

## THE INCIDENCE OF THE PANDEMIC CONTEXT ON THE SOCIAL EXCLUSION AND MATERIAL DEPRIVATION IN ROMANIA

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### Abstract

*In Romania, social exclusion highlights a reality that removes the perspectives of sustainable development of social equity and economic stability. The pandemic context caused a major discrepancy between national socio-economic environments, placing Romania first in the European ranking regarding the level of social exclusion and material deprivation. The insufficient space of the labor market, the intensity of unemployment, the government restrictions imposed to limit the pandemic context argue the alarming statistics of social exclusion, while the policies and strategies implemented to ensure an honorable standard of living for the Romanian population do not show notable results, limiting the possibilities reducing the level of poverty. The purpose of the article is to measure the level of social exclusion and material deprivation in Romania, formulating sustainable proposals for improving the quality of life of people whose socio-economic status is at the limit of existence.*

**Keywords:** *social exclusion, material deprivation, social equity, economic stability, pandemic context*

**JEL Classification:** J71

### Introduction

In Romania, the intensity and unpredictability of the pandemic context resulted in a major discrepancy between the socio-economic environments identified at the national level, intensifying the negative perspectives attached to social exclusion and the risk of severe material deprivation. Looking from this perspective, every variation produced by an imbalance identified at the macroeconomic level contributes directly and decisively to the intensification of the level of social exclusion and severe material deprivation. According to specialist studies undertaken at the international level, Romania is facing an alarming reality: the statistics stated by Eurostat for the year 2021 place the national area in first place in the ranking of the risk of social exclusion and material deprivation. The perspectives drawn by means of the negative statistics stated at the European level move Romania away from achieving the objectives of sustainable development, recording major deficiencies in the achievement of Objective 1 - No poverty.

The overflowing importance attached to the static and dynamic analysis of social exclusion and material deprivation under the direct influence of the pandemic context derives from the need to quantify the devastating effects of the socio-economic imbalance installed at the national level, sizing the incidence of the pandemic in accordance with the statistical information developed by the specialists integrated in the activity the National Institute of Statistics of Romania.

Basing the discrepant image between the development regions identified at the national level, this research highlights the impact of the pandemic context propagated on Romania, offering an objective vision attached to the differences recorded in the efficiency of the implementation of national policies and strategies designed to eradicate social exclusion and material deprivation. Through the elaborated content, a differentiated and uneven impact of the pandemic context is highlighted, arguing through the incidence of unemployment, the limitation of the ability to provide a remunerated activity according to legal regulations and through the generalized decrease in the standard of living in the poorly developed regions of Romania.

The direct correlation between the specialized literature written on the socio-economic imbalance characterized by the intensity of social exclusion and material

deprivation and the argued content of the present research facilitates the visualization of the direct impact highlighted between the intensity of the pandemic context and the variables integrated in the research. By means of the relevant information extracted from the specialized literature, the causes, size and effects of social exclusion and material deprivation are effectively outlined, substantiating the conceptual approach attached to the subject addressed.

### **Literature review on the topic addressed**

Defined as a macroeconomic phenomenon that propagates a negative effect on the honorable level of existence of the population, social exclusion seen from the perspective of the pandemic context emphasizes the systematic disadvantage of individuals, a scenario that reflects an inadequate social cohesion or integration at the level of society (Kalinowski, 2022, 146). Looking from this bleak perspective, the pandemic context has boosted social exclusion through the intensification of the following causes (Tudorache, 2022, 146):

- The deepening of the inequalities highlighted within the vulnerable categories of citizens by limiting access to education, medical services and constraining the access of disadvantaged people to the labor market;
- The increase in the intensity of technical unemployment, a scenario that coincided with the considerable decrease in incomes, limiting the financial sustainability attached to citizens;
- The intensification of racial discrimination and the limitation of the possibilities of achieving an honorable living attached to these people.

