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## THESIS ABSTRACT

# **LABOUR MARKET IN ROMANIA AFTER 1990**

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# Content

CHAPTER	I	BALAN	CE	AN	D	EMP	LOYMENT
1.1 The evolution	on of the	concept of	labor	market			6
1.2 Features	and fun	ctions of	labor	market			8
1.3 Conceptual	framework	of economic	ic balar	nce			17
1.4 The main for	ms of eco	nomic equilib	rium				20
1.5 Conceptual	ocupăr	iii of labo	or res	ources			21
1.6 Theories on t	he econon	nic balance of	f manpo	wer and	employm	ent	22
1.6.1 Concept	of ba	lance and	emplo	yment	in the	merca	ntilist and
physiocrats							22
1.6.2 Adam	Smith,	the role	of "ir	nvisible	hand"	and	equilibrium
employment				• • • • • • • • • • • • • • • • • • • •			23
1.6.3 Thomas	Malthus	-between po	opulatio	n grow	th and	achiev	ve balance
problems							24
1.6.4 Karl Marx	and his vis	sion for emplo	oyment	and econ	omic bala	ance	25
1.6.5 Optics of	of the n	eoclassical l	abor n	narket			27
1.6.6 The balanc	e of econo	mic and emp	loyment	problem	in the we	ork of	
J.M.Keyn	es						30
1.6.7 Models	s of	equilibriun	n pr	roposed	by	his	successors
JMKeynes							
33							
Preliminary conc	lusions						45
CHAPTER II EN 1990-2008	ИРLОҮМ!	ENT AND U	NEMPI	LOYMEN	IT IN RO	OMANI	A DURING
2.1 The evolution	on of labo	or market in	Roman	nia during	g 1990-2	800	47
2.1.1 Analysis o	of the worl	king age popu	lation				51
2.1.2 Analysis	of labor	market after	the em	ploymen	t		54
2.1.3 Analysis	of the n	umber of er	nployee	s by typ	e of ac	tivity d	luring 1990
-2008							5

2.1.4 Analysis of the average activity rate	58
2.1.5 Analysis of labor market in terms of discrimination	n between
sexes	61
2.2 Characteristics and trends of unemployment in Romania during 1990-2	2007 63
2.2.1 The causes and evolution of unemployment in Romania du	uring 1990-
2007	
63	
2.2.2 Analysis of structural unemployment in Romania after 1990	72
2.2.3 The role of SMEs in employment in Romania	84
2.2.4 Analysis of labor market in Romania	94
2.2.5 Modelling the dynamic evolution of unemployment in Romania	99
2.2.6 Phillips curve relationship or unemployment - in	ıflation in
Romania	
110	
2.2.7 Analysis of the relationship between unemployment, inflation, wag	es and GDP
inRomania	124
2.2.8 Economic policy, economic and employment resources to achieve	a balance of
work in Romania	131
2.2.9 Policies to reduce unemployment and increase employment	oyment in
Romania	135
Preliminary conclusions	152
CHAPTER III LABOUR MARKET AND UNEMPLOYMENT IN	COUNTY
MARAMURES	154
3.1 Socio economic profile of North West	154
3.1.1 Economic developments in the North West	156
3.2 The structure of economic and employment in the North-West	161
3.3 The labor market in Maramures County	168
3.4 Research on the impact on workforce turnover businesses in the	Maramures
county	189
3.4.1 Analysis of labor market in Maramures County	190

3.4.2 Analysis based on questionnaires of the situation on the la	abor market in
Maramures	208
Preliminary conclusions	225
FINAL CONCLUSIONS	227
REFERENCES	240

#### ATTACHMENTS

Keywords: unemployment, steady employment, employment, balance, unemployment rate.

### INTRODUCTION

The scientific approach we undertook research focused to existing problems in the labor market in Romania after 1990, emphasizing theoretical and practical aspects of employment and the balance from evaluation limits identifing the present and reaching to ways that to contribute reducing unemployment and increasing labor efficiency.

Thus, we consider that major objective analysis represents changes since taken it on the market since 1990 and dynamic modeling of the evolution of unemployment in Romania.

Employment and unemployment are two phenomena that cause most profound consequences in economic and social development of a country. Respect to man, to produce the value that he must become a top priority in the daily agenda of government. In fact, economics studies how individuals, businesses, government and other organizations in society make choices and these choices determine how the use of company resources. Becoming more economically advanced countries has become the view that quality of governance, government management efficiency are assessed in terms of results in the use of labor resources.

