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# WORK IN RURAL AREAS, AN ANALYSIS OF THE UNEMPLOYMENT RATE AND ITS EVOLUTION OVER THE LAST DECADE

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### Abstract

The economic reality of the Romanian rural space describes a different unemployment rate than those registered in the urban areas or at national level. At the same time, the dynamics of the economic sectors belonging to the rural areas is different from its evolution in the urban environment. Forms of employment in rural areas tend to be predominantly of a permanent nature, to the detriment of temporary work or seasonal ones. Elements of influence on the individual, which affect the decision to work or the option to choose a satisfactory job are the financial and social conditions. Influencing factors such as the level of education and qualification, the level of income per person or household, the work seasonality phenomenon in different economic sectors, constantly change the employment work level, also the contractual form in which the work is performed. This article describes the interaction of some economic and social indicators on the unemployment rate in the Romanian rural areas and highlights its evolution in the economic and social context of the last decade. The analysis method used in this paper is the quantitative one. An important share of the total number of unemployed in rural areas, is represented by people who have never worked, who have never had a work experience, regardless of age or level of education. The highest values are registered for people aged between 15-24 years and for those who graduated high school and the lowest weight values are for people aged 55-64 years and those with university degrees. For the last decade, the highest number of rural unemployed are people who have finished or graduate the high school, and the unemployed with secondary school. The highest increasing value of unemployed people is recorded in 2015. The highest decreasing values of unemployed people are recorded between 2016 and 2019.

Key words: unemployment, rural areas, rural statistics

## **INTRODUCTION**

The phenomenon of unemployment, generally speaking, in urban or rural areas, is one of the topics intensely and constantly analyzed. The unemployment rate, together with the employment rate and the number of ablebodied populations, regardless of the analyzed environment, are all reference indicators in defining the labour market, the balance between labour demand and supply [5]. In this sense, the effect of the migration phenomenon of the labour force from the rural to the urban environment or outside Romania, must be also emphasized. Also, Romania in the last decade has been generally characterized by economic stability, except for the very first years after the global economic crisis in 2007 and for 2020, the year in which the global health crisis broke out. Its effects on the labour market were immediate: the demographic dynamics of enterprises changed significantly compared to 2019, with implicit impact in decreasing the volume of employed labour force, increasing the number of unemployed and obviously the unemployment rate.

There are distinct types of rural areas and their delimitation makes it easier to understand the

predominant factors that influence the unemployment phenomenon, for each area. Thus, there are (a) classical rural areas, geographically isolated from the urban ones, with economic activity based mainly on agriculture, (b) rural areas derived from former areas of extraction or production activity in which unemployment registers high values, (c) areas in the vicinity of cities, characterized by population mobility to urban areas and a higher population density than in the other areas described and (d) seasonal areas whose activity is based on tourism or agriculture [2].

Unemployment among young people is a particularly important phenomenon in rural areas, and the reasons for its persistent nature are due to lack of job alternatives or in building a career, poor access to vocational training in the proximity of the living area, the dynamics of architecture forms of work, respectively the transition to GIG types of work, partial or temporary models, in different rural economic sectors [2].

In the following we will refer to the characteristics of the unemployment phenomenon in the Romanian rural areas [1] and we will analyze the interdependence of some of the factors that influence the evolution of this indicator, in the last 10 years. As benchmarks of the analysis, we considered it necessary to lean towards the description of the unemployment rate dynamics in general, the way in which unemployment is affected depending on the level of education, the age categories of the population or the way in which the unemployment period affects the analyzed indicator.

Another factor that we considered necessary to follow is the category of unemployed who have never worked, as well, depending on the level of education or population age category, in order to highlight one of the important characteristics of the rural unemployment phenomenon, namely, that the category of people who have never worked, regardless of age or level of education, represents almost 50% of the total number of unemployed in rural areas. And last but not least, we have created a general framework for describing the income situation in rural areas, both for

employees and the unemployed, in order to better understand the impact of this indicator on the rural unemployment dynamics.

The purpose of this paper is to highlight the characteristics of the rural unemployment phenomenon in 2010-2020 period, the way in which this indicator has evolved in this decade and to underline the key points of its dynamics.

## **MATERIALS AND METHODS**

The reference period considered in this paper is 2010 - 2020. All statistical data used in this analysis belong to the National Institute of Statistics. Some data are available until 2019, but from the integrated analysis of the evolution of rural unemployment, we can say that this issue does not significantly influence the results obtained. Also, the statistical data for 2020 represent an arithmetic average of the first, second and the third quarterly values currently available. The analysis method used this paper is the quantitative one. in Calculations of dynamics and weight of indicators are used, in order to highlight the of the integrated evolution rural unemployment phenomenon in the analyzed period.

