

# ROMANIA - METAMORPHOSIS OF A DEVELOPING COUNTRY AND THE LONG-TERM IMPACT OF MIGRATION

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Abstract: This insight will serve to highlight the trend experienced by the Romanian population, since 1990 until present, focusing on two main dimensions, one that takes into account the demographic aspects and the other that consider the economic side. In first part, the article talks about the problem raised by declining birth rate which leads to a negative natural balance and a long-term damage concerning young workforce. The second part brings forward the problem of emigration which influences the rate of change and also population composition in Romania. A pertinent question is "How did it get here?" and which is the real impact of this behaviour adopted by many citizens.

Keywords: migration; young workforce; economy; demography; Romania

**JEL Classification**: O15

## Introduction

Romania, a developing country, currently suffers from a lack of human resources at all levels, which is impaired as a result of numerous restructurings, privatization or decays that occurred during these decades. Decreasing the demand, supply sought new solutions to survive and adapt to the metamorphosis undergone by Romania. Considering these changes, from the early 90s until now, can be seen at the demographic level, the impact of a distorted capitalist mechanism, which caused fluctuations in the population structure by age. A pertinent question to which we try to answer in this article is "How did it get here?" and which is the real impact of migration.

Numerous studies about Romania bring to the forefront the issue of demographic change that consider population decrease through natural component and migration, showing the advantages and disadvantages of the two mechanisms which complete a society. This is understandable if we consider that the population decreased between 1992 and 2005 with a million people officially and continues to decline. This trend is driven by low fertility, which has a value of 1.3 children per woman, and the external migration, with about 2 million Romanian abroad while the number of illegal emigrants is unknown.

This insight will serve to highlight the trend experienced by the Romanian population from the 1990s until present focusing on two main dimensions, one that takes into account the economic sector and another on the demographic. It should be noted also that the analysis want to surprise the periods

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of development and decline that took part in the Romanian population in a period of approximately two decades. The focus will be on strength factors converge to trigger migration and its side effects. Present approach allows an analytic variety on the individual that supports this phenomenon, which will be seen quantitatively and qualitatively in order to eliminate any statistical mismatch.

# 1. Material and methods (Maybe Data, but surely not Material)

In order to achieve the goal of this approach, the first method is bibliographic documentation in order to deepen the concepts of migration and to identify the impact of migration over this phenomenon. Another method used is the comparative one common to all sciences, useful for highlighting different cases depending on the workforce and migration intensity.

For data interpretation were used mapping method and methods for processing statistical data from the website of the National Population Statistics. In order to solve our problems, methods of statistical analysis are necessary, given that we are dealing with a large amount of statistical data. For mapping were used Philcarto and Adobe Illustrator, and for data processing was used Microsoft Excel program.

## 2. Decays in the Romanian population

The 90s were characterized by political and socio-economic imbalances that caused the disappearance of 40% of jobs in the Romanian economy and the emergence of migration driven by different mechanisms. In other words, after 1989 Romania lost population due to the return of Germans, Hungarians and Jews in nation states, to migration visas based on traditional countries of emigration as Canada, USA and Australia, migration for study, for work under a contract or clandestine later transformed into definitive emigration. This situation has been completed by the constant decrease from year to year of birth as a consequence of the extreme natalist policies.

From any perspective we look, Romania does not have migrationist policies that lead to a wide demographic balance, and the measures taken after 1990 are represented by the establishment of institutions whose activities had and have only a reactive character (Roman, 2010). In this regard Ghetau (2007), exonerate state reaction claiming that migration both internally and externally doesn't have so far negative economic consequences if is to relate to the economy and the number of jobs.

Analysis of migration effect on birth rate and other determinants not always get the same conclusions sometimes having a positive or negative effect on the birth rate. Migration should lead

to an increase in the birth rate due to structural factors, but lead to fertility decline due to behavioural factors. Generally after one generation the impact is visible. Studies on the effects of migration in Romania shows that if Western countries will continue to attract labor from our country, economic growth will be affected significantly.

Most of the localities show decreasing in population from a natural deficit and a negative migration balance. If 1990 and 1991 (Urse, 2001, p. 29) were revealed by a rapid decrease in population on the grounds of major external migration, the following years were the direct product of transition of a state consumed nearly 40 years of socialism damaged by toxic ideas.