Often we tend to forget that the resources that produce most of the desired profit is not the financial or business machines in the yard, but people who use these resources and their produce through value added tax called. The way people are educated, trained and driven economy depends on the success and performance. Since Adam Smith, father of modern political economy, it was noted that national wealth is given by the employment of population, its level of qualification and training.

Although the fact that a company is as effective as they are the people who compose it are a fixed fact, still not enough attention is paid to how it is prepared and used labor.

The existence of employees who fail to keep up, professionally, with changes taking place in a transition economy is an issue increasingly concerned government. Experience gained by them in the command economy is rather an obstacle than an asset. They appreciate so countries development are in fact poorly managed.

A society that does nothing but perpetuate the vision, the status and performance of today had lost resilience. And because the only thing human nature is constant change, it will not be able to survive in a changed tomorrow. A nation that is unable to perpetuate fails. Therefore, society must provide today who can lead tomorrow.

You must renew its human capital. Must always form labor resources. It must be kept in mind that education specialists that provide training and education today, will be prepared to meet future requirements.

If predictions about the disappearance of "job for life" and increase "portfolio careers" is confirmed, the emergence and decline of occupations will be so fast that people will always be insecure in their regard. Employment experience and dismissal rather small intervals of time will become a feature of our lives, regardless of the techniques involved, we must learn to know them all and use them in our personal benefit not only the organizations that apply.

Man must be placed in the center of any research on the development and evolution of the economic system. In this regard, addressing employment and unemployment is a priority to scientific research. Perhaps one of the most pressing problems of contemporary society is the inability to use the main source of economic growth and development: labor. Creating conditions for labor factor to be active and creative is one of the major socioeconomic problems facing all countries today.

Economic growth and development are overarching objectives of the national economy, closely related to the resources used. Unemployment is a terrible waste of resources. The main resource is the work factor. With the man, with its workforce, is the most valuable renewable resource and virtually limitless, its use in the most effective and fullest possible was established and remains a constant concern of all stakeholders, in other words, finding the best ways to fight unemployment is an objective necessity. The variety and complexity of the phenomenon, its forms of

manifestation of multiple implications, directly or indirectly in almost all parts of the economic body - are particularly difficult social task.

The existence of unemployment is not only the most eloquent proof of the failure of society to use the most important factor of production, but also evidence of human passage of the background. Changes in December 1989 led to some higher living standards. But a substantial part of the population was excluded from the trend increasing prosperity. The most obvious sign of exclusion is unemployment (job loss and inability to obtain a new job).

Unemployment stands behind many socio-economic indicators deteriorating. It reduces incomes, increases poverty, increasing inequalities, erodes human capital, increase crime, anxiety, increased social benefits and tax burden. It reflects the economic inefficiency (waste of resources) and human despair. Is a major source of human misery. Persistent unemployment undermines social cohesion and trust in democratic institutions and market economy.

Keynes put it bluntly. Unemployment and poverty are major causes of political instability. The governments know this and usually unemployment is the first issue on their agenda. Much has been said, it's much, much promised to rising employment and combating şomajului. Although there were positive experiences in this regard (Keynesian policies), the current condition didnţt offer no single solution, generally applicable, but only measures for clearly defined situations, focusing so far on treatment rather than prevention of unemployment.

Although preventing unemployment implies lower economic and social costs compared to reducing unemployment, it remains more a theoretical than a practical reality phrase. Therefore, the problem of employment and unemployment must be designed and discussed strategic objectives. Preventing unemployment raises another strategic issue, the need to prioritize science and education as investment in human capital.

A review of the labor market in Romania leads to the conclusion (based on its main development indicators) that recently appeared a more worrying phenomenon than unemployment, namely, the erosion of employment, precarious employment in the wage area.

Appeared and developed various forms of precarious employment and involuntary underemployment, new forms mixed between regular service and the employment poor. Nature of employment has changed dramatically from full time

work to part-time employment contract, the low skilled to high skilled labor. There was a degrading and precarious employment, worsened working conditions. In some cases violate basic rights of the employee, forcing him to work in conditions of exploitation, dangerous, unhealthy. Nobody cares, seriously, the terms in which it is offered paid work and the rights and obligations of both parties to the contract.