## **RESULTS AND DISCUSSIONS**

## The rural unemployment rate

The unemployment rate in rural areas, representing the total number of people looking for a job in the total active labour force, calculated as a percentage, registers during the last decade increasing values until the middle of the reference period, then a decreasing trend, starting with 2016 until in 2020. Compared to the indicator values in urban and national level, as it results from the statistical data included in Table 1 it can be seen that, at rural level, the values were lower than the other two comparison areas, up to 2015, the highest value being registered by unemployment rate in the the urban environment (7.00%). From 2015 till 2020, there is a change in the indicators dynamics on the 3 comparison areas, the unemployment rate in rural areas having a higher value than

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the national average or the urban areas. Thus, the dynamics of the indicator in rural areas registers a relatively constant trend for the first half of the decade, with values close to 5% (4.80% in 2010 and 5.30% in 2015), then rising to 6.60 for 2015. For the rest of the period, there is a slightly decreasing trend, so that in 2020 the value is 5.63%. If we refer to the share of rural unemployed number in the national total, during the reference period we can see an absolutely upward trend in the parameter evolution, with values of 32.01% for 2010 and 51.33% in 2020, of the total national indicator. As a comparison between the areas described in the analysis, in Figure 1, it can be seen the differences in the evolution of the unemployment rate indicator, namely: the minimum values recorded in the analyzed period are those of 2019, with 4.50% in rural areas, 3.90% nationally and 3.40% in urban areas and the maximum are those registered in 2010 (4.80% in rural areas, 7.00% nationally and 8.80% in urban areas).

|                               |                   |         |         |         | ре      | riod    |         |         |         |         |         |         |
|-------------------------------|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| unemployment<br>rate in rural | residence         | 2010    | 2011    | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    |
|                               | Total<br>national | 7.00    | 7.20    | 6.80    | 7.10    | 6.80    | 6.80    | 5.90    | 4.90    | 4.20    | 3.90    | 4.97    |
| area (unit:<br>percentage)    | Urban             | 8.80    | 8.60    | 8.30    | 8.70    | 8.10    | 7.00    | 5.60    | 4.50    | 3.80    | 3.40    | 4.43    |
|                               | Rural             | 4.80    | 5.50    | 5.00    | 5.20    | 5.30    | 6.60    | 6.30    | 5.40    | 4.70    | 4.50    | 5.63    |
|                               |                   |         |         |         |         |         |         |         |         |         |         |         |
| unemployed in<br>rural area   | Total<br>national | 651,695 | 659,426 | 627,209 | 652,984 | 628,682 | 623,910 | 529,869 | 449,331 | 379,678 | 353,370 | 445,672 |
| (unit: no. of people)         | Rural             | 208,601 | 225,555 | 208,182 | 217,999 | 219,832 | 273,477 | 251,719 | 224,271 | 193,650 | 185,316 | 228,775 |
| реорие)                       | % of<br>national  | 32.01%  | 34.20%  | 33.19%  | 33.39%  | 34.97%  | 43.83%  | 47.51%  | 49.91%  | 51.00%  | 52.44%  | 51.33%  |

Source: author's calculation based on NIS data [10].

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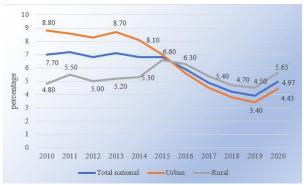


Fig. 1. Evolution of unemployment rates in rural areas compared to the national and urban levels (%) Source: author's calculation based on NIS data [10].

There is also an increase in the values of the unemployment rate on all 3 comparison averages, in 2020, the main motivation being the effects of the pandemic crisis on the labour market.

One of the present economic sectors in rural areas is agriculture [5], a sector for which statistical data show that unemployment is multidimensional and the predominant forms of work are seasonal and temporary. There is

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also an increased mobility of people, given the seasonal or temporary movement in different rural areas, along with finding a job [4]. Precisely these characteristics of the labour dynamics in the agricultural sector, make employment and unemployment indicators not exactly easy to be quantified [7].

## The rural unemployment by educational level

The level of education influences in finding a job, along with other factors such as: the specialty of studies, the level of national

economic stability, the income level, the level and the wage differences between the rural and the urban environment, the balance between supply and demand on the labour market, etc [11].

If we refer to a higher education, for example, holding an academic diploma does not certify in finding a job, the basic conditions being rather defined by the level of labour demand at a given time and the level of economic stability. If the labour demand is high, in a stable economic environment, the occupancy rate is higher and vice versa [12].