The devastating effects attached to social exclusion propagated a tragic outcome on disadvantaged communities, forcing 34.5% of the total population in Romania to lose the right to an honorable standard of living, being condemned to the risk of social exclusion and the repercussions denoted by the conditions of existence carried out below the poverty line (Eurostat, 2022).

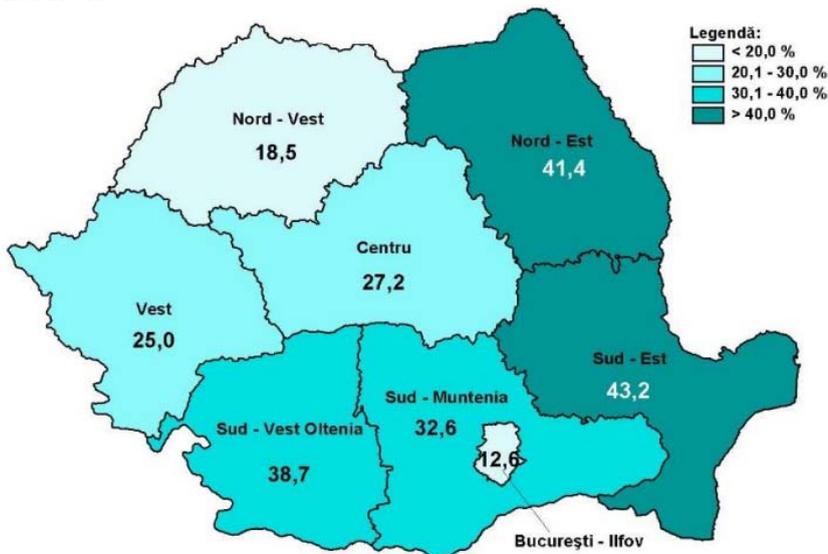
The concept attributed to severe material deprivation describes the acute lack of financial resources necessary to ensure the minimum conditions attached to an honorable living. The pandemic context has directly and decisively restricted the financial level of people identified in vulnerable categories, severely limiting the possibility of fully covering basic human needs (Nicholas and Rajan, 2023, 181). The previously stated scenario led to the inability of vulnerable people to honor their monthly financial obligations or to insure their food needs, intensifying the inability of these people to procure medical services or ensure continuity of the children's educational path.

### Theoretical foundation

The empirical dimension attached to this research is derived from the specialized literature identified through digital resources, respecting the criteria of relevance and novelty of the information. The statistical data integrated into the dimensioning of social exclusion and material deprivation were extracted from the document entitled "Dimensions of social inclusion in Romania" developed by specialists integrated into the activity of the National Institute of Statistics of Romania. Aiming at the dynamic analysis of the two indicators under the direct impact of the pandemic context, relevant data recorded at the level of 2020 and 2021 were processed.

### Content of the article

The unpredictability of the pandemic context propagated on the development regions identified at the national level boosted the registration of socio-economic discrepancies that led to the intensification of the risk of social exclusion. Looking from this bleak perspective, the level of 2020 emphasizes the following aspects attached to the indicator regarding the level of social exclusion identified at the national level:

