

Sustainable Development and the Communities in Romania and Slovakia

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Whether we talk about a national, regional or local community, the main objective is represented by the economic progress. Lately, there have been reorganizations of the economic systems. The transition from planned economy to market economy in both Romania and Slovakia, led to technical, economic, social and institutional changes. The accession to the European Union imposed structural changes from the primary to the secondary or tertiary sector.

Sustainable development is part of the economic development. A proper management of the daily changes can be made only with flexible, well-educated and prepared persons, who have the required interdisciplinary knowledge.

When we discuss about the sustainable development, we must take into account the human resources as well. The strategic objectives of the European Union can be achieved only if we properly manage the human resources. The purpose of this article is to analyse the sustainable development in terms of its human capital component. Hereby, the article presents information on both the sustainable development and the current state of the educational level of human resources in Romania and in Slovakia. It also presents an overview of the characteristics of human resources for a sustainable development. The importance of educational level is given by the necessity to find viable solutions to everyday problems. The economic development of a community is influenced by the level of education of the community members. The decisions affect the work of all community members. Hereby, the national, local and regional communities play a role increasingly important. There can appear various issues such as the loss of social welfare, if we do not take into account the human factor. The appropriate training of the community members can help the community to face the challenges of the knowledge society. The education is essential for the sustainable development. The development of national education and training systems results as a necessity for the decision-making with positive impact on the economic progress of the sustainable development.

Keywords: *Romania, Slovakia, human capital, sustainable development, economic growth*

The global financial crisis has shown that economic realities are moving faster than political. During the crisis many people have lost their jobs. We have created such pressure on social cohesion in Europe. To achieve a sustainable future, short-term priorities are not enough. We need a European recovery, creating new jobs and providing better living conditions.

EU member states are going through a period of transformation. And Slovakia and Romania are in this stage of transformation. In the period preceding the crisis were the economic and social progress. The crisis has wiped this progress and highlighted some structural weaknesses in Europe's economy. The current challenges are related to the term globalization, pressure on resources, aging EU member states.

Europe 2020 is the EU's growth strategy for the coming period. Thus, it wants the EU to become a smart, sustainable and inclusive growth. These three priorities are mutually supportive and able to help Member States to achieve a high level of labour employment, productivity and social cohesion.

The smart or smart growth refers to developing an economy based on knowledge and innovation. Sustainable growth is based on promoting a more efficient in terms of resource use. An inclusive economy seeks to promote an economy based on high rates of employment, ensuring social and territorial cohesion at European and regional level.

The European Union has set five major goals to be achieved by 2020. In order to achieve these goals five European Member States have adopted their own national targets in these areas. The five European strategic objectives in mind: employment; research and innovation; education; social inclusion and combating poverty; climate change and energy / environment.

The first objective proposes that in 2020, 75% of the population aged between 20 and 64 have a job. The second objective requires that the percentage of EU GDP invested in research and development to 3%.

Objective of education suggests that early school leaving rate is reduced below 10% and at least 40% of the younger generation have a tertiary degree. In terms of social inclusion and combating poverty, the number of people at risk of poverty would be reduced by 20 million.

To support Member States, the Commission presented seven initiatives to stimulate progress. These initiatives are: "Innovation Union"; "Youth on the Move"; "A Digital Agenda for Europe"; "Resource efficient Europe in terms of resource use"; "An industrial policy for the globalization era"; "An agenda for new skills and jobs 'and' European Platform against Poverty".

Each country to obtain results, implementing the Europe 2020 strategy is reflected both by the strategic objectives and initiatives outlined above and by country reports, based on national strategies. The European Commission will periodically assess the NRPs and European Union Council approves convergence programs of EU Member States.

On the other hand, the Lisbon Treaty introduced a new objective on territorial cohesion. He added territorial cohesion to the objectives of economic and social cohesion. In this way the role of cities is expected to increase.

In order to more growth and to provide income convergence at the level of developed countries in the EU, it is necessary to improve investment and competitiveness.

Investments in human capital are essential. Economic growth and competitiveness is based on education and training systems performance. Economic recovery generating new jobs is influenced by education and training systems oriented labour market.

In recent years, in Europe, there were ample evidence that skills supply does not meet the needs of the labour market. Thus, in Europe there are over two million vacancies.

Public funding is limited, so that an increase in competitiveness can be achieved by effective investment in education and training. At European level was adopted strategic framework for European cooperation in education and training for the period up to 2020. It is intended that through this framework to support the development of education and training systems of the Member States. It sought personal fulfilment, social and professional for all EU citizens. This also applies to economic prosperity and sustainable employability, promoting democratic values, social cohesion, creativity and innovation, active citizenship and intercultural dialogue.

The aim is to support efforts to acquire key competences and to reduce the share of low achievers. It aims also to promote the acquisition of basic skills and retraining measures and to improve skills by enhancing lifelong learning. It believes that education and training have played a strategic role in supporting economic recovery in Europe.

Given the key role of investment in human capital, education and training systems can be the main driver of economic growth and competitiveness and to prepare an economic recovery generating new jobs.

With the help of flexible training, new training methods and adapting education and training programs, teachers and trainers are likely to be motivated to acquire a high level of digital literacy.

Another important aspect of education and training is the financial aspect. Thus, it is suggested that EU Member States make full use of the new generation of financial instruments, particularly Erasmus + and structural funds and European investment.

Concept of sustainable development

During the last years there were many international scientific debates have focused on globalization. In this context was formulated a new concept of sustainable development.

