensuring continuous innovation and adaptation of firms to global demand fluctuations. The term of flexicurity reinforces the idea that flexibility (for efficiency reasons) and security (through employment security and not job security) are mutually supportive. There are considerable benefits of atypical employment in the sense that it has been shown that temporary contracts can avoid labour market inflexibilities ( (Bentolila, S.; Bertola, G., 1990), (Bentolila, S.; Gilles, S.-P. , 1994), (Booth, A., L.; , 1997)). However, it might be of issue of concern if flexible jobs lead to lower quality of jobs, lack of opportunities for career advancement or lower motivation ( (Farber, H., S., 1999); (Arulampalam, W.; Booth, A., L., 1998), (Maynard, D., C.; Joseph, T., A.; Maynard, A., 2006)). The results of previous studies are mixed, some find that atypical employment could be a stepping stone (Booth, A., L.; Francesconi, M.; Frank, J., 2002) while others find it could be a trap (Calmand, J.; Frontini, M.; Rostan, M. , 2007). We argue that the effect of atypical employment on employment five years later is rather through investment in human capital, if there is formal training we argue that it represents a stepping stone if there is no formal training we expect a trap effect.

Therefore the main aim of the current paper is to explore country variation in labour market prospects and policies for young people, and to investigate to what extent atypical employment is a stepping stone for a career. Using a rich retrospective dataset on graduates across 13 European Union countries, REFLEX 2005/2006, the paper tests five hypotheses concerning atypical employment. Concerning the methodology, we used quantitative data analysis where the following methods were used: probit, multinomial logit, multi-level mixed logit. The following countries are included in the analysis: Italy, Spain, France, Austria, Germany, United Kingdom, Finland, Norway, Czech Republic, Portugal, Belgium and Estonia. The main hypothesis tested is whether having a first flexible job increases the chances of being trapped in atypical employment. The second hypothesis tested is whether

being employed in a more innovative firm increases the chances of flexible employment. A third hypothesis is whether being employed in a firm facing strong competition and unstable demand increases the chances to be a flexible worker controlling for industry among other variables. Additionally this section explores to what extent the first job after the graduation invests in human capital either through informal learning or formal courses and to what extent these investments decrease the probability of having a flexible job five years later. Other explanations considered are labour market reallocation of work, changing sectors, changing occupations which we expect will have a higher impact on having a flexible job five years later. Previous studies found that: temporary workers have lower levels of job satisfaction, receive less training and are less well-paid (Booth, A., L.; Francesconi, M.; Frank, J., 2002). (Booth, A., L.; Francesconi, M.; Frank, J., 2002) using the BHPS panel found that temporary work might serve as a stepping stone for women who start in fixed-term employment and move to permanent jobs fully catching up to those who started in permanent jobs, while (Calmand, J.; Frontini, M.; Rostan, M., 2007) using the REFLEX database found that having a temporary job increases the probability of having a temporary job five years later. We argue that the effect of atypical employment on employment five years later goes rather through investments in human capital, if there is training we argue that it represents a stepping stone if there is no training we expect a trap effect. We use probit models, a multinomial logit model and a mixed-effects multilevel logistic regression model to investigate the effect of transitions from first job type of contract to current job five years later. We test whether the effect is different for temporary compared to part-time jobs. The paper finds that having a first atypical job increases the likelihood of having an atypical job five years later, having training and learning on the job (human capital investment) decreases the likelihood of having an atypical job five years later. Our results show that having a first atypical job increases the chances of being trapped in a secondary labour market as predicted by the labour segmentation theory. Contrary to expectations those working in innovative firms are not more likely to be in an atypical job five years later unless they work in the UK or Germany. Being employed in a firm facing strong competition increases the chances of having an atypical job five years later, but unstable demand has no effect. Investments in human capital either formal courses during the first job decrease the probability of having a flexible job five years later. Mismatch of labour such as changing occupations increases the chances of being in an atypical job five years later. The results point to the dual labour market theory of (Doeringer, P., Piore, M., 1971), with good jobs and bad jobs.