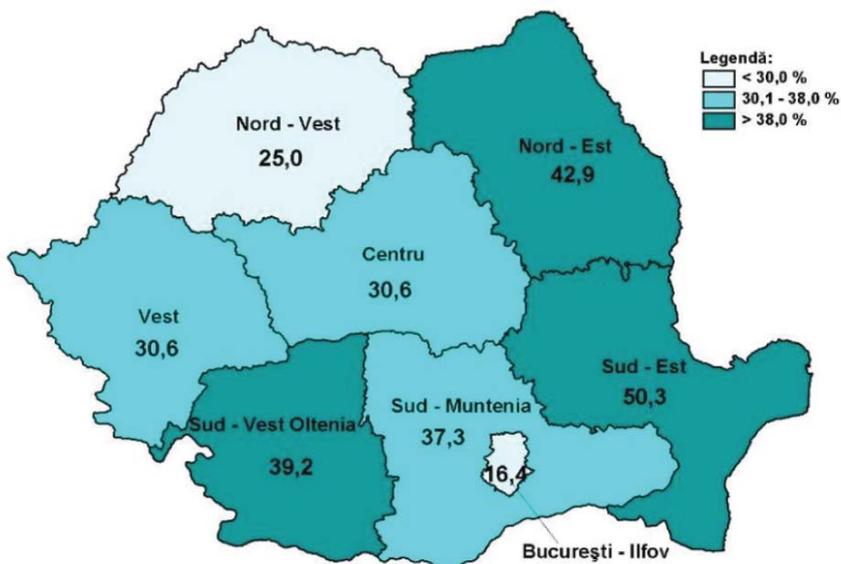


**Figure no. 1. Share of the population at risk of poverty or social exclusion analyzed according to national development regions (2020)**

Source: National Institute of Statistics of Romania, *Dimensions of social inclusion in Romania*, (2020) p. 40

In accordance with the information measured by the specialists of the National Institute of Statistics, the incidence of the pandemic context highlighted in 2020 resulted in reaching alarming levels of the risk of social exclusion. The South-East region reached the highest share of the population identified as being at risk of poverty and social exclusion, equaling 43.2 percent. Maintaining the previously stated negative trend, the North-East Region emphasizes the fact that 41.4% of the total resident population faces a strong socio-economic imbalance. Presenting a lower level of the indicator, the North-West Region faces the phenomenon of social exclusion in a proportion of 18.5%, while the Bucharest-Ilfov Region underlines the lowest level of the indicator analyzed from a national perspective – 12.6%.

The socio-economic imbalance intensified by the incidence of the pandemic context led to an increase in the risk of poverty and social exclusion, reaching the following values in 2021:



**Figure no. 2. Share of the population at risk of poverty or social exclusion analyzed according to national development regions (2021)**

Source: National Institute of Statistics of Romania, *Dimensions of social inclusion in Romania*, (2021) p. 42

In accordance with the statistical information presented previously, it is highlighted that the incidence of the pandemic context has intensified the existing socio-economic imbalance in the Southeast Region, with the risk of poverty and social exclusion reaching 50.3 percent in 2021. Maintaining the negative trend recorded in 2020, the North-East Region of Romania reached an alarming level of the indicator in 2021, equaling 42.9 percent. The Bucharest-Ilfov region maintains the lowest level of the risk of poverty and social exclusion recorded at the national level, equivalent to 16.4 percent.

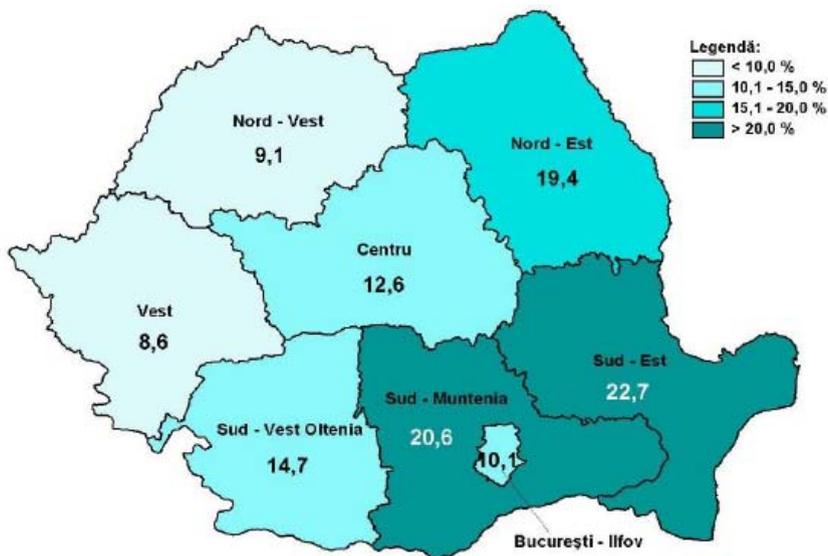
Compared to the level attached to the risk of poverty and social exclusion highlighted in 2020, 2021 shows the following negative dynamics:

- 1) South-East Region: increase of the indicator from 43.2% to 50.3%, equaling 16.43 percent;
- 2) North-East Region: increase of the indicator from 41.4% to 42.9%, equal to 3.62%;
- 3) South-West Oltenia Region: increase of the indicator from 38.7% to 39.2%, the premises presenting an insignificant increase in the risk of poverty and social exclusion, equaling the percentage of 1.29%;
- 4) South-Muntenia region: during the analyzed period, the indicator increased from 32.6% to 37.3%, the recorded increase equaling 14.41 percent;
- 5) Center Region: the increase in the risk of poverty and social exclusion caused the indicator to increase from 27.2% to 30.6%, signaling a dynamic equivalent to 12.5 percent;
- 6) West Region: the increase of the indicator from 25% to 30.6% resulted in the increase of the risk of poverty and social exclusion by 22.4 percent;
- 7) North-West Region: the incidence of the pandemic context caused the alarming increase in the risk of poverty and social exclusion from 18.5% to 25%, the increase equaling 35.13 percent;
- 8) Bucharest-Ilfov region: the increase of the indicator from 12.6% to 16.4% determined the increase of the risk of poverty and social exclusion by 30.15% during a single year.

The pandemic context intensified the bleak perspectives attached to the risk of poverty and social exclusion identified at the national level, causing a strong socio-

economic imbalance in the North-West Region (35.13%) and the Bucharest-Ilfov Region (30.15%). The dynamic analysis of the indicator registered under the risk of poverty and social exclusion highlighted the reduced incidence of the pandemic context on the highlighted indicator in the South-West Oltenia Region (1.29%) and in the North-East Region (3.62%). The argument supported to motivate the previously stated scenario coincides with the significant values of the indicator before the installation of the pandemic context.

The severe material deprivation recorded at the national level in 2020 analyzed from the perspective of the development regions highlights the following values:



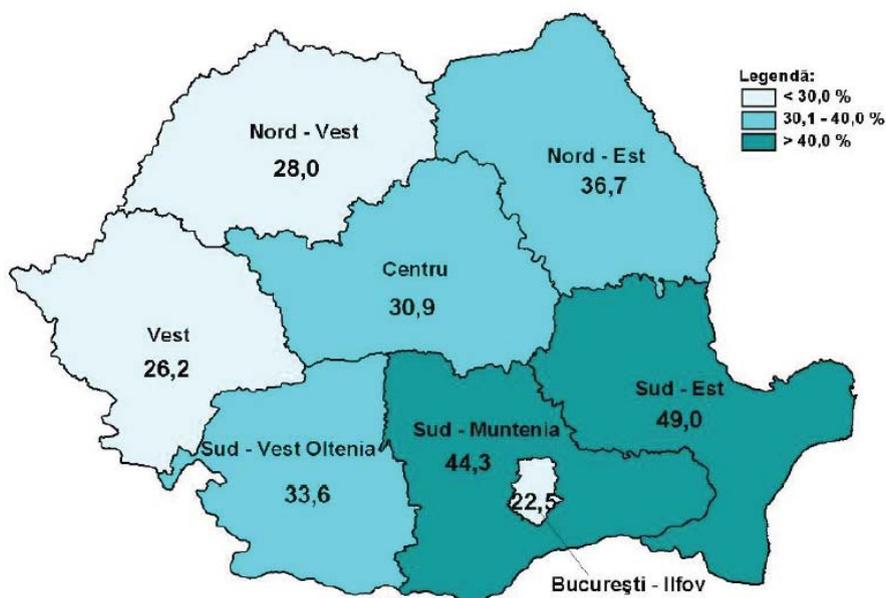
**Figure no. 3. Share of the population under severe material deprivation analyzed according to national development regions (2020)**