Labor market, with the focus person and his interests, holds the central market system inputs, labor is considered active and decisive factor of production. The balance between supply and demand of labor is considered the active production and determinant. Because employment of labor resources, is the main content, foundation existence and functioning of the labor market to achieve equilibrium on the market conditions to achieve macroeconomic balance, is necessary to consider the formation and functioning of this market is a fundamental and complex process.

Importance is the labor market, in terms of traded goods in the market was one of the arguments that formed the basis of our choice on "The labor market in Romania after 1990".

Research is a very complex issue, with strong economic and social implications, this paper combines theoretical approaches to the theoretical approach to clarify analitice. In conceptual notions of labor market, employment and economic balance. The analytical approach processes and aims to highlight trends in the field of employment of labor resources both nationally and in the county of Maramures.

The work presented is intended to be as deep analysis on the labor market after 1990.

#### **Motivation research**

The labor market is, always a subject of great interest because this market is trading one of the most important resource: labor.

Although the manifestations of this market is not new, we consider interesting to highlight the situation recorded during 1990-2008 in Romania as a result of browsing a new stage in the economy.

In this context, the motivation for choosing this theme consider fairly consistent and can be summarized as follows:

• The desire of familiarity with a topic very current and very important, in terms of scope and alleged economic implications, we deal with market failures through that may occur with impact on the lives of tens of millions people, with a social dimension neglected.

• Desire to learn how to analyze and quantify phenomena appearing on the market.

### **Considerations coverage study**

Paper we propose is intended as an invitation to the study of current and interesting topics.

Besides we present a theoretical analysis of the labor market in our country since 1990, and customization of the phenomena occurring in this period the Maramures county.

Our study has three main parts:

- Part I devoted to the theoretical preference for balance and employment;
- Part II covers aspects of employment and unemployment, various analyzes of labor market developments, in dynamic modeling of workforce;

The last part is a blueprint for Maramures county in terms of research conducted on the labor market was used to analyze the muncă. Therefore going on the same structure as in the country and an analysis based on questionnaires applied to a number of economic agents the county.

Finally a number of elements set out conclusive, the ideas considered important in the context of this study and future research directions are outlined that we intend to address in the future.

Among the means used to verify assumptions, logical mind inferarea-operation which allows a court, whose truth is not verifiable directly, in virtue of her links with other judgments considered true induction - inferare form, the knowledge of reality , the approximation of truth, from private premises (individual cases) to generally by the assumptions and conclusions or deduction - inferare form of traveling the road from general to particular.

We sought to illustrate the facts described by brief case studies, references to real events, the desire to make a more accurate snapshot of reality, and implications that may arise.

End of the paper contains the presentation of general conclusions resulting from the synthesis results of our research related to the labor market after 1990 and offers some proposals that could bring down unemployment.

We hope that through this work to stimulate interest in ways to reduce unemployment and eradicate all those who make decisions in this respect but also those who will continue research in this area.

### CHAPTER 1

### CHAPTER IN EMPLOYMENT AND EQUILIBRIUM

In Chapter I, entitled "Employment and Equilibrium" I watched as the
following research objectives:
□ showing the evolution of the concept of labor market;
☐ highlighting key features and functions of this type of market, this emphasis
on what is multidimensional, the high sensitivity rigitate and conditioning in this
economic and social balance - politically high degree of imperfection, the low
flexibility influence it has.
□ reviewing the conceptual boundaries of economic equilibrium, a notion
found in many disciplines, and present the main forms of economic equilibrium.
□ surprise economic theories have assigned an important role presenting
theories aimed at employment, identification of solutions proposed by them.
The importance of employment in an economy resulting from the multiple
roles that are fulfilled: economic role formative educational, social.

Employment - in the broadest meaning of the term - is the only mechanism for ensuring security and social protection for people temporarily in need, by creating the necessary resources to support social protection, decent and fair. In this context the balance between mechanisms sampling / social protection and social transfers are particularly relevant.