The fourth chapter “compares Roma with Romanian population, in terms of various dimensions using data from the Household Budget Survey 2016” (Buligescu, B., 2019). The fourth chapter’s objective is to present the multiple deprivations by ethnicity in terms of “health, nutrition, education, living conditions, income/expenditure, employment, cross-cutting indicators” (Buligescu, B., 2019). Using a large dataset and descriptive analysis, the chapter aims to capture a one time image of the Roma population. Through the comparative method and using simple cross-tabulations of variables the chapter “finds the traditional structure of the Roma family is preserved with Roma women more likely to be housewives, men more likely to be self-employed workers, Roma have a lower educational status and are more likely to be poor” (Buligescu, B., 2019) and for Roma who are working, they are more likely to be working-poor. Although there is lack of data on Roma due to prohibition to collect data on ethnicity, and most surveys are done on an ad-hoc basis by European Union Agency for Fundamental Rights, or through projects-based Norway Funds, the chapter uses the Household Budget Survey to illustrate that data on Roma can be used in a consistent way over the years to monitor the Roma situation. The chapter focuses on only one year to illustrate the kind of uses that the data can bring. The chapter shows that despite policies of inclusion, little progress has been made in terms of social inclusion of the Roma.

The fifth chapter aims to shed light on agricultural day labor in Romania and to examine their profile. Day-labor is a form of non-standard occupation, being recognized in international classification (ILO, 2016). Labor Inspection data from 2011-2019 and the Household Budget Survey 2016 is used to cover this topic<sup>1</sup>. The contribution of this paper is two-fold: it is the second and most consistent endeavor of the time trends and distribution by type of activity of the registered category of day laborers in Romania, after the work of Raț (2018). Secondly it suggests a procedure for identifying day laborers using existing dataset of HBS, which could be implemented in seeking for the changes in the profile of agricultural day laborers on a more consistent time series, supporting this way the social policies targeting the poor. Our findings based on HBS data show that about half of the day laborers are own account workers, the majority are low educated, they are 35-49 years of age (30%), or 50-64 of age (23%), they are men, have a family to support, only 16% are guaranteed minimum income recipients, and more than 90% are not medically insured. Although the majority of day workers are low educated, and men, they are 35-64 years of age and not 18-24 as (Raț, C., 2018) hypothesized. According to the National Institute of

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<sup>1</sup> Data is not available from National Institute of Statistics, except on own account workers, we obtained the data by request from the Territorial Labor Inspection.

Statistics, in 2019, 1759,5 thousand people worked in agriculture, forestry, and aquaculture and only 7% were employed with a salary. Out of the own account workers, less than half are insured in the public health care and pensions system and almost 60% are at risk of poverty and social exclusion ( (Casa Națională de Asigurare de Sănătate (National House of Health Insurance), 2016), (Eurostat, 2018))<sup>2</sup>.

The sixth question is what is the impact of the pandemic on quality of life in Romania? Using the EUROSTAT framework for quality of life we provide descriptive statistics exploring all the dimensions of quality of life: “the standard of living, productive activities (work), health, education, leisure and social interaction, economic and physical security, governance and fundamental rights, environment of living, life satisfaction”(Eurostat, n.d.). We use the comparative method comparing the situation in Romania during the COVID 19 period with the one from 2019, as well as with the benchmark of European Union 27 countries average. Where the EUROSTAT indicators were not updated, we used IRES (Romanian Institute for Evaluation and Strategy), INSCOP and CURS data to investigate the impact. Compared to the existing literature which draws on European Quality of Life Survey, this paper uses consistently the Eurostat framework and operationalization and therefore there is a novelty first in the investigation of the pandemic effects and second in the use of the Eurostat framework. We show that the Pandemic has affected all the dimensions of quality of life especially work.

This thesis draws on economic theory and sociology of work, therefore it is **interdisciplinary**.

Finally the last part of the book summarizes **the main conclusions** and **limitations** of the study.

