



## ORIGINAL PAPER

# Statistical Analysis on Living Standards and Current Social Issues

Nicea Mergeani <sup>1)</sup>, Ovidiu Toma<sup>2)</sup>, Corina Jujea (Vijulie)<sup>3)</sup>

### Abstract:

In order to support social inclusion, by achieving cohesion and eliminating regional disparities within the European Union, social and economic policies are needed, creating the framework for all citizens to access existing resources and opportunities. To this end, each Member State aims to meet indicators on employment, education, the fight against poverty / social exclusion, climate change and research and development, in line with the objectives set by the Europe 2020 strategy and transposed into national strategies. The poverty line and the at-risk-of-poverty rate by poverty threshold are calculated on the basis of disposable income per adult-equivalent and provide us with information on income distribution and monetary poverty of the population.

**Keywords:** *poverty, social inclusion, cohesion, employment.*

---

<sup>1)</sup> Postdoctoral Student, University of Craiova, Faculty of Economics, Department of Economics, Accounting and International Affairs, Romania, Phone: 0726233601, Email: nicea.mergeani@gmail.com.

<sup>2)</sup> PhD, Doctoral Student, University of Craiova, Faculty of Economics and Business Administration, Department of Economics, Accounting and International Affairs, A.I.Cuza no.13, Romania, Phone: 0749261843, Email: tomaovidiu1878@gmail.com.

<sup>3)</sup> PhD Student, University of Craiova, Faculty of Economics, Department of Economics, Accounting and International Affairs, Romania, Phone: 0744538072, Email: corinavijulie@yahoo.com.

### **Introduction**

Poverty is on the political agenda of all Member States, but the broader concept of social exclusion is insufficiently defined. The main factors contributing to the emergence of social exclusion are unemployment, the extension of non-traditional families, the limited capacity of social protection and employment to ensure an adequate level of income. In addition, inadequate levels of coverage and performance of social assistance systems often make it difficult to address issues of social exclusion.

A very important concept for the approaches of recent years is that of social exclusion. Through this concept, the transition from poverty as a way of measuring the need for social protection (lack of income or insufficient consumption) to social exclusion as a lack of opportunities of more types than opportunities for gain or consumption was achieved. I consider, therefore, important the analysis of its significance, because it changes the image of the values that are at the origin of the social protection of individuals, through diversification and nuance. Thus, the lack of income or insufficient consumption becomes only a part, a type of exclusion, the financial one, and the responsibility of the state changes from providing a necessary minimum (of income) in eliminating the causes, the restrictions that exclude the individual from procuring them.

### **The fight against poverty**

In practical terms, exclusion allows for different ways of combating it. Whether it refers to income or consumption, poverty can be combated at some point only through redistribution. Reducing exclusion does not necessarily mean redistribution. Giving someone a right, enticing them to participate in certain processes, does not mean eliminating another. Many exclusion mechanisms are triggered by a lack of resources. However, it is not mandatory and the emergence of resources does not automatically imply the disappearance of exclusion. That is why it can be seen that putting the problem in terms of social exclusion allows for much easier interventions, perhaps even with greater chances of efficiency than the discourse and action focused on poverty and combating it (Avram et al., 2007).

The fight against poverty has been on the EU's political agenda since 2010 with the launch of the Europe 2020 strategy. Unfortunately, the inclusion of poverty reduction in the EU's economic governance mechanisms - the European Semester and national reform programs - has not yet brought significant benefits.

Recent experiences of Member States (application of the open method of coordination, national action plans against poverty and social exclusion) have highlighted that the central aim of social inclusion policy is to ensure the functioning of key mechanisms that "distribute" opportunities and resources ( labor market, tax system, social protection, education and other services) in such a way as to meet the needs of individuals affected by the risk of poverty and exclusion and to enable them to exercise their fundamental rights (Jianu et al., 2021).