Although small birth rate can be explained as an extreme discharge due natalist policy before 90s' for this reason does not apply to the generations born after this period or having reached maturity in the 90's. Thus it is quite difficult to identify a single cause of birth rate decreasing as there are integrated, in addition to the economic factor, those elements that takes in count the reality of a state, as behaviors and different mentalities, moral degradation of society, job uncertainty or possibility to buy a house plus the way how it intervenes in the application of legislation for citizen.

At first glance the map from Fig. 1, that captures the birth values according to statistical data on about 17 years, denounce a decrease in most of the counties in Romania. In statistical terms this decrease is considering values decreased from 13.6 ‰ in 1990 live births to values under 9 ‰ live births in 2011. While in the first period both areas east and north (Vaslui, Iasi, Galati, Botosani, Suceava, Maramures, etc.) have positive values, during the following periods there is a translation to the center and to the capital. However this position maintained for years among counties with positive values (especially in rural areas) is demolished by political, social and economic transformations.

Bucharest, together with Ilfov, county differ from the rest of the areas by an increase from 7.42‰ to 10 ‰. This increase is due to human capital just came from neighboring counties to study or looking for a job. This great pole of attraction is joined by western counties as Timis, Arad, Bihor with a large opening to Western ideals and economic opportunities. Besides these poles of attraction stands Olt and Teleorman counties, whose values are a warning for the future of other neighboring counties (Dolj, Mehedinti, Gorj, Valcea, Prahova, Buzau, Braila, Hunedoara, Caras-Severin) faced with a negative birth rate.

Comparing birth rate and emigration it can be noticed that once the number of emigrants increases, in the eastern counties, birth rate decreases. This phenomenon is easy to understand if we consider that generally young fertile population migrates. Of course there can be also about economic conditions that are favourable to enable a family, and the emancipation of women under the influence of modernism, the extension of studies or simply the desire to emigrate.

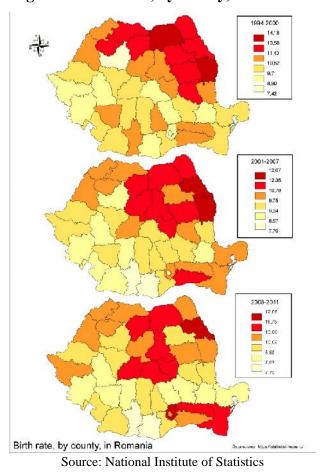


Figure 1 - Birth rate, by county, in Romania

Map of natural balance points involution of natural population balance and shows also counties that underwent radical transformations to demographic level. Mapping of the data reveals a heterogeneous and unstable territory in terms of the evolution of natural balance where Ilfov register a sustained growth after 2000 until now. Surprising is the evolution of Sibiu and Brasov counties which for 13 years had values on the limit, and after 2007, with the accession of Romania to the EU, register positive values due to young immigrants attracted by the opportunities offered by European investments. It can also be seen and the downward trend of the counties in eastern and northern Romania where only Iasi, a big university and economical pole, with counties registering the highest percentage of ruralisation, Suceava and Bistrita-Nasaud, retain its positive demographic behavior. We should not overlook the counties located in the south of the country, Caras-Severin, Dolj, Teleorman, Olt, Giurgiu, which recorded the lowest values of natural balance due to a loss of young population and accelerated aging resulted in increased mortality. The slow collapse of natural balance has consequences extending over the renewal of future generations. It's also important to note,

however, that Romania enjoys an average level of mortality and increasing life expectancy, resulting in a significant population aging.

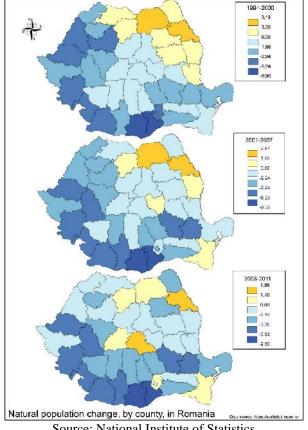


Figure 2 - Natural population change, by county, in Romania

Source: National Institute of Statistics

Aging effects were felt in Romania, starting January 1, 2000, when the elderly population outnumber young people. Thus, on January 1, 2000, total official Romanian population was 22,455,485 people. The number of people over 60 years was 4,196,409 people (18.7%) and surpassed with 36,842 persons the aged 0 to 14 years which represented 4,159,567 people (18.5%) (National Council for the Elderly, 2009, p. 18).