The second chapter has focused on employment patterns of vulnerable groups. Although it is difficult to define vulnerable groups as the theoretical part shows we used the definition of the European Commission as categories of people who are more likely to be poor or in social exclusion than the general population (Kiss, M., 2016). The methodology focused on comparing Romania to European Union 27 countries average and to European Union 8 post-communist countries average. We looked specifically at AROPE by households types; AROP by occupational status; unemployment; employment by age and educational groups; part-time by gender, occupations, and reason; temporary work; youth unemployment; youth employment; NEETs; Roma employment; Roma differences in

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<sup>2</sup> Eurostat, 2018, People at risk of poverty or social exclusion by most frequent activity status (population aged 18 and over)[ilc\_peps02]

employment by gender; Roma NEETs; discrimination on the labour market of Roma, own account workers.

Although Romania has a lower level of overall unemployment and under employment (temporary and part-time jobs) compared to EU 8 and EU 27, it has a higher rate of inactivity, emigration for labour market opportunities, informal economy hiding structural problems on the labour market such as lack of jobs and opportunities in the formal sector and low wages. Romania also has a higher youth unemployment than the EU average, youth not in employment, education or training (NEETs) than the EU average showing problems with integration of those groups which lack experience in the labour market. Roma employment is among the lowest and Roma face higher NEETs rates, and higher discrimination in the labour market in the context of the COVID 19 crisis.

Flexicurity has a low impact in Romania if we refer to jobs with reduced hours, or with temporary contracts, but that does not mean that the labor market is not de-regulated, because we have more than 20% of the workforce employed on their own account, in the informal economy and subsistence agriculture. Regarding Romanian policies, "the impact of social transfers (excluding pensions) on poverty reduction is among the lowest in EU countries, while gaps in access to social protection remain widespread and particularly affect the unemployed and those in atypical forms of employment" (European Commission, 2022).

In terms of overall policies, the European Pillar of Social Rights Action Plan sets out the EU's ambition for a strong social Europe that focuses on jobs, skills and social inclusion, and includes three EU-level social targets to be achieved by 2030:

Targets by 2030	EU 27	Romania
Employment rate	78%	74.7%
Adult learning in training every year	60%	17.4%
Poverty reduction	-15 million	-2,532

Source: (European Union, 2022)

Romania has set the following targets: 74.7% in employment, less than 1/3 of adult learning in training than the EU average target of 60%, 2.532 thousands lifted out of poverty. In the Strategy for social inclusion and poverty reduction 2022-2027 it is stated that until 2027 the government wants to reduce the percentage of people in poverty and social exclusion by at least 7% compared to the year 2020 (general objective).



The following policies are necessary to achieve Romania's poverty reduction target by 2030: implementation of the minimum insertion income, minimum wage and pension reforms, investments in child protection and deinstitutionalization of people with disabilities (European Commission, 2022). All these policies are part of the Recovery and Resilience Plan. Regarding the modernization of the capacity to provide social assistance programs, which is one of the objectives of the National Strategy for the reduction of poverty and social exclusion 2021-2027, there is a large deficit of public social assistance services (SPAS) especially in the rural areas. Although there are qualified professionals in social work, they do not fill the social work positions, which instead are filled by people with a lower educational level being high school graduates, due to low wages, lack of social services in rural areas, and the lack of additional benefits (Lazăr, F.; Roșu, L.; Cristea, D.; Iovu, M., B., 2020).

Chapter two finds that labour market in Romania is characterized by low overall unemployment but rather high unemployment of the low educated, high unemployment of the youth, high inactivity and a high percentage of young people not in employment, education or training (NEETs). Part-time is modest 6,1% of all the active people, and only 1.8% in temporary jobs, however self-employment is above 20%<sup>3</sup>. The presence of high proportion of self-employed leads us to believe that the labour market is de-standardized, and chapter 5 will focus on subsistence agriculture and the informalization of day work while chapter 3 will focus on atypical jobs for young graduates. Chapter 6 instead will show people who are employed earn low wages, due to a low wage policy to maintain competitive advantage in the global economy, but the highest share of profit goes to capital in Romania instead of labour, in support of Standing's hypothesis of rentier capitalism. In terms of social inclusion, Romania is the last on the effectiveness of redistribution of social transfers other than pensions on poverty reduction. Chapter 4 focuses in detail on the social inclusion of Roma and highlights that they face multiple deprivations compared to the Romanian natives.