Therefore, promoting social inclusion involves taking into account some remarkable structural changes in the EU. If appropriate responses are not put in place, these changes can lead to new risks in the area of poverty and exclusion for vulnerable groups. More precisely, these transformations refer to: major structural changes in the labor market; the rapid growth of the knowledge economy and information and

## Statistical Analysis on Living Standards and Current Social Issues

communication technologies; increasing dependency rates as a result of demographic trends; cultural, ethnic and religious diversity fueled by international migration and the mobility of European citizens; evolutions in family structure (Pîrvu et al., 2011).

Although the scale of the difficulties differs substantially from country to country, some crucial components of anti-poverty and social exclusion policy across the EU can be identified, namely: developing an inclusive labor market and promoting employment as a right and an opportunity for all. European citizens; guaranteeing adequate income; attacking the disadvantages of some individuals in the educational system; maintaining family solidarity and protecting children's rights; ensuring decent living conditions; guaranteeing equal access to quality social services; investments in social services; regeneration of economically and socially declining regions.

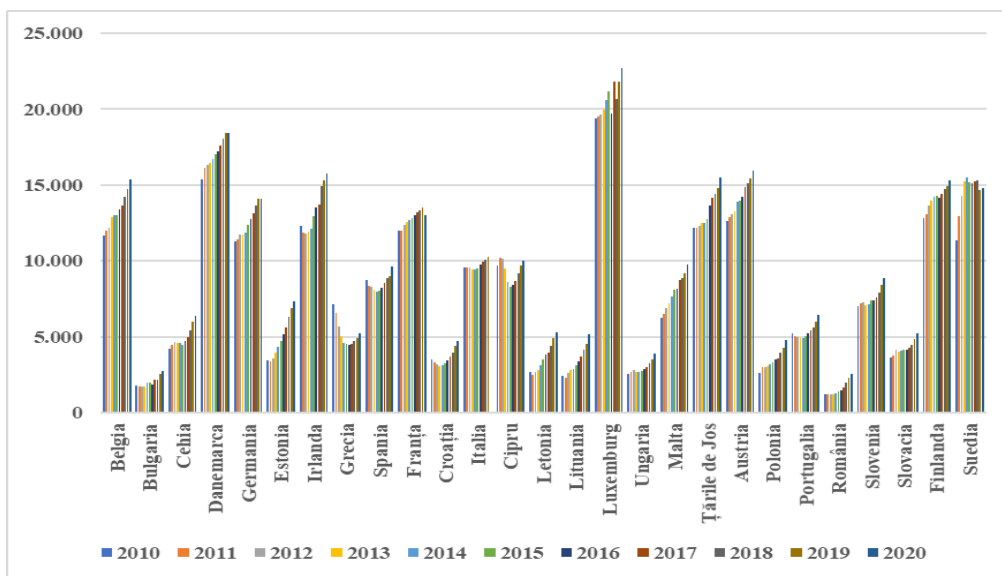
Member States' social inclusion policies recognize the importance of promoting access to the labor market, not only as a way of reducing poverty and exclusion, but also as a means of preventing it. Therefore, measures aimed at increasing the attractiveness of jobs and assisting the unemployed and other groups of the active population also reduce social exclusion.

But increasing the degree of integration or reintegration into the labor market is insufficient to blur social exclusion. Of course, for young people below the legal age limit, for people with severe disabilities who completely lose their ability to work, employment is not a realistic option. Therefore, these groups must have access to an adequate income, decent living conditions, quality services (health protection, education and training, recreational and cultural activities, transport, etc.). As children and young people face higher risks of poverty and social exclusion than adults, investing in policies that promote the inclusion of children prevents intergenerational poverty and recurrent cycles of poverty.

### **Analysis of poverty and social exclusion**

The poverty line measures the level of disposable income per adult-equivalent and is calculated at the threshold of 60% of the median disposable income per adult-equivalent (after social transfers). Thus, compared to this threshold, people can be categorized as poor or non-poor.