Unemployment is considered a normal phenomenon, a mechanism for reallocating labor resources based on volume and demand structure manufacturing, which always accompany the economic and social development of each country. The normal range of about 3-4% and relatively short duration, unemployment can play a positive role both globally and individually for the purposes of stimulating flexibility and increase labor productivity and raise the quality of training a work behavior, stimulation improve education and work discipline. Instead, large and high

unemployment rates cause huge economic losses and is a constant potential threat to society. Thus, unemployment leads to higher production and income loss of society, the degradation of skills, individual skill, the loss of income and social status, to discouragement and demotivation, etc. to family poverty.

Given the above, and many changes they register under the impact of labor market transition in Romania, we consider the problem of employment and unemployment are of special importance and should be treated as well. In economic literature is the view that a society is as economically efficient and socially just as powerful, the functional, as the interesting, motivated, satisfied and efficient are the people who compose it. Employment becomes a key component of sustainable human development, including high impact on the relationship between labor and intergenerationale Employment should be viewed as a functioning of all markets, not a specific problem of the labor market, because the system connections and communication with other markets, labor market imbalances receives impulses over which mechanisms and their specific forms to forward amplifying existing imbalances.

Achieving full employment and falling unemployment seen as the main way of achieving macroeconomic balance and sustainable human development, imbalances may manifest both labor market and on other domestic and international markets, contribute to economic and social balance best. Therefore, create conditions for employment factor to be active and creative is one of the major socio-economic problems facing the economy of any country.

Effectiveness of a national economy is closely related to the employment and performance of work. Stability, an economic system, the level of civilization attained, are popular in terms of indicators that reflect quality, quantity and diversification of goods and services on domestic and foreign level and trends in prices and income, and through the state, structure, development and employment prospects conferred labor resources in a social context, economic and scientific-technical highly dynamic.

### Limits of research objectives, methodology used

Paper we propose here is intended as a beginning study more complex labor market, given its a process of modernization as we see more relevant variables.

What we have proposed is above all a more complete presentation of the situation on the labor market in the context of a clear reality:

• define the concepts of balance and labor employment and an overview of the main theories of balance and employment.

Another goal we have set was showing the evolution of the labor market in Romania during 1990-2008. Astfel we analyzed the labor market after the occupation, number of employees, type of activity, area of residence, gender discrimination.

The scientific documentation phase we used extensively in bibliographic documentation covering the following areas:

- the notion of labor market, employment, economic balance, terminology, approaches, took place in the modern economy;
  - ways and means of analysis of the labor market;
  - modeling the dynamic evolution of unemployment;
- how to make an analysis based on labor market surveys in the county of Maramures.

Browse bibliographic sources was accompanied by direct documentary elements - collection of statistical data, design and implementation of questionnaires, interviews with experts in the field.

Among the assumptions made here, raised here a few:

- A long-term instability of the labor market may result in an imbalance of the economy generally;
- The period between 1990-2008 was marked by a nonlinear evolution of unemployment and wanted to see their exact evolution;
- Analyze the relationship between unemployment, inflation, wages and GDP in Romania:
  - current issues in the county of Maramures in the labor market;
- Analysis of questionnaires based on the situation on the labor market in Maramures.
- Finding appropriate proposals see diminishing the negative effects that may occur in this market because of the existence of serious problems.

We put special emphasis on careful observation and analysis of economic reality following where applicable:

- interdependence;
- relationship of subordination;
- causal links;
- successful relationship

### **CHAPTER II**

### EMPLOYMENT AND UNEMPLOYMENT IN ROMANIA DURING 1990-2008

### **Objectives:**

For Chapter II century we proposed that objective analysis on employment and unemployment situation in Romania, between 1990-2008, time interval considered by us worthy to be considered as surprising changes and significant changes in the Romanian economy. Thus, it is the desire to move to a market economy, achieved pass through several stages and surprise changes in the economy including economic boom before the crisis economy.

Thus, we have targeted:

- working age population analysis to identify potentially active labor force and achieve a population forecasts for the period 2015-2025;
- analysis of the labor market employment, to carry out an X-ray on the level of employment by professional status between 1990-2008 and the changes that occurred as well as considerations for the proposal on establishing a labor training directly correlated with needs and to avoid the emergence of a large number of unemployed as a result of labor market reintegration.
- analysis of number of employees by type of work performed to identify fluctuations that occur in economic sectors, in terms of employment.
- empirical study on the rate of activity on average, from the state of migration between rural and urban, both due to industrialization before 1990, and as a result of reducing the number of persons engaged in agricultural activities order.