Source: National Institute of Statistics of Romania, *Dimensions of social inclusion in Romania*, (2020) p. 47

The incidence of the pandemic context determined the deepening of socio-economic inequalities identified at the national level, a situation in which the South-East Region recorded the maximum value of the indicator regarding the risk of severe material deprivation, reaching 22.7 percent. The Sud-Muntenia region ranks 2nd in the analysis of the incidence of the pandemic context on the risk of

severe material deprivation, registering 22.6 percent among the resident population. The North-West region highlights low values of the indicator, signaling only 9.1% of the total regional population that cumulatively meet the conditions attached to the risk of severe material deprivation. It is noted that the Western Region recorded the lowest value of the analyzed indicator from a national perspective under the pandemic context, reaching 8.5 percent.

The accumulation of factors stemming from the imposition of the framework for limiting the incidence of the pandemic context forced a significant share of the population to register, involuntarily, under the right of persons under the direct influence of severe material deprivation. The inability of the labor market to maintain a secure and sustainable framework necessary to cover the basic needs of citizens has resulted in an alarming increase in the risk of severe material deprivation, noting the following weights attached to the indicator:



**Figure no. 4. Share of the population under severe material deprivation analyzed according to national development regions (2021)**

Source: National Institute of Statistics of Romania, *Dimensions of social inclusion in Romania*, (2021) p. 44

Under the direct impact of the pandemic context, the dynamic recorded by the evolution of the risk attached to severe material deprivation has reached alarming levels. Looking from this perspective, 49% of the population residing in the South-East Region faced the risk of severe material deterioration in 2021. Maintaining the previously stated negative statistics, 44.3% of the total residents of the Sud-Muntenia Region were registered in the category of people identified as being at risk of severe material deprivation, presenting the inability to satisfy their basic needs. The pandemic context analyzed from the perspective of the Western Region determined that 26.2% of the total population faced severe material deprivation. The Bucharest-Ilfov region shows the lowest level of the indicator analyzed from a national perspective, exposing 22.5% of the total population to the repercussions of severe material deprivation.

Compared to the figures recorded in 2020, the pandemic context has had a negative impact on the existing economic and social sustainability at the national level, the dynamics highlighted in 2021 presenting the following evolution of the analyzed indicator:

- 1) South-East Region: the incidence of the pandemic context determined the increase in the risk of severe material deprivation from 22.7% to 49%, boosting the incidence of the indicator by 115.85%;
- 2) South-Muntenia region: in the period 2020-2021, the level of severe material deprivation increased from 20.6% to 44.3%, the number of people unable to meet their basic needs increased by 115.04%;
- 3) North-East Region: the increase in the number of people at risk of severe material deprivation is noted, the indicator increasing from 19.4% to 36.7%, an increase argued by means of the 89.17 percent;
- 4) South-West Oltenia Region: the analyzed region is facing an alarming increase in the number of people at risk of material deprivation, the indicator increasing from 14.7% to 33.6%, the increase being argued through the 128.57% revealed in the analyzed period;
- 5) Center Region: the pandemic context endangered the socio-economic sustainability of the residents of the Center Region, the indicator regarding the risk of severe material deprivation increased from 12.6% to 30.9%, the increase being equal to 145.23 percent;
- 6) Bucharest-Ilfov region: the incidence of the pandemic context determined an increase in the indicator regarding the level of material deprivation from 10.1% to 22.5%, marking its dimensioning by 122.77 percent;

- 7) North-West Region: the repercussions of the pandemic context highlighted an alarming socio-economic reality, a scenario in which the number of people at risk of severe material deprivation increased from 9.1% to 28%, the level of the analyzed indicator in 2021 placing by 207.69% above the level of the indicator attached to 2020;
- 8) West Region: the negative incidence of the pandemic context has determined the increase in the risk of severe material deprivation from 8.6% to 26.2%, limiting sustainable prospects for regional development. The dynamics of the indicator is quantified by means of the 204.65 percent.