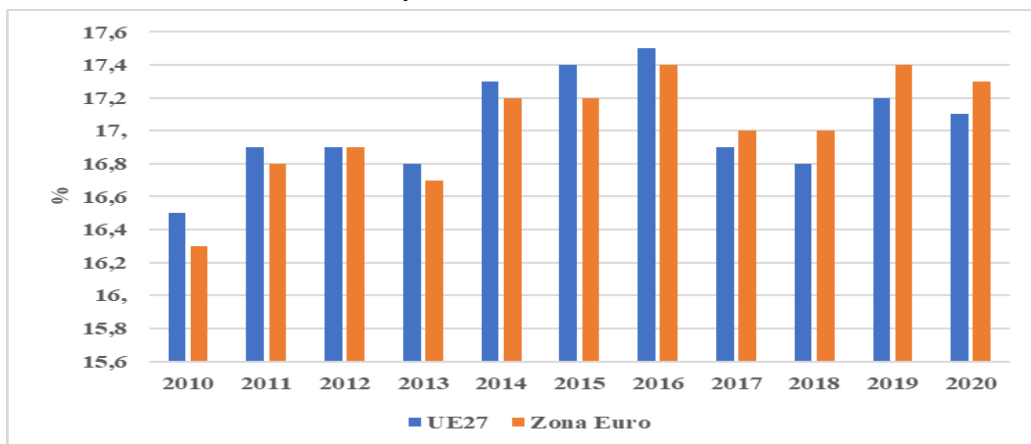
The evolution of the poverty line for single-person households in the period 2010-2020 is shown in the figure. This has shown an increasing trend in almost all Member States of the European Union; Greece is the only state that has registered a decrease in the poverty line in the period 2010-2020, from 7,178 euros / year to 5,269 euros / year. In 2020, for single-person households in the EU, the poverty line was varied from 2,560 euro / year (Romania) to 22,706 euro / year (Luxembourg).



**Figure 1. Evolution of the poverty line (calculated at the threshold of 60% of the median disposable income per adult-equivalent), for single-person households, EU, in the period 2010-2020 (euro / year)**

Source: Eurostat [ILC\_LI01]

The evolution of the poverty line (calculated at the threshold of 60% of the median disposable income per adult-equivalent), for households consisting of two adults with two children under 14 in the period 2010-2020 shows a variation of the poverty line from 5,377 euros / at 47,683 euros / year.



**Figure 2. Relative poverty rate (at-risk-of-poverty rate), EU and Eurozone, 2010-2020 (%)**

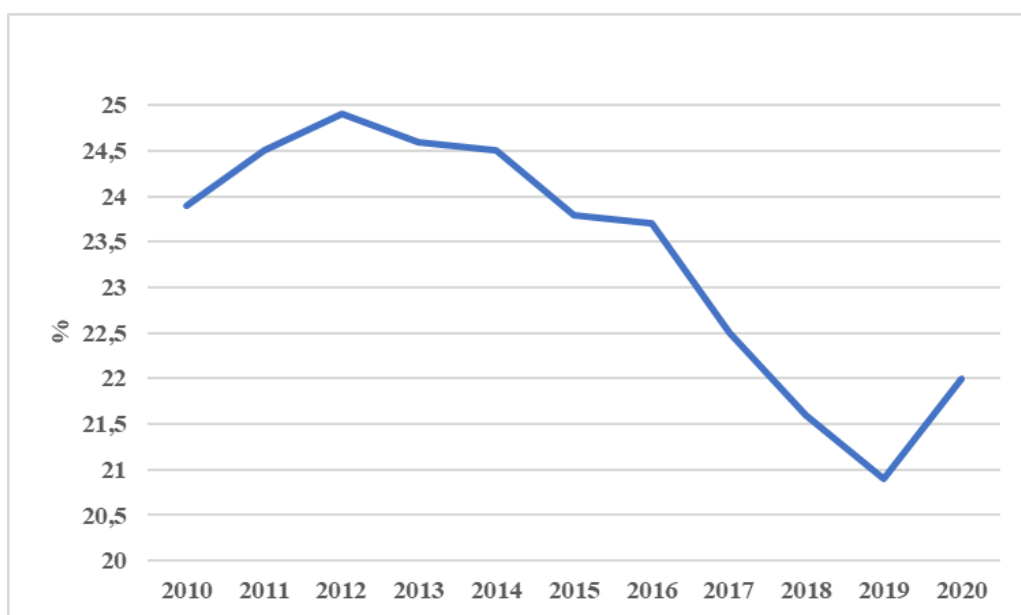
Source: Eurostat [ILC\_LI02]