Table 2. Rural unemployment by educational level

|                                | · · ·     | •       | Une     | employed in | rural area ( | unit: no. of j | people) / peri | iod     |         |         |         |         |
|--------------------------------|-----------|---------|---------|-------------|--------------|----------------|----------------|---------|---------|---------|---------|---------|
| Level of education             | Residence | 2010    | 2011    | 2012        | 2013         | 2014           | 2015           | 2016    | 2017    | 2018    | 2019    | 2020    |
| Total                          | national  | 651,695 | 659,426 | 627,209     | 652,984      | 628,682        | 623,910        | 529,869 | 449,331 | 379,678 | 353,370 | 445,672 |
|                                |           | 208,601 | 225,555 | 208,182     | 217,999      | 219,832        | 273,477        | 251,719 | 224,271 | 193,650 | 185,316 | 228,775 |
| % from national                | Rural     | 32,01%  | 34,20%  | 33,19%      | 33,39%       | 34,97%         | 43,83%         | 47,51%  | 49,91%  | 51,00%  | 52,44%  | 51,33%  |
| dynamics                       |           | :       | 8,13%   | -7,70%      | 4,72%        | 0,84%          | 24,40%         | -7,96%  | -10,90% | -13,65% | -4,30%  | 23,45%  |
| University                     | national  | :       | 73,387  | 82,065      | 89,221       | 98,340         | 73,952         | 56,021  | 44,132  | 38,950  | 29,348  | 39,057  |
| ·                              |           | :       | 11,056  | 9,609       | 11,941       | 13,565         | 13,525         | 9,038   | 7,932   | 8,768   | 7,334   | 11,279  |
| % from total rural             | Rural     | :       | 4.90%   | 4.62%       | 5.48%        | 6.17%          | 4.95%          | 3.59%   | 3.54%   | 4.53%   | 3.96%   | 4.93%   |
| dynamics                       |           | :       | :       | -13.09%     | 24.27%       | 13.60%         | -0.29%         | -33.18% | -12.24% | 10.54%  | -16.35% | 53.79%  |
| Postgraduate<br>specialized or | national  | 22,323  | 14,024  | 13,787      | 17,277       | 15,169         | 13,157         | 12,266  | 8,637   | 5,549   | 5,115   | 6,485   |
| technical foreman              |           | 3,338   | 2,032   | 2,513       | 3,291        | 2,958          | 3,314          | 2,155   | 1,325   | 796     | 895     | 923     |
| % from total rural             | Rural     | 1.60%   | 0.90%   | 1.21%       | 1.51%        | 1.35%          | 1.21%          | 0.86%   | 0.59%   | 0.41%   | 0.48%   | 0.40%   |
| dynamics                       |           | :       | -39.13% | 23.67%      | 30.96%       | -10.12%        | 12.04%         | -34.97% | -38.52% | -39.92% | 12.44%  | 3.13%   |
| High school                    | national  | 215,370 | 225,431 | 220,280     | 237,585      | 257,228        | 265,985        | 232,534 | 201,355 | 178,781 | 162,482 | 204,130 |
| ingn school                    |           | 53,628  | 60,847  | 63,330      | 66,633       | 82,909         | 109,602        | 107,720 | 98,777  | 88,489  | 80,286  | 94,878  |
| % from total rural             | Rural     | 25.71%  | 26.98%  | 30.42%      | 30.57%       | 37.71%         | 40.08%         | 42.79%  | 44.04%  | 45.70%  | 43.32%  | 41.47%  |
| dynamics                       |           | :       | 13.46%  | 4.08%       | 5.22%        | 24.43%         | 32.20%         | -1.72%  | -8.30%  | -10.42% | -9.27%  | 18.18%  |
| Professional,<br>complementary | national  | 185,132 | 167,129 | 149,019     | 149,398      | 102,100        | 102,018        | 85,894  | 71,426  | 54,149  | 49,922  | 72,376  |
| or apprentice                  |           | 64,375  | 57,246  | 49,815      | 56,253       | 40,676         | 47,959         | 45,661  | 42,597  | 30,404  | 29,833  | 40,352  |
| % from total rural             | Rural     | 30.86%  | 25.38%  | 23.93%      | 25.80%       | 18.50%         | 17.54%         | 18.14%  | 18.99%  | 15.70%  | 16.10%  | 17.64%  |
| dynamics                       |           | :       | -11.07% | -12.98%     | 12.92%       | -27.69%        | 17.90%         | -4.79%  | -6.71%  | -28.62% | -1.88%  | 35.26%  |
|                                | national  | 115,091 | 126,337 | 116,700     | 116,040      | 124,317        | 132,817        | 116,004 | 96,830  | 75,091  | 75,084  | 95,413  |
| Secondary                      |           | 58,364  | 66,003  | 60,892      | 59,517       | 64,025         | 80,295         | 72,193  | 57,590  | 48,187  | 47,948  | 60,961  |
| % from total rural             | Rural     | 27.98%  | 29.26%  | 29.25%      | 27.30%       | 29.12%         | 29.36%         | 28.68%  | 25.68%  | 24.88%  | 25.87%  | 26.65%  |
| dynamics                       |           | :       | 13.09%  | -7.74%      | -2.26%       | 7.57%          | 25.41%         | -10.09% | -20.23% | -16.33% | -0.50%  | 27.14%  |
| Primary (1 - 4                 | national  | 18,050  | 24,805  | 22,900      | 20,693       | 25,060         | 29,213         | 20,818  | 21,239  | 20,310  | 22,278  | 18,711  |
| classes)                       |           | 10,146  | 16,093  | 11,186      | 9,613        | 11,545         | 15,224         | 12,208  | 13,272  | 13,791  | 13,540  | 13,587  |
| % from total rural             | Rural     | 4.86%   | 7.13%   | 5.37%       | 4.41%        | 5.25%          | 5.57%          | 4.85%   | 5.92%   | 7.12%   | 7.31%   | 5.94%   |
| dynamics                       |           | :       | 58.61%  | -30.49%     | -14.06%      | 20.10%         | 31.87%         | -19.81% | 8.72%   | 3.91%   | -1.82%  | 0.35%   |
| No graduate                    | national  | 5,320   | 5,299   | 4,156       | 5,412        | 6,468          | 6,768          | 6,333   | 5,712   | 6,848   | 9,140   | 9,500   |
| school                         |           | 3,089   | 2,913   | 2,758       | 3,162        | 4,153          | 3,558          | 2,744   | 2,778   | 3,216   | 5,479   | 6,794   |
| % from total rural             | Rural     | 1.48%   | 1.29%   | 1.32%       | 1.45%        | 1.89%          | 1.30%          | 1.09%   | 1.24%   | 1.66%   | 2.96%   | 2.97%   |
| dynamics                       |           | :       | -5.70%  | -5.32%      | 14.65%       | 31.34%         | -14.33%        | -22.88% | 1.24%   | 15.77%  | 70.37%  | 24.00%  |