- another objective was to capture the evolution of unemployment in the period 1990-2007, a structural analysis, categories affected by gender or education level, age, etc.
- Another objective was to capture the evolution of unemployment in the period 1990-2007, its structural analysis aimed categories affected by level of education, sex, age, etc..
- finding causal relationships between the characteristic variables and modeling links between them. The most popular theory about the labor market is Phillips Curve. The analyze of econometric curve will be focused on the relationship that exists between inflation and unemployment on the Romanian market. Going on the idea of economic theories mentioned above, the analysis also included two other variables Romania's GDP and quarterly average wage in Romania. Following the analysis shows that in terms of changes occurring in the labor market are part of the following:
- demographic pattern of our country before 1989 was characterized by invasive
  measures to adjust demographic factors: increased birth rate, stop the
  phenomenon of emigration, a high level of liberalization in 1990. In terms of
  behavior was associated with a postponement of births, a high level of
  migration of people because of the possibility of free competition, an active
  policy in the methods of contraception.
- the numerically largest decrease recorded in the age between 20-24 years and 25-29 years; On the one hand can be seen as a segment of the population continue their studies, but in the second segment 25-29 is possible that they no longer find future within the national economy due to migration flows.
- fastest growing segment is the segment aged 35-39 by ani. People aged around 40 years are professional, mature, may have contributed significantly to progress economic. Due the fact that they were present in field labor during the transition showed a highly mobile and can be a pillar sustainable development of the whole economy.
- Segmentul consists of those between 50-59 years has grown and become a factor generating tensions in the labor market muncă.La this age, mobility is reduced for those laid off is a feeling of discouragement and marginalization.

- labor market can not hold employment with his attributes which is a disadvantage to other EU markets offering higher minimum wages.
- there is no still a culture for work. Romanian employees have a behavior that
  is very flexible and easily adaptable when working across borders and
  extremely conservative when engaged in activities in their country.
- Analyzing the phenomenon of activity on average it appears that activity rates are higher in rural areas to urban areas, given the historical, economic, social and even urban-rural migration demografice. The intensity grow with people near the end of active life. after age 55, mobility decreases in intensity as near retirement person's ability to seek employment or to change personal profile is very low. In conclusion, changes in direction of internal migration flows have as main cause subsistence.
- During the 18 years the size, dynamics, forms and characteristics of unemployment in our country have evolved differently from one year to another and from one month to another. This phenomenon has been observed in our country, have evolved differently from year to year and from month to month. This phenomenon has made its presence felt in our country, with the first measures of liberalization and economic restructuring, having a normal outcome, predictable.
- since 1990 reducing the number of employees across the economy was recorded in all sectors. Number of people involved in agriculture has declined annually, with a rate of 32 300 people every year, reaching in 2008, in agriculture there were only 15.4% of those who worked in 1990.
- staff reductions in the first two sectors were offset by increasing the number of employed in terms of intensity terțiar.În urban migration areas that grow with people near the end of active life. Changes of direction of internal migration flows are the main cause subsistence.
- Reduce continuous employment in our country after 1990 made the phenomenon to be reflected in unemployment among women. Concentration of unemployment in the female workforce has numerous incidents of family life and on society, such as reducing income and financial strength of the

- family, fewer children and damage their education and potential labor force in Romania.
- Analysis of unemployment by socio-professional structure and levels of education expands knowledge of this phenomenon, indicating its sources of training and suggesting ways to solve the employment growth and areas requiring retraining and conversion processes profesională. So, although unemployment affects all categories of labor, focusing mainly in those who have the status of workers. This is explained just in terms of industrial decline, for which they have conducted numerous layoffs as a result of the restructuring process.
- In the analysis of unemployment by age shows that young people under 25 are the most numerous population group afectată. Transition from school to integrate youth labor market is one of the most critical and pressing problems functioning labor market, economic and has a high social impact. Also must be noted that sometimes young people start working in marginalized areas, sometimes even below their qualifications and work within the unprotected circuit, which isolates them from society, before they take the first steps in professional life and family.
- economic environment and social instability, coupled with significant changes in mentality and aspirations have led to substantial changes in population structure in terms of România.În labor employed are two characteristics that should be highlighted. Once the share of employees with fixed-term employment contracts fell sharply, from 3% around 2000, from 1% in 2009.Then, the share of employment in the tertiary sector, even in times of crisis. employment growth rate was 2.3% in 2009 for services, while industry declined 1.1% and agriculture 8.8%.
- Finally, young people under 25 are most numerous population group afectată. Transition from school to integrate youth labor market is one of the most critical and pressing issues problems functioning labor market, the economic impact and socially very powerful.
- The analysis of the monthly unemployment rate in Romania showed the presence of seasonal components, so to contuna analysis, data were subjected deseasonalisation premium process moving average method. Moreover, to