The relative poverty rate or at-risk-of-poverty rate, depending on the poverty line of 60% of the median disposable income per equivalent adult (after social transfers)

## Statistical Analysis on Living Standards and Current Social Issues

was 17.1% in 2020, down from the previous year, but in increase by 0.6% compared to the base year of the analysis (figure 2). Thus, the relative poverty rate shows a decline in the well-being of the population in the European Union. At the level of EU Member States, in 2020, Bulgaria had the highest relative poverty rate of 23.8% and the Czech Republic had the lowest relative, poverty rate of 9.5%.

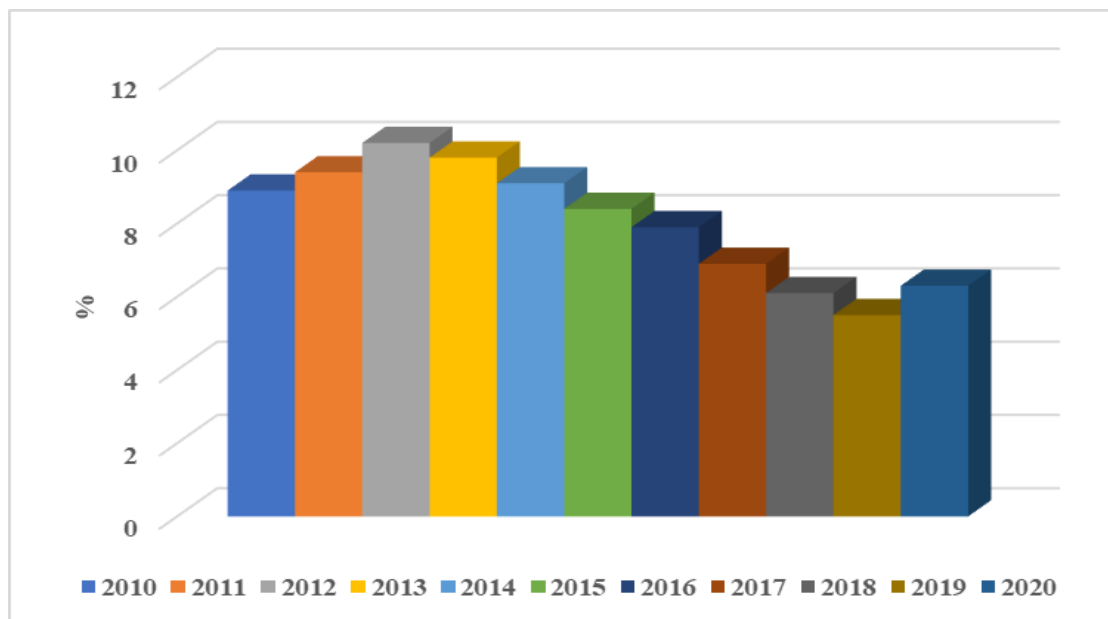
The rate of people at risk of poverty or social exclusion (AROPE), as the main indicator of the Europe 2020 Strategy, shows the share of people at risk of poverty, materially disadvantaged or living in very low-intensity households. work in the total population. According to Figure 3, it had an increasing evolution in the period 2010-2012 (from 23.9% to 24.9%), followed by a steady decrease until 2019 (up to 20.9%). In 2020, it increased by 1.1% compared to the previous year.