Source: author's calculation based on NIS data [10].

Regarding the share of different groups of people who do not have a job and their level of education, in the unemployed total number, the following observations can result, according with statistical data in Table 2: the highest shares of total unemployed is held by high school graduates (37.16%) and by the persons with primary school, gymnasium or without any education class (35.13%). The category of persons with higher education has a diluted contribution in the total indicator (4.67%), the lowest value of the weight being registered for the persons qualified in professionals / apprentices (0.89% of the total number of rural unemployed and 0.21% of the national total value). Comparison of the above categories described in the rural unemployed PRINT ISSN 2284-7995, E-ISSN 2285-3952

total value is represented graphically in Figure 2.

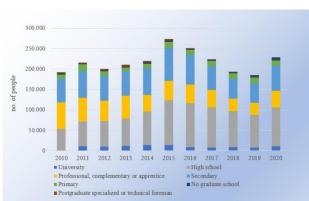


Fig. 2. Comparison of rural unemployed categories, by educational level, in total value indicator Source: author`s calculation based on NIS data [10].

Analyzing the value differences of 2020 with those of 2010, we can see consistent increases or decreases on different analyzed groups. Thus, the number of unemployed people who did not graduate any class increased by 119% (and with 78.57% at national level), as well as the number of unemployed people who graduated high school, 76.92% in 2020 compared to 2010. In the other direction, there are significant decreases of the number of unemployed qualified professional/technical classes (-72.35%) and those with professional, complementary or apprentice qualification (-60.91%).

The effects of the current. pandemic crisis on the employment indicator led to the increase of all their values in 2020, compared to 2019. It can be seen increases of rural unemployed, for all analyzed groups, the average dynamics being 23.45%. Thus, the largest increase in the number of unemployed in rural areas is the category of people with university degrees (53.79%) and those with professional schools or apprentices (35.26%). Other registered values are: 27.14% for people with secondary school, 18.18% for people who finished or graduated high school, 24.00% for people without education and 0.35% for those with primary school.

## The rural unemployed who never work by age and educational level

Another aspect of rural unemployment that needs to be analyzed is the differentiation of

the categories of unemployed who have never worked, by age categories and according to the level of education. The first observation that emerges from the data contained in Table 3 is the significant share of people who have never had a job in the total number of unemployed in rural areas, with values between 1.04% in 2010 and 61.00% in 2019, the values throughout the analysis period being represented graphically in Figure 4. It can also be seen that young people aged 20-24 the category most exposed are to unemployment, with about 35,835 people in 2019, increasing throughout the analysis period (40,027 people in 2010). Other important registered values for the entire reference period is that of persons aged between 15-19 years, with 21.408 persons in 2019. The 25-29 years category register 15,989 persons registered in 2019, the 30-34 years group 11,366 persons. It can be seen that, once with the advancing age of the persons, the number of unemployed who have never worked decreases. The evolution of rural unemployed who never work before can be seen in Figure 3.

Also, in Figure 4 we can see the share of the categories of unemployed who have never worked and those who worked before the unemployment period, in the total number of unemployed in rural areas, during the analyzed period. The weights of the unemployed who have never worked are important, starting around 40% in 2010 and increasing to about 60% in 2020. Another interpretation of the values of these weights is made according to the level of education of the unemployed who never work, as can be seen from the statistical data included in Table 4 and represented graphically in Figure 5.

If we consider the differentiation of the rural population that has never had a job, depending on the level of education acquired, according to the statistical data included in Table 3, we can see that people who finished the high school are the highest category in the total number of unemployed who have never worked. The registered values are 47.33% in 2020 and 31.89% in 2010, the evolution trend being an absolutely increasing one for the analyzed period. In the other way, we observe

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the category of qualified persons in professional schools or apprenticeships with decreasing values of approximately 50% in 2020 compared to 2010 (19,799 persons in 2010 compared to 10,692 in 2020).