## 3. Migration - a complex causality

Migration has trained and still trains a large number of people as a result of shaping a so-called "emigration provisions" began before 1989 and developed after 1990 as a result of massive restructuring in all economic branches. This provision will actually translate through transmission of beliefs and information between actual emigrants and those who are tempted by an unknown world,

finally ending by being influenced. This imbalance term continued in all environments, especially in urban areas in the first period and into the countryside. Thus most of those involved in permanent migration movement are from urban areas and villagers are the source of temporary migration. Examining migration mechanisms over these two decades there can be noticed interference in the volume of migrants.

Population mobility lead to significant changes, demographic, economic and social, both in migrants' countries of origin and in the destination. In their study of Kerala State, Zachariah *et al.* (2001, pp. 43-70) have identified several consequences of emigration, considering that migration has an overwhelming influence on them. Migration, they say, had a direct effect on the population balance that declined since 1950. Normally, says Coleman (2008), to a low mortality fertility of 2.04 is regarded as a "replacement level" ignoring migration. Migration can reduce the effective reproduction of a country, or at least can contribute to accelerating the pace of population reduction. This is because emigrants are generally in the reproductive age. Migration contributed to a decreasing of working age population and increased the proportion of children and elderly. Emigration reduce population that immigrants leave behind, or at least moderate population growth that would otherwise be higher. Immigration and emigration can interact with each other, but also with the birth and death rates.

In their study over Romania, Muntele and Iatu (2008) noted that the decline in the birth rate was much higher in municipalities where, in the 2002 census, the number of people missing was higher. They also noted that these municipalities were characterized by high population growth at the beginning of the study period, 1990. The consequences of emigration appear to be more pronounced under conditions of strong demographic pressures there where migration is a less new phenomenon demographic decline is felt for a longer time.

Social renewal rate introduced by Hyrenius (1951) recognizes that birth and including natural population balance are influenced by migration. Looking at the maps we observe a strong correlation between migration and natural balance. Regarding migration balance, the south is characterized by emphasizing Bucharest, showing some superiority to all counties and this thanks to a significant immigration in the 90s, originally released on immigration repatriation flows.

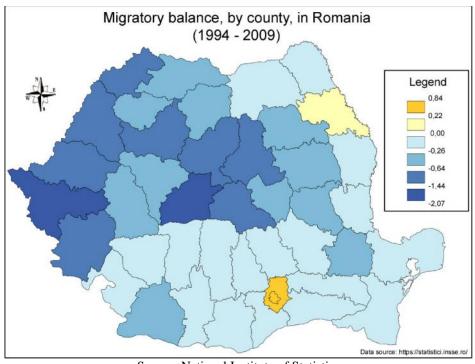


Figure 3 - Migratory balance, by county, in Romania

Bucharest manifests as a pole of attraction and is visible that most neighboring counties are inferior in this regard. Iasi County also counts, this being the second pole of attraction, but probably due to its proximity to the Republic of Moldova. In recent years immigration register a slight increase in the country, the main provider of population being Moldova, China and Turkey. Perhaps in the future this immigration will be seen as a bailout of an aging population, aging attributed to a negative natural growth and migration of youth to more developed countries.

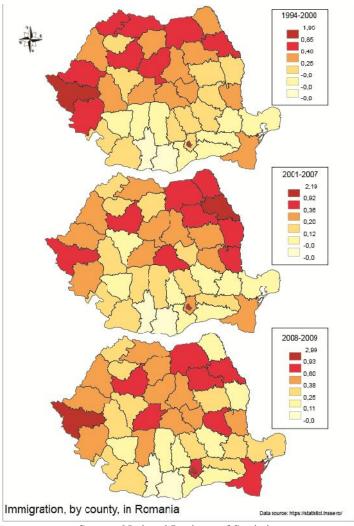


Figure 4 - Immigration, by county, in Romania

Although in recent years the number of immigrants increased, it is important to note that emigration was and remains higher than immigration. Regarding Romanian destinations, they seem to be attracted by the lure of the West, where they hope to build a better life or at least get enough money to build that future in their own country.