**Figure 3. Rate of people at risk of poverty or social exclusion (AROPE), EU, 2010-2020 (%)**

Source: Eurostat

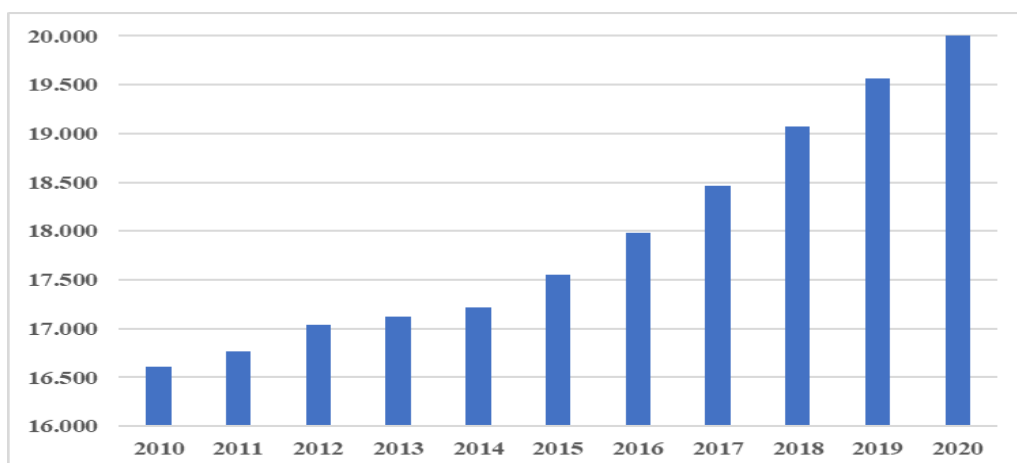
The rate of severe material deprivation (SMD), as an indicator of social inclusion, includes the share in the total population (18 years +) who cannot afford at least 4 out of 9 predefined material items (timely payment of current obligations, possession of a mobile phone, possession a color TV, etc.) as necessary for a proper life, due to lack of material resources. According to Figure 4, it is observed that the evolution of the rate of severe material deprivation (SMD) fluctuated in the period 2010-2020, from 8.9% (year 2010) to a maximum of 10.2% (year 2012) to a minimum of 5.5% (2019). In 2020, the rate increased by 0.8%.



**Figure 4. Severe material deprivation rate, EU, in the period 2010-2020 (%)**

Source: Eurostat

Although Bulgaria had a significant decrease in the rate, it continues to have the highest rate of severe material deprivation, of 19.4%, followed by Greece (16.6%) and Romania (15.2%). At the opposite end, we find Luxembourg, with a share of 1.7%.



**Figure 5. Equivalent average net income, EU, in the period 2010-2020 (euro / year)**

Source: Eurostat

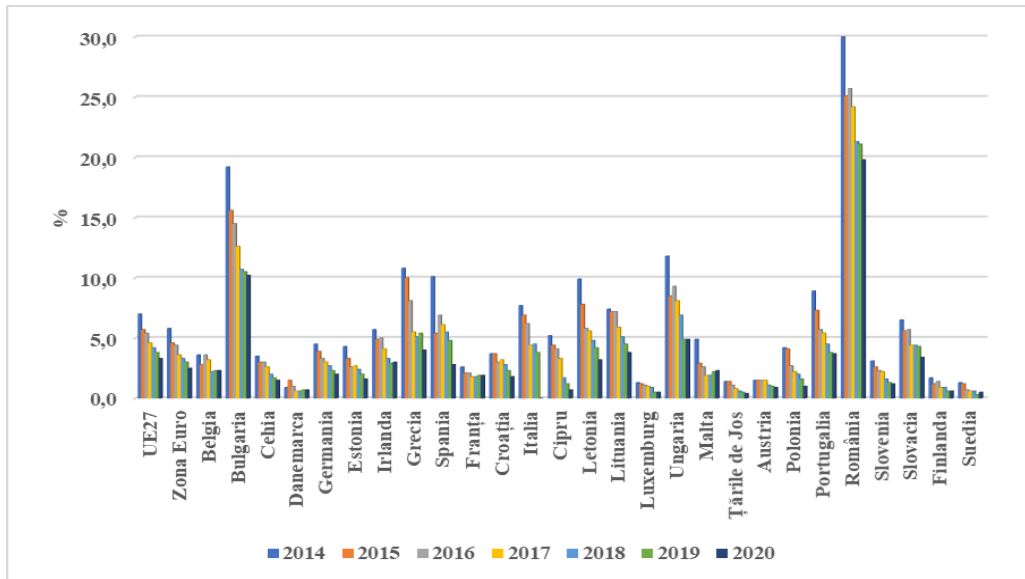
The analysis of the population's income gives us information about its standard of living, but also about the socio-economic level of nations. The equivalent average net income at