capture the exact characteristics of unemployment in Romania, seasonality indices were calculated. It is expected that in the winter months, when some sectors are active, they are higher than one, and in the summer months are smaller than 1 .The values obtained for these indices confirmed the assumptions made.

- To analyze the unemployment-inflation relationship, we used vector autoregressive methodology, taking into account the past values of endogenous variable and the present and past of the variables factori. This analysis revealed a characteristic relationship to inflation unemployment in Romania. This is not reversed, as Phillips Curve theory claims, but can be a multiple direct one, or the mere fact that this relationship has been tested and validated. It means that states with a long history, a pulse of 1 percentage point to inflation in the future will generate an increase in the unemployment rate by 0.04 percentage points in Romania and increase over two months by 0.03 percentage points.
- Following the same methodology as the Philips Curve study, we introduced two other important variables in the analysis, Romania's GDP and average wage trimestrial. The integration of these variables in the research related to the leads obtained from Philips curve law of Lucas, Okun's, made the determinat etc. The analyzes following relationship between unemployment, inflation, average wage and GDP in Romania. An increase in inflation by 1 percentage point leads to a concomitant increase in the unemployment rate by 0.136 points procentuale. Through terms of coefficients, the higher the average wage net. But variance decomposition analysis showed that the actual influence of the wage negligible while the rate as is the case unemployment. Lack of influence ultimeme two variables is explained by the lack of flexibility of labor market in Romania.
- To establish a link between GDP and wages still use a vector error correction model (VECM). Validity of the model was analyzed by several metode.În first analysis was conducted autoregressive polynomial roots, observing that the model estimated is stable. Unemployment rate depends, as expected, the utmost of its values anterioare.Pe short term, inflation is almost negligible

influence, but it increases over time, reaching 50%. Average net wage and GDP The influences only very little progress in unemployment.

- As regards labor market policy in Romania is required to change priorities, to be made aware of investment in human capital, promotion and support for greater private sector as jobs generator.
- In the other national programs and measures to manage unemployment and increasing employment are:
  - Promote local potential directions for the implementation of employment and social inclusion;
  - Increase and improve investment in human capital, increasing access to education for disadvantaged groups;
  - Adoption of an educational and training systems to new requirements and skills.
  - Greater mobility of labor both domestically and internationally.

### **CHAPTER III**

### LABOUR MARKET AND UNEMPLOYMENT IN MARAMURES

### **Objectives:**

In this chapter we set as objectives the following:

□ a fair county of Maramures, development potential is given mainly by the expansion of services and easy access to highly trained workforce, opportunities exploited so far by foreign investors who have taken or established industrial parks.

□ labor market analysis in the county of Maramures, the approach made by the same methodology as the national unemployment rate is analyzed first, then her relationship with inflation and then the average wage and GDP at the county level. The purpose of the analysis was to highlight the relationship of interdependence between the various labor market variables in Maramures county.

☐ an analysis based on questionnaires regarding the situation on the labor market. It was intended to capture features of employment-related decisions, the employment, economic involvement in the training of employees, etc..

Following analysis were undertaken following conclusions:

□ county population decreased significantly while the birth rate in Maramures
always remained above the national rate, while mortality rate was below
naţională. This means that the continuous decrease of the county population was not
due so much fertility-related demographic phenomena and mortality, but rather the
phenomenon of migration.
Imbalances caused by the restructuring of the Romanian economy, and in
Maramures county gave a new dimension to adaptation to labor market
requirements.
☐ in matters strictly labor market can be observed that Maramureş was
characterized by an almost identical rate of activity for men and women, even in some
years higher for women.
□ during the analysis using the same methodology as the national level.
Unemployment rate was analyzed first, then her relationship with inflation and then
the average wage and GDP at the county level.
☐ The results below show an inverse relationship between unemployment and
inflation rates in the county, so a confirmation of Phillips Curve. Analyzing Phillops
Curve showed a low influence of inflation on unemployment, so this is not a
consistent factor forecast the unemployment rate. This could be determined, in
principle, that no county level data are available on price changes only in the
geographical county data are involved nationwide.
$\hfill\Box$ analyzes conducted at the county, showed that variables with significant
influence at the national level had here a small impact.
$\hfill\Box$ The relationship between unemployment rate and county population could
not be estimated by any method of review. In all cases, the coefficients and,
consequently, found models were not validated, proved statistically insignificant.
$\hfill\square$ In 2008, the international financial crisis began to feel and România. In order
to capture its effects, we asked people who have businesses in the county how many
people were employed in the last three years and how many people were fired in the
last three years. Most were employed between 5-10 people in the trade. Another
specificity is that they hired more people .After we applied tests, we found a
significant link Maramures labor market between the activity and number of persons
employed in the past three years, characterized by international and national economic

crisis.

☐ In the framing of the unemployed, only 20% of companies surveyed
registered as unemployed target group CEA photos.
☐ In recent years, discussions becoming heated to bear on university programs
correlate with labor market requirements. For this reason, we wanted to see
Maramures businessman opinion on issues that employers should put more stress on
higher education institutions overwhelmingly România. We can see that employers
prefer creative people who come up with new ideas for business lor. Higher education
school should therefore think curricula so as to develop creative capacity of the future
employee.In this way we have, in terms of business environment in Maramures, a
better integration of recent graduates muncă. The effect on labor market would be
extremely important, considering the results of labor market analysis to national level,
which shows a very high unemployment (over 20% in past year) among young
people.
€ The methodology was adapted to the specific data available. The first
and most simple analysis is forecasting exponential smoothing Holt-Winters method.
In doing the exercise time series method was applied to the component has not been
from time to time. Even more, the analysis was to highlight relationships between
different interdependence between variables on labor market in the county of
Maramures.
☐ Keeping the chain of higher education, we analyzed the degree of
collaboration between business and environment Maramures universitar.Cel most
important aspect of this cooperation, and noticeable effects on the labor market refers
to the practice studenților.Din Unfortunately, a large majority firms have no
collaboration with educational institutions this track superior. Apare therefore a lack of
communication between teacher and employer which is not only detrimental to
employees.
☐ Most employers Maramures are traditionalists, preferring regular
program. Although, given the specificity of this district is quite significant number of
those who accept and make employment and part-time (around 40%).
€ Finally, we wanted to see the reasons that, in terms of management of a
firm lead to the status of unemployed to find some persoane.Between
reasons were : laziness, indifference, superficiality employee, lack of
experience,etc.

€ For information processing occurring in the questionnaire method was used descriptive statistics, inferential statistics and analysis of multidimensional data.

Financial jam, mixed with investment is another important factor that influence the balance of the economy, so by default on the labor market. Loss of foreign markets and migration are factors that have influenced this period employment and unemployment in Romania.

In order to increase employment and reduce unemployment levels in Romania will be to work towards increased investment and support sustainable economic growth.

Also, an important direction is the development of SMEs, as they should be regarded as the main driver for innovation and employment.

For economic development and increase efficiency in the economy, Romania must act to:

- reduce youth unemployment by applying incentives to employers for the employment of graduate education, counseling, vocational training, consultancy for setting up small businesses;
- Reduce long-term unemployment by providing benefits for unemployed falls before the expiry of compensation, stimulating mobility grant measures of labor employed in temporary employment programs;
- reducing unemployment among people aged over 45 years, through incentives to employers;
- working longer, through incentives to employers hiring unemployed who have three years until the conditions for applying for partial early retirement pension, early retirement pension or old-age pension granted by law;
- continuing professional development by organizing courses for those who have ceased operations, so to resume, to accomplish the tasks of service and on the other hand, diversifying professional skills to facilitate their integration labor market;
- ensuring an appropriate competitive environment, able to stimulate increased competence, quality and professional performance of the human factor;
  - increasing labor market flexibility, from the internal, external and salary;
- promoting social dialogue, by improving the institution negotiations

  In conclusion, these issues should be key elements in developing strategies and employment policies, to combat social exclusion, of entering the labor market and

reintegration activity of discouraged, whether for the first time entered the labor market, whether unemployment status obtained from the loss job.

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