Chapter three tested 5 hypotheses derived from the economic theory of flexicurity policy that flexible jobs are more likely to be in innovative firms that face high competition in the labor market due to globalization or unstable demand or due to restructuring labor markets, people having to change their occupation, being employed in a flexible position.

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<sup>3</sup> In the literature there is a clear link between unemployment and self-employment, when unemployment goes up, self-employment will go up as people will prefer to have a job instead of being unemployed or inactive (See (Edgell, S. , 2020). In Romania due to lack of decent jobs, there is high inactivity and self-employment.

The flexicurity policy states that it is important to ensure labor market flexibility for employers while maintaining high security for workers. The chapter reached the following conclusions: Our results show that having an atypical first job increases the chances of being caught in a secondary labor market, as predicted by labor segmentation theory. Contrary to expectations, those working in innovative firms are not more likely to have an atypical job five years in the majority of countries except for if they work in the UK or Germany. Being employed in a firm facing strong competition increases the probability of having an atypical job five years later, but unstable demand has no effect. Investments in human capital either in formal courses during the first job decrease the probability of having a flexible job five years later. Labor force mismatch (mismatch), arising from changing occupations, increases the chances of being in an atypical job five years later. The results are consistent with the dual labor market theory of (Doeringer, P., Piore, M., 1971). There are actually two labor markets (Doeringer, P., Piore, M., 1971):

- one with good jobs, which are stable, with job security, workers enjoy high average earnings, greater opportunities for internal promotion, good working conditions, availability of fringe benefits.
- one with bad jobs, unstable jobs, insecurity, workers have low earnings, fewer opportunities for internal promotion, bad working conditions and few fringe benefits, tasks are repetitive and boring, and jobs have high job turnover of the staff.

Our results show that jobs where employers invest in people through training decrease the probability of having an atypical first job. This has implications, as the European Pillar of Social Rights proposed to increase the number of adults in training to 60% by 2030 in the context of the Green Deal.

The fourth chapter “used a large dataset the Household Budget Survey looked at the multiple deprivations Roma face compared to Romanians. The chapter found that Roma have shorter life expectancy compared to Romanians, lower educational attainment, low employment, women are more likely to be housewives, men are more likely to be own account workers and overall Roma have a higher likelihood to be poor ( (Cace, S.; Duminiță, G.; Preda, M., 2005); (Cace, S.; Preoteasa, A., M.; Tomescu, C.; Stănescu, S., 2010)). The chapter used the Household Budget Survey (HBS) to describe some of the multiple deprivation situations Roma face compared to the native Romanians. The chapter shows that the traditional structure of Roma families is maintained with women more likely to be housewives and take care of children and men more likely to be self-employed. Work is not able to lift the Roma out of poverty because most likely it is done in subsistence agriculture

or occupations that do not pay much and moreover only 17% of Roma men are employed. The long term solution for Roma would be to invest in education ( (Zamfir, C.; Preda, M. , 2002); (Duminică, G.; Preda, M., 2003); (Duminică, G.; Cace, S.; Arpinte, D.; Ionescu, M.; Iova, C.; Sali, N., 2004); (Ionescu, M.; Cace, S. (coord.); Cace, S.; Ionescu, M.; Cace, C.; Dediu, M.; Duminică, G. (authors), 2006); (Cace, S.; Tomescu, C.; Cojocaru, D. , 2012); (Ionescu, M.; Stănescu, S., 2014)); and to create more opportunities for employment in rural areas, re-industrialization could be part of the solution as it would create more and better paid jobs for Roma and as well for Romanians who would not be trapped in subsistence agriculture. Discrimination on the labour market might create disincentives to invest in education for the Roma (Ionescu, M.; Cace, S. (coord.); Cace, S.; Ionescu, M.; Cace, C.; Dediu, M.; Duminică, G. (authors), 2006) therefore campaigns to raise awareness and protection of the right to work should be enforced by public institutions.

The implications of the current work is that the Household Budget Survey can be used to give an overview of the Roma population and monitor the situation on the long term as it is a rather large survey and applied in a consistent manner over the years” (Buligescu, B., 2019). Also, this chapter shows that despite the social inclusion policies, not much progress has been registered in terms of Roma inclusion.