## Statistical Analysis on Living Standards and Current Social Issues

the level of the European Union, according to the figure above, had a constant evolution of growth, from 16,606 euro / year to 20,113 euro / year.

According to Eurostat data, in 2020, the highest average equivalent income was registered in Luxembourg (43,687 euro / year), and the lowest average equivalent income was registered in Romania (4,846 euro / year).

Internet access contributes to social inclusion, but also to a sustainable and intelligent growth of society and the economy. At EU level, according to Figure 6, the share of people who cannot afford an internet connection for personal use at home has fallen from 7.0% (2014) to 3.0% (2020).



**Figure 6. Share of people who cannot afford an internet connection for personal use at home, EU, in the period 2014-2020 (%)**

Source: Eurostat

Most EU Member States have shares close to or lower than the Community average for people who cannot afford an internet connection for personal use at home. Thus, the Netherlands, Luxembourg and Sweden have shares of 0.4%, 0.5% and 0.5%. At the opposite end, Romania and Bulgaria register high values of the share of people who cannot afford an internet connection for personal use at home, of 19.8% and 10.2%.

### Conclusion

By age group, young people tend to move to urban areas, while people aged over 35 migrate to rural areas, and women tend to move more often than men.

I think it is absolutely necessary for the institutions responsible in this area to be aware of the current demographic crisis looming in Romania and, by implication, to identify public policies to improve migration and demography.

In order for internal mobility to develop towards less attractive areas, I believe that, in addition to offering jobs, it is also necessary to provide easy access to housing both by renting and by purchasing, and possibly to develop rental subsidy programs for young people at the start of their careers. Work and family life must be harmonized, which will generate demographic growth in communities.

**Acknowledgement:**

This work was supported by the grant POCU380/6/13/123990, co-financed by the European Social Fund within the Sectorial Operational Program Human Capital 2014 – 2020.

**Authors' Contributions:**

The authors contributed equally to this work.

**References:**

- Avram, C., Pîrvu, G., Radu, R. C., & Gruescu, R. C., (2007). *Romania and the demands of European integration*. Alma.
- Jianu E, Pîrvu R, Axinte G, Toma O, Cojocaru AV, Murtaza F. (2021). EU Labor Market Inequalities and Sustainable Development Goals. *Sustainability*. 13 (5): 2675. <https://doi.org/10.3390/su13052675>
- Pîrvu, Gh., Lolescu, E., Pîrvu, R.C., Tănasie, A., (2011). *European Economy*, Ed. Universitaria, Craiova
- EUROSTAT Database available at: <https://ec.europa.eu/eurostat/data/database>

---

**Article Info**

*Received:* July 20 2022

*Accepted:* August 05 2022

---

**How to cite this article:**

Mergeani, N., Toma, O., Jujea (Vijulie), C. (2022). *Analysis on Living Standards and Current Social Issues*. *Revista de Științe Politice. Revue des Sciences Politiques*, no. 75, pp. 93 – 100.