Germany holds the leading place in this respect followed by distance of United States, Hungary and Italy, which we all know is a destination that is part of the priority areas for migrating where Romanians are looking for a job.

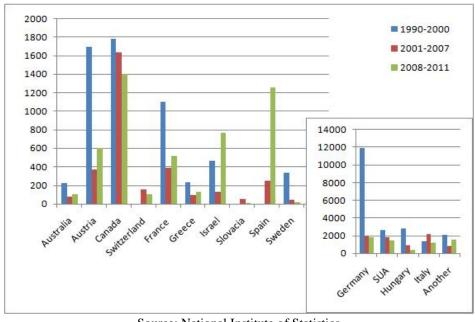


Figure 5 - Destination countries for Romanian emigrants

Sibiu and Timis counties are characterized by the most representative Romanian emigration, but are followed by close of other counties such as Cluj, Brasov, Mures, Bacau, etc. Of course these are not the most worrying situation because significant benefits from immigration which creates a slightly positive balance. In addition to this there is the advantage of being universities poles which attract young population. A particular problem is the southern counties, which were practically drained of young population.

Young people are more flexible on moving than older people, and through these preferences for young people, migration affects the age structure of Romania and even more importantly affect age groups with high rates of fertility, thus reducing the potential for birth rate in Romania, even more when emigration is permanent (Roman and Voicu, 2010). Analysis of statistical data about emigrants show that more than 50% of those who left to work abroad are young people aged up to 40 years. By this emigration of young population, Romanian population enters an accelerated process of demographic aging. The impact of this will be felt especially in the labor market, as decreasing of young people increases the pressure on the population remaining assets to support the elderly, and social service systems, the elderly with special care needs. Thus migration of young population leads in time to serious problems concerning economy.

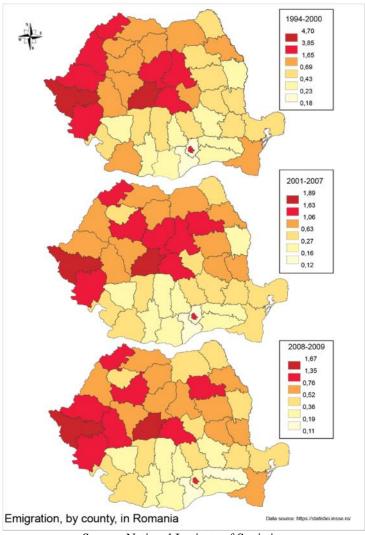


Figure 6 - Emigration, by county, in Romania

## **Conclusions**

This paper highlights Romania's situation in terms of relations between demographic transition and international migration, highlighting the metamorphoses post-communist and the increasing risks of economic bottlenecks while the active population is decreasing. Demographic transition together with labor emigration lead to a emergence of problems in the economy, in long term Romania having to suffer.

In the first part, were highlighted the population deviations with a steadily declining birth rate leading to evidence of a negative natural population balance and long-term damage of young labor force. The second part brought to the fore international migration as a complex causality, as a determinant of the rate of change and the composition of the population of Romania. Demographic aging, defined by increasing elderly population exceeding numeric young population, is the most

visible result of the low birth rate and emigration of younger people. Demographic decline should therefore not be regarded as an independent consequence, but must take into account that all these changes in the composition of the population are inevitable leading to a long term increase of economic issues. In fact, these problems are visible from any point you look and reflects not only on the young segment of the population as also on those from the age group 40-50 years who have a qualification (electricians, weaver etc.) but business closure or restructuring of positions have led to retrain either to other jobs in urban areas, others returned to the countryside, or choose to go to other countries.

This paper provides a clear picture of the situation in Romania under a metamorphosis attributed to migration boom whose consequences appear very soon. The intention was not only to describe a situation, but the goal has been to highlight the causes, how it came to this point and providing a visual image of the situation by using cartography.

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