The fifth chapter aimed to shed light on agricultural day labour in Romania and examine its profile. Day labour is a form of non-standard occupation. We use Labour Inspection data from 2011–2019 and the Household Budget Survey 2016 to cover this topic<sup>4</sup>. The contribution of this paper is twofold. First, it is the second and most consistent endeavour of the time trends and distribution by type of activity of the registered category of day laborers in Romania. Second, it suggests a procedure to identify day laborers using the existing dataset of HBS, which could be implemented by seeking changes in agricultural day laborers’ profiles on a more consistent time series. In this manner, social policies targeting the poor can be supported.

It has been argued that day labor is good for the economy, especially for harvesting in agriculture, when many people are needed for short periods of time. However, day laborers combine multiple vulnerabilities: low and unstable incomes, are more likely to be part of the Roma minority, live in rural areas, have low education, have a cohabiting family

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<sup>4</sup> Data is not available from National Institute of Statistics, except for own account workers. We thus obtained the data by request from the Territorial Labor Inspection.

structure, are more likely to be uninsured and, few of them receive the guaranteed minimum income (16%).

Approximately 53% of own account workers are day workers. 92% of day workers live in rural areas. Only 16% of day workers receive the guaranteed minimum income and can benefit from medical insurance from 2015, cumulating in day work with the status of being a guaranteed minimum income beneficiary, according to Law 416/2001 (Raț, C., 2018), consisting of a very small number. 56% of the day workers are men, and the majority are between 35–65 years of age. Only 14% are day workers between 25–34 years of age different from (Raț, C., 2018) who specified that they are mostly young people and unemployed workers over 45. More than 85% of the day workers are Romanian, 10% are Roma, and 5% are Hungarian. They have a low level of education: approximately 43% of the day workers have only graduated from secondary school, 14% from primary school, and 19% from vocational school. Only 9% have only graduated from high school, 12% have graduated from 10th or 11th grade in high school. Approximately 48% of the day workers are married, 28% are single, 9% live in consensual unions, 5% are divorced, and 8% are widowed. Approximately 93% of day workers do not have medical insurance. This is consistent with the work of (Kalleberg, A., L.; Rasell, E.; Cassirer, N.; Reskin, B., F.; Hudson, K.; Webster, D.; Appelbaum, E.; Spalter-Roth, R., M, 1997) who found that “in addition to paying lower wages, all types of nonstandard jobs are much less likely to provide health insurance or a pension than is regular full-time employment, are more likely to be of limited duration, and are poor ways to move to regular full-time employment, at least within a particular firm” (Kalleberg, A., L.; Rasell, E.; Cassirer, N.; Reskin, B., F.; Hudson, K.; Webster, D.; Appelbaum, E.; Spalter-Roth, R., M, 1997) in the US. Different from (Kalleberg, A., L.; Rasell, E.; Cassirer, N.; Reskin, B., F.; Hudson, K.; Webster, D.; Appelbaum, E.; Spalter-Roth, R., M, 1997) who found that the non-standard jobs in the US were more prevalent among women, in Romania they are more prevalent among men. But as chapter 2 of this book shows in Romania, even part-time jobs are taken by men due to poor labour market prospects.

The results of the logistic regression, showed that own account workers, family helpers, members of non-agriculture cooperatives, members of agricultural associations, home-makers have a higher chance than salaried workers to be day workers. Students and retired people are less likely to be day workers. It is more likely that day workers are men. Roma people have higher chances than Romanian and Hungarians to be day workers. Those without schooling, and those that graduated from primary school have the highest chance to