Generally, the highest values of dynamics can be seen in 2015, when the total number of people in rural areas who never worked increased by 56.81% compared to the previous year, as seen in Figure 4.

The lowest values in the weight of the indicator are registered by the persons who

have not graduated any class, by those who have finished primary school and by the category of persons with university studies. The evolution dynamics of the categories subject to attention indicate relatively constant trajectories for groups with primary education, university studies or vocational schools, while the dynamics trends for groups with high school and gymnasiums describe oscillating trajectories, increasing in 2010-2015 and decreasing for the other half of the reference period, as can be seen in Figure 5.

| unemployed in rural area,                 |        |        |        |        | Pe     | riod    |         |         |         |         |
|---|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|
| who never worked (unit:<br>no. of people) | 2010   | 2011   | 2012   | 2013   | 2014   | 2015    | 2016    | 2017    | 2018    | 2019    |
| Total                                     | 85,613 | 89,058 | 88,497 | 89,266 | 96,355 | 151,097 | 139,102 | 132,555 | 123,202 | 113,051 |
| dynamics                                  | :      | 4.02%  | -0.63% | 0.87%  | 7.94%  | 56.81%  | -7.94%  | -4.71%  | -7.06%  | -8.24%  |
| % from total rural                        | 41.04% | 39.48% | 42.51% | 40.95% | 43.83% | 55.25%  | 55.26%  | 59.10%  | 63.62%  | 61.00%  |
| 15 – 19 years                             | 17,094 | 14,894 | 19,768 | 21,322 | 21,119 | 26,851  | 25,242  | 19,632  | 18,479  | 21,408  |
| 20 - 24 years                             | 40,027 | 41,888 | 36,487 | 37,820 | 42,057 | 45,620  | 41,530  | 46,481  | 37,039  | 35,835  |
| 25 - 29 years                             | 14,591 | 13,884 | 13,340 | 13,391 | 15,927 | 29,209  | 28,753  | 21,391  | 20,290  | 15,989  |
| 30 - 34 years                             | 4,174  | 6,384  | 6,293  | 5,850  | 4,859  | 12,509  | 13,799  | 13,468  | 13,376  | 11,366  |
| 35 - 39 years                             | 4,204  | 4,787  | 4,287  | 3,403  | 4,407  | 13,469  | 9,359   | 8,486   | 11,483  | 7,211   |
| 40 - 44 years                             | 2,405  | 3,595  | 4,345  | 4,527  | 3,601  | 10,216  | 9,853   | 8,318   | 7,357   | 7,248   |
| 45 - 49 years                             | 1,668  | 1,802  | 1,808  | 1,394  | 2,870  | 7,197   | 4,996   | 8,141   | 10,141  | 7,097   |
| 50 - 54 years                             | 860    | 879    | 1,157  | 1,025  | 1,113  | 3,723   | 3,495   | 3,602   | 2,575   | 3,639   |
| 55 - 59 years                             | 482    | 465    | 242    | 324    | 313    | 1,593   | 1,527   | 1,910   | 1,773   | 1,632   |
| 60 - 64 years                             | 107    | 392    | 680    | 144    | :      | 432     | 549     | 823     | 566     | 1,625   |

Table 3. Rural unemployed people who never worked, by age category

Source: author's calculation based on NIS data [10].

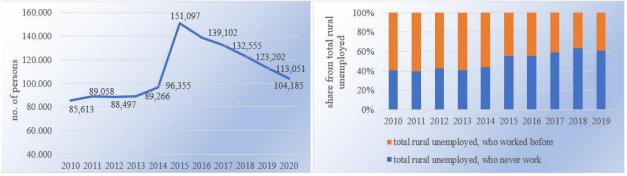


Fig. 3 and Fig. 4. Evolution of the unemployed who have never worked (rural araeas) (a) and their share in total number of enemployed (rural areas)(b)

Source: author's calculation based on NIS data [10].

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| Table 4. Rural unen | nployed who never | worked by educational level |
|---------------------|-------------------|-----------------------------|
|                     |                   |                             |