In 1972, the Club of Rome, the Report Meadows (Limits to Growth) revealed for the first time that economic and social developments cannot be separated from the consequences of human activity on the natural environment. This report brings to the fore issues related to population growth, the impact of industrialization, pollution, food production and natural resource depletion trends.

The UN Conference on the Human Environment (Stockholm, 1972) and the work of the World Commission on Environment and Development (1985), the international community began to debate the issue of the relationship between humankind and the natural environment. The debates that took place during World Commission on Environment and Development in 1987 is reflected by the Brundtland Report - Our Common Future. This report provided the first accepted definition of sustainable development: "development that meets the

needs of the present generation without compromising the ability of future generations to meet their own needs".

Issues relating to sustainable development continued at the following high-level meetings so that issues of sustainable development acquired a global political dimension. There were three important meetings: Conference on Environment and Sustainable Development in Rio de Janeiro (1992), Special Session of the UN General Assembly adopted the Millennium Goals (2000) and the World Conference on Sustainable Development in Johannesburg (2002). They helped to shape global action program and local Agenda 21 Local. In 1997, the European Union adopted as a policy objective of sustainable development, by including in the Treaty of Maastricht. In 2001, the Gothenburg European Council adopted the Sustainable Development Strategy of the European Union, which has been added an external dimension in Barcelona in 2002. The review process of this strategy (2005) identified trends that could affect development of the EU: climate change, threats to public health, poverty, social exclusion, depletion, erosion of biodiversity. It adopted a declaration on the guidelines of sustainable development, economic growth and create new jobs.

In 2006, the EU Council adopted a renewed Sustainable Development Strategy for an enlarged Europe. This document aims to continuously improve the overall quality of life both for the present and for the future. This can be achieved by creating sustainable communities that are able to manage and use resources efficiently. It aims at the same time, the potential ecological and social innovation economy to ensure prosperity, environmental protection and social cohesion.

European Council of December 2009 confirmed that "*Sustainable development remains a fundamental objective of the European Union under the Lisbon Treaty*".

Within the UN Summit on Sustainable Development Rio + 20 (2012) adopted a final statement opens the door to development of the planet green, greener and social. The Rio + 20 call for a "green economy", a less destructive development model for a planet whose population will go from seven billion to 10 billion by 2050.

European Council and European Commission (2012) have established measures to support the Europe 2020 objectives for growth and jobs.

Economic situation

Within the EU economies, the Slovak economy has one of the fastest recovery from the financial crisis. Now, the Slovak economy is facing the challenge to consolidate domestic production and to diversify its sources of growth. In Slovakia, the growth rate of GDP in 2013 was 0.9%.

After a slowdown in 2013, economic activity has intensified in Slovakia in 2014. Real GDP is expected to grow by 2.2% in 2014. In Romania GDP increased to 3.5% in 2013, following very good export results. In Slovakia, the unemployment rate remains close to 13% in 2014 and nearly 7% in Romania. Comparison between the growth rate of GDP and unemployment is shown in Table 1.

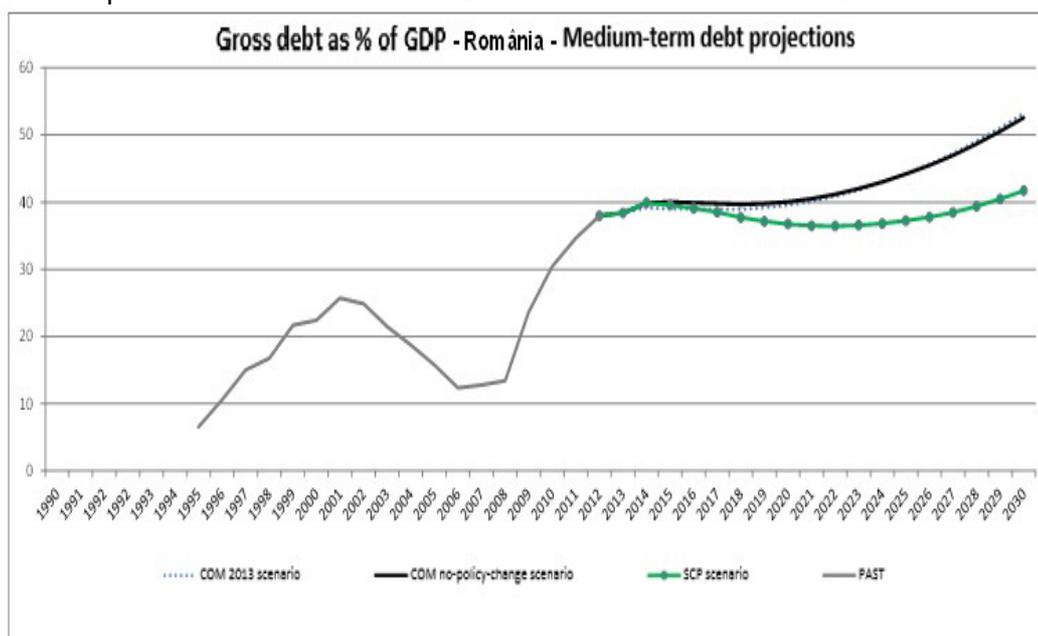
Table 1. The rate of GDP growth and unemployment

Indicators	Country	1996-2000	2001-2005	2006-2010	2011	2012	2013
Growth rate of GDP	RO	-0,3	5,7	2,8	2,3	0,6	3,5
	SK	3,4	4,9	4,8	3,0	1,8	0,9
Unemployment (% of labour force)	RO	5,5	7,2	6,7	7,4	7,0	7,3
	SK	14,4	18,2	12,2	13,7	14,0	14,2

Source: European Commission, 2014