be day workers compared to the reference category, those that finished university. However, the chance to be day workers decreases the more educated people are, but it is still significant for those that finished vocational school, and those that entered high-school but did not finish it, meaning in the context of scarce jobs especially in the rural areas, if you graduate from high-school education it could help you to get employed. Further day workers are more likely to be medically uninsured, and although very few of them actually manage to have guaranteed minimum income, if they do receive it they are more likely to be day workers. Day workers are more likely to live in cohabitation, be single, divorced or widowed. The low income they receive from day work, combined with being a minority, living in rural area, having a low education, having a cohabiting family all point to the social vulnerability of day workers. Furthermore, in Romania day workers are trapped in subsistence agriculture and are more likely to work in informal work arrangements and to be non-salaried workers compared to countries such as Bulgaria and Slovakia where 46% and more than 80% employed in agriculture are salaried workers ( (Zamfir, C. (coord.); Anghel, I.; Arpinte, D.; Bonea, G.; Buligescu, B.; Briciu, C.; Deliu, A.; Dumitru, M.; Eremia, D.; Ilie, S.; Mihailescu, A.; Neagu, G.; Preoteasa, A., M.; Pop, C.; Precupetu, I.; Preotesi, M.; Rotaru, V.; Runceanu, M.; et. al. , 2015) :295-296). (Zamfir, C. (coord.); Anghel, I.; Arpinte, D.; Bonea, G.; Buligescu, B.; Briciu, C.; Deliu, A.; Dumitru, M.; Eremia, D.; Ilie, S.; Mihailescu, A.; Neagu, G.; Preoteasa, A., M.; Pop, C.; Precupetu, I.; Preotesi, M.; Rotaru, V.; Runceanu, M.; et. al. , 2015) point to “the poor development of the non-agricultural sectors at the level of rural localities to be directly responsible for maintaining overemployment in agriculture”. The main way through which the large share of self-employed in the rural areas emerged was through layoffs from deindustrializing towns coupled with land retrocession, therefore labour resources moved from industry to agriculture and an emerging services sector (Ilie, S. , 2021) (Popescu, C., 2014). Thus the hypothesis of dismantling manufacturing leading to an increase of subsistence agriculture is confirmed.

The last chapter focused on the impact of the pandemic on quality of life using the EUROSTAT quality of life database. It compares the situation from Romania after pandemic with the one from 2019, as well as with the one from the EU27 countries. Where the EUROSTAT indicators were not updated, we used IRES (Romanian Institute for Evaluation and Strategy), INSCOP and CURS data to investigate the impact. This paper reviews multiple social and economic indicators of all dimensions of quality of life as operationalised by EUROSTAT: “material living conditions, productive or other main activities, health, education, leisure and social interactions, economic security and physical safety, governance

and basic rights, natural and living environment, life satisfaction” (Eurostat, n.d.). Compared to the existing literature which draws on European Quality of Life Survey, this paper uses consistently the Eurostat framework and operationalization and therefore there is a novelty first in the investigation of the pandemic effects and second in the use of the Eurostat framework..

The pandemic had a serious impact on the Romanian economy which contracted by -3.7% compared to -5.9% in the EU 27 (Eurostat, Real GDP growth rate - volume, TEC00115). Moreover the pandemic led to an increase in unemployment, affected the incomes of 44% of Romanians and the savings of 40% of Romanians, the general living standard of 29% of Romanians, the ability to pay utilities of 29% of Romanians, the investments of 26% of Romanians, the career or workplace of 22% of Romanians (Source: (Institutul Român pentru Evaluare și Strategie (Romanian Institute for Evaluation and Strategy), 2020, 20 June)). The analysis showed that low-wage earners in Romania account for 20% of the total number of employees in companies with more than 10 employees, 4.5% more than the European mean in 2018. While in the EU 27 most low-wage earners are less than 30 years old, so they are at the beginning of their careers, in Romania, the percentages are almost equally distributed by age, showing that a low wage policy is instated, contrary to the economic theory that requires experience and education to have a pay-off in terms of salary. It is not surprising that as income instability and income insecurity increased more Romanians chose to leave the country in search of better labour market opportunities.

This thesis has several limitations. It tries to look at a complex policy the flexicurity policy through the lens of Amartya Sen capability theory and the (Doeringer, P., Piore, M., 1971) dual labour market theory focusing on vulnerable groups in the labour market. Although the concept of vulnerable groups has been under-theorized, it has been used in practice in policy making at the EU level and in national policies. Future work might focus more on the theories of vulnerable groups. Although it finds evidence of dual labour markets in Romania, more work is needed particularly on the impact of training and the impact of self-employment in subsistence agriculture. Future work might explore more the concept of precarious employment, which is also a multi-dimensional concept.