|   |        | Period |        |        |        |         |         |         |         |         |         |  |
|---|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|--|
| Rural unemployed,<br>who never worked,<br>by educational level<br>(unit: no. of people) | 2010   | 2011   | 2012   | 2013   | 2014   | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    |  |
| Total rural   | 85,613 | 89,058 | 88,497 | 89,266 | 96,355 | 151,097 | 139,102 | 132,555 | 123,202 | 113,051 | 104,185 |  |
| Universitary  | :      | 7,180  | 5,749  | 6,872  | 7,605  | 10,735  | 6,386   | 5,166   | 5,977   | 4,792   | 5,668   |  |
| % from total rural  | :      | 8.06%  | 6.50%  | 7.70%  | 7.89%  | 7.10%   | 4.59%   | 3.90%   | 4.85%   | 4.24%   | 5.44%   |  |
| Postgraduate<br>specialized or<br>technical foreman                                     | 1,470  | 1,419  | 980    | 838    | 1,100  | 1,835   | 1,553   | 1,246   | 692     | 422     | 405     |  |
| % from total rural  | 1.72%  | 1.59%  | 1.11%  | 0.94%  | 1.14%  | 1.21%   | 1.12%   | 0.94%   | 0.56%   | 0.37%   | 0.39%   |  |
| High school   | 27,306 | 32,647 | 36,902 | 37,733 | 42,672 | 66,415  | 67,116  | 68,304  | 63,572  | 55,603  | 49,312  |  |
| % from total rural  | 31.89% | 36.66% | 41.70% | 42.27% | 44.29% | 43.96%  | 48.25%  | 51.53%  | 51.60%  | 49.18%  | 47.33%  |  |
| Professional,<br>complementary or<br>apprentice   | 19,799 | 14,483 | 11,725 | 11,467 | 11,025 | 15,514  | 13,944  | 15,676  | 12,277  | 10,839  | 10,692  |  |
| % from total rural  | 23.13% | 16.26% | 13.25% | 12.85% | 11.44% | 10.27%  | 10.02%  | 11.83%  | 9.96%   | 9.59%   | 10.26%  |  |
| Secondary   | 22,630 | 24,667 | 25,791 | 24,615 | 26,731 | 44,644  | 41,482  | 32,652  | 28,993  | 28,702  | 28,202  |  |
| % from total rural  | 26.43% | 27.70% | 29.14% | 27.57% | 27.74% | 29.55%  | 29.82%  | 24.63%  | 23.53%  | 25.39%  | 27.07%  |  |
| Primary (1 4<br>classes)  | 5,515  | 6,552  | 5,021  | 4,130  | 5,203  | 9,239   | 7,063   | 8,487   | 9,205   | 8,774   | 6,308   |  |
| % from total rural  | 6.44%  | 7.36%  | 5.67%  | 4.63%  | 5.40%  | 6.11%   | 5.08%   | 6.40%   | 7.47%   | 7.76%   | 6.05%   |  |
| No graduate school  | 2,780  | 1,358  | 2,100  | 2,424  | 2,018  | 2,715   | 1,557   | 1,025   | 2,487   | 3,919   | 3,598   |  |
| % from total rural  | 3.25%  | 1.52%  | 2.37%  | 2.72%  | 2.09%  | 1.80%   | 1.12%   | 0.77%   | 2.02%   | 3.47%   | 3.45%   |  |

Source: author's calculation based on NIS data [10].

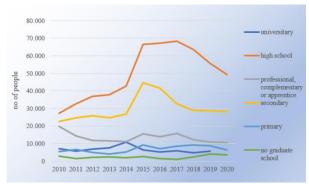


Fig. 5. Rural unemployed who never work, by educational level

Source: author's calculation based on NIS data [10].

### The rural unemployment by duration

Approximately 30% of the total unemployed in rural areas are people who do not have a job for more than 12 months according with statistical data shown in table no. Long-term unemployment has as possible influencing factors technological changes and automation, with the initial decrease of the workforce, lack of qualifications or an insufficient education, in accordance with the requirements of the labour market, the migration from rural to urban or foreign of qualified people or ablebodied population in general, the rural income level, age, individual demotivation, etc [8].

When we refer to the influencing factors on the two types of unemployment, short-term or long-term, we can also mention the dynamics of existing companies in the rural market, from the point of view of economic sectors of their activity and their life cycle.

An infusion of new companies appearing on the market, in the same economic sector, for example, causes an increase in labour demand and increase the employment rate, while, in the other direction, when companies start to end their activity, jobs start to disappear and the number of unemployed increases [6].

In another train of thoughts, there may be jobs in sectors for which the able-bodied population is not sufficiently educated or qualified, which can lead to a higher unemployment.

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The most significant values recorded are those related to 2015, when the number of unemployed people for more than 12 months increased by 24.40% compared to the previous year, by 49.72% for unemployed for a period between 12 and 17 months, 27.45% for the unemployment period of 18-23 months and 41.18% for a period longer than 24 months. In the other way, the one of diminishing the number of unemployed in the rural area, the year 2017 registers values in this sense, on all the categories of the unemployment period. Thus, for the unemployment period between 12 and 17 months, the indicator takes the value of -33.02%, the one of 18-23 months is -20.89% and for the period 24+, -16.09% is registered compared to the previous year. Figure 6 graphically represents the comparison of rural unemployed categories, by duration, in total value indicator, for the analyzed period.

For 2020, the highest share of the number of unemployed people on the rural indicator it

Table 5. Rural unemployment by duration

can been observed for an unemployment duration less than 1 month (21.74%), then for a period of 1-2 months (18.53%), the unemployment for 3-5 month (15.62%) and for a 12-17 months period (15.12%), the lowest proportions referring to the unemployment for periods between 6-8 months (8.37%), 9-11 months (5.70%) or for 18–23-month period (4.84%) (Table 5 and Fig. 6).