The dynamic analysis attached to the risk of severe material deprivation underlines the harmful incidence of the pandemic context on the socio-economic sustainability registered in the North-West (207.69%) and West (204.65%) Regions. Compared to the incidence of the pandemic context analyzed from the perspective of the risk of poverty and social exclusion, the risk of severe material deprivation has reached alarming levels.

The personal vision related to the deep socio-economic imbalance driven by the unpredictability of the pandemic context foresees the need to implement the following relevant aspects:

- 1) Updating regional policies and strategies related to reducing the risk of poverty, social exclusion and severe material deprivation, ensuring disadvantaged communities the right to an honorable standard of living;
- 2) Accessing European funds for Romania's enrollment in the right to sustainable development objectives, offering people who benefit from an honorable standard of living facilities to support the conditions of existence. Looking from this perspective, the need to ensure the continuity of the "Support for Romania" programs is implied, offering disadvantaged people the right to meet their food needs;
- 3) The sustained increase in the tariff level of conventional energy removes the sustainable prospects attached to disadvantaged people, government intervention representing a mandatory condition for the financial support of people who do not have the resources necessary to cover basic expenses. The need to secure funds to support the government program through which disadvantaged people in Romania benefit from real support in paying the equivalent of current energy bills, offering them sustainable financial support, is highlighted.

The public bodies that have political-administrative competence must focus on the recovery of the highlighted situation at the national level, eradicating the devastating effects of the pandemic context.

### **Conclusions**

In conclusion, the pandemic context boosted the increase in the level of poverty, social exclusion and material deprivation in Romania, forcing the population identified in vulnerable socio-economic perspectives to carry out their existence under unimaginable conditions.

Looking from the perspective of the early stage of the repercussions of the pandemic context identified at the national level, the year 2020 registered certain regions at an increased risk of poverty and social exclusion. The South-East region reached the highest share of the population identified as being at risk of poverty and social exclusion, equaling 43.2 percent. Maintaining the previously stated negative trend, the North-East Region emphasizes the fact that 41.4% of the total resident population faces a strong socio-economic imbalance. Presenting a lower level of the indicator, the North-West Region faces the phenomenon of social exclusion in a proportion of 18.5%, while the Bucharest-Ilfov Region underlines the lowest level of the indicator analyzed from a national perspective – 12.6% . The pandemic context intensified the bleak perspectives attached to the risk of poverty and social exclusion identified at the national level, causing a strong socio-economic imbalance in the North-West Region (35.13%) and the Bucharest-Ilfov Region (30.15%).

The incidence of the pandemic context determined the deepening of socio-economic inequalities identified at the national level, a situation in which the South-East Region recorded the maximum value of the indicator regarding the risk of severe material deprivation, reaching 22.7 percent. The Sud-Munteania region ranks 2nd in the analysis of the incidence of the pandemic context on the risk of severe material deprivation, registering 22.6 percent among the resident population. The dynamic analysis attached to the risk of severe material deprivation underlines the harmful incidence of the pandemic context on the socio-economic sustainability registered in the North-West (207.69%) and West (204.65%) Regions. Compared to the incidence of the pandemic context analyzed from the perspective of the risk of poverty and social exclusion, the risk of severe material deprivation has reached alarming levels.

Future research perspectives involve the integration into the dynamic analysis of the indicators regarding the risk of poverty, social exclusion and material deprivation attached to the year 2022, quantifying the repercussions of the pandemic context at the same time as the level of efficiency of the government programs implemented to ensure the resilience of Romanians intensely affected by unpredictability and the harmfulness of the pandemic context.

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