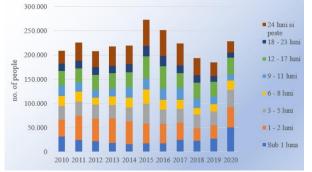


Fig. 6. Comparison of rural unemployed categories, by duration, in total value indicator

Source: author's calculation based on NIS data [10].

| Table 5. Kulai u                       | 1 - 2   | - <u>)</u> - |         |         |         |         |         |         |         |         |         |  |  |  |  |
|--|---------|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|--|--|
| Rural<br>unemployment<br>(unit: no, of |         | Period       |         |         |         |         |         |         |         |         |         |  |  |  |  |
| people)                                | 2010    | 2011         | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    |  |  |  |  |
| Total rural                            | 208,601 | 225,555      | 208,182 | 217,999 | 219,832 | 273,477 | 251,719 | 224,271 | 193,650 | 185,316 | 228,775 |  |  |  |  |
| under 1 month                          | 31,650  | 24,485       | 21,433  | 18,188  | 15,585  | 17,502  | 17,122  | 24,072  | 22,455  | 27,418  | 49,727  |  |  |  |  |
| % from total                           | 15.17%  | 10.86%       | 10.30%  | 8.34%   | 7.09%   | 6.40%   | 6.80%   | 10.73%  | 11.60%  | 14.80%  | 21.74%  |  |  |  |  |
| 1 - 2 month                            | 34,387  | 49,876       | 46,488  | 50,608  | 47,103  | 40,309  | 40,415  | 35,882  | 25,764  | 26,984  | 42,394  |  |  |  |  |
| % from total                           | 16.48%  | 22.11%       | 22.33%  | 23.21%  | 21.43%  | 14.74%  | 16.06%  | 16.00%  | 13.30%  | 14.56%  | 18.53%  |  |  |  |  |
| 3 - 5 month                            | 28,577  | 29,736       | 29,177  | 27,375  | 28,820  | 41,577  | 28,953  | 28,239  | 28,780  | 28,695  | 35,732  |  |  |  |  |
| % from total                           | 13.70%  | 13.18%       | 14.02%  | 12.56%  | 13.11%  | 15.20%  | 11.50%  | 12.59%  | 14.86%  | 15.48%  | 15.62%  |  |  |  |  |
| 6 - 8 month                            | 20,772  | 20,506       | 14,677  | 18,012  | 20,111  | 29,507  | 20,982  | 19,417  | 13,272  | 15,093  | 19,149  |  |  |  |  |
| % from total                           | 9.96%   | 9.09%        | 7.05%   | 8.26%   | 9.15%   | 10.79%  | 8.34%   | 8.66%   | 6.85%   | 8.14%   | 8.37%   |  |  |  |  |
| 9 - 11 month                           | 21,608  | 18,072       | 15,663  | 16,351  | 21,934  | 22,486  | 23,207  | 23,916  | 19,642  | 16,572  | 13,044  |  |  |  |  |
| % from total                           | 10.36%  | 8.01%        | 7.52%   | 7.50%   | 9.98%   | 8.22%   | 9.22%   | 10.66%  | 10.14%  | 8.94%   | 5.70%   |  |  |  |  |
| 12 - 17 month                          | 29,734  | 29,575       | 31,608  | 32,285  | 30,524  | 45,701  | 46,146  | 30,907  | 32,705  | 29,678  | 34,597  |  |  |  |  |
| % from total                           | 14.25%  | 13.11%       | 15.18%  | 14.81%  | 13.89%  | 16.71%  | 18.33%  | 13.78%  | 16.89%  | 16.01%  | 15.12%  |  |  |  |  |
| 18 - 23 month                          | 15,035  | 16,038       | 16,222  | 14,819  | 16,930  | 21,578  | 20,990  | 16,606  | 15,603  | 12,276  | 11,072  |  |  |  |  |
| % from total                           | 7.21%   | 7.11%        | 7.79%   | 6.80%   | 7.70%   | 7.89%   | 8.34%   | 7.40%   | 8.06%   | 6.62%   | 4.84%   |  |  |  |  |
| 24 month and<br>over                   | 26,838  | 37,267       | 32,913  | 40,360  | 38,825  | 54,815  | 53,903  | 45,231  | 35,430  | 28,600  | 23,061  |  |  |  |  |
| % from total                           | 12.87%  | 16.52%       | 15.81%  | 18.51%  | 17.66%  | 20.04%  | 21.41%  | 20.17%  | 18.30%  | 15.43%  | 10.08%  |  |  |  |  |

Source: author's calculation based on NIS data [10].

## The average monthly income, as an impact factor on rural unemployment

The income level in rural areas is an influencing factor on the employment rate in the labour market. Romanian revenues in rural areas are lower than those in urban areas, as can be seen in Table 6. in which are included data regarding the level of income, for employees and unemployed, in urban and rural areas, as average monthly income. It can be seen that the parameter value in terms of employees is about 70.29% compared to urban, and for the unemployed the difference is about 63.33%. Another important aspect that comes to show the balance between incomes and expenses at rural level and that must be mentioned is the value of the minimum shopping cart in rural areas was set at the end of 2018 as 644 lei for an adult (National Agency for Consumer Protection, ANPC, Central Insolvency Commission, 2018, Decision 7/2018 Regarding the Approval of the General Criteria for Establishing a Reasonable Standard of Living

[9].

Regardless of the relatively upward trend over the entire analyzed period of all categories subject to analysis, as seen in Figure 7, the differences between the value of the rural indicator compared to the urban one, makes the phenomenon of the working population migration from rural to urban or outside of the country to be accentuated. Another result of the total average income, as an impact factor in the employment rate is the decision to accept or not a form of work commitment under the given conditions.

The current rural reality is also characterized by a trend of rejection of job offers paid at legal minimum level and rather acceptance of forms of social assistance and unemployment benefits.

With the current health crisis, the number of jobs has decreased in rural areas and implicitly the number of unemployed has increased. A persistent and high level of unemployment is a significant negative impact on subsequent economic growth [3].

| Table 6. Av           | erage mon | inly incon   | ie in rura   | and urba     | n areas      |              |              |              |              |              |              |  |  |  |  |
|-----------------------|-----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--|--|--|--|
| Average<br>monthly    | Residenc  | Period       |              |              |              |              |              |              |              |              |              |  |  |  |  |
| income<br>(unit: lei) | e         | 2010         | 2011         | 2012         | 2013         | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         |  |  |  |  |
|                       | Total     | 981,58       | 1,016,0<br>0 | 1,056,3<br>0 | 1,115,5<br>5 | 1,173,6<br>8 | 1,255,0<br>9 | 1,410,3<br>0 | 1,607,0<br>7 | 2,152,2<br>0 | 2,436,4<br>9 |  |  |  |  |
| employees             | Urban     | 1,070,6<br>6 | 1,089,3<br>5 | 1,131,6<br>1 | 1,215,1<br>3 | 1,267,2<br>9 | 1,380,0<br>1 | 1,550,0<br>5 | 1,795,2<br>7 | 2,395,6<br>5 | 2,708,4<br>0 |  |  |  |  |
|                       | Rural     | 743,17       | 816,09       | 860,76       | 848,19       | 937,41       | 988,30       | 1,114,8<br>1 | 1,250,3<br>9 | 1,689,3<br>5 | 1,903,7<br>3 |  |  |  |  |
| _                     | Total     | 471,17       | 497,71       | 488,01       | 499,06       | 527,87       | 476,37       | 584,05       | 653,62       | 656,20       | 828,47       |  |  |  |  |
| unemploye<br>d        | Urban     | 493,77       | 517,96       | 537,54       | 535,57       | 576,16       | 523,15       | 682,46       | 726,18       | 822,18       | 944,47       |  |  |  |  |
|                       | Rural     | 426,58       | 457,73       | 400,56       | 425,97       | 436,86       | 412,92       | 454,72       | 567,41       | 509,19       | 696,73       |  |  |  |  |

Table 6. Average monthly income in rural and urban areas

Source: author's calculation based on NIS data [10].



Fig. 7. The average monthly income (lei) for employees and unemployed Source: author`s calculation based on NIS data [10].

And last, but not the least, drawing a parallel between European developing countries and those with developed economies, we can say that in developed countries, the income level in rural areas is almost similar to that in urban ones, given the heterogeneous level of economic development.

In developing countries, the indicator level in rural areas is lower than in urban ones, which is due to the factors mentioned above [13].

## CONCLUSIONS

The unemployment rate in the Romanian rural area had the lowest values compared to those in the urban area or to the national average, between 2010 and 2015, and then to register higher values compared to the indicators on the other two mentioned areas (for 2016-2020 period). Unemployment rate in rural areas increases on the first half of decade, then falls in a downward trend until 2019. In 2020, the value of the unemployment rate starts to increase again, due to the effects of the global health crisis on the economy and implicitly of the labour market.

In 2020, the highest number of rural unemployed are people who have finished or high graduate the school, then the unemployed with secondary school, those with university studies, the, post graduated specialized persons or technical foreman having the lowest share in the total number of unemployed in rural areas. The highest increasing values of unemployed people are recorded in 2015, for all categories mentioned, except for people with university degrees. The highest decreasing values of unemployed people are recorded between 2016 and 2019.

An important share of the total number of unemployed in rural areas, there are people who have never worked, who have never had a work experience, regardless of age or level of education (from 41.4% in 2010 to 63.62% in 2018 and 61% in 2019). The highest values are registered for people aged between 15-24 years and for those who graduated high school and the lowest weight values are for people aged 55-64 years and those with university degrees. In 2020, about 37.36% of the total number of unemployed in rural areas and the most important share is represented by people who cannot find a job for a period between 1-5 months. Unemployed persons for periods between 12 - 24 and over month represent 30.04% of the total of rural unemployed value. The share of weight, as an importance, remains the same throughout the analyzed period.

The rural level incomes are lower than the one registered in urban areas, for whole period 2010-2020. In 2019, the highest values of the average monthly income are registered, both for the unemployed and for the employees, in the rural area, respectively 693.73 lei (approx. 145 euro) and 1,903.73 lei (approx. 398 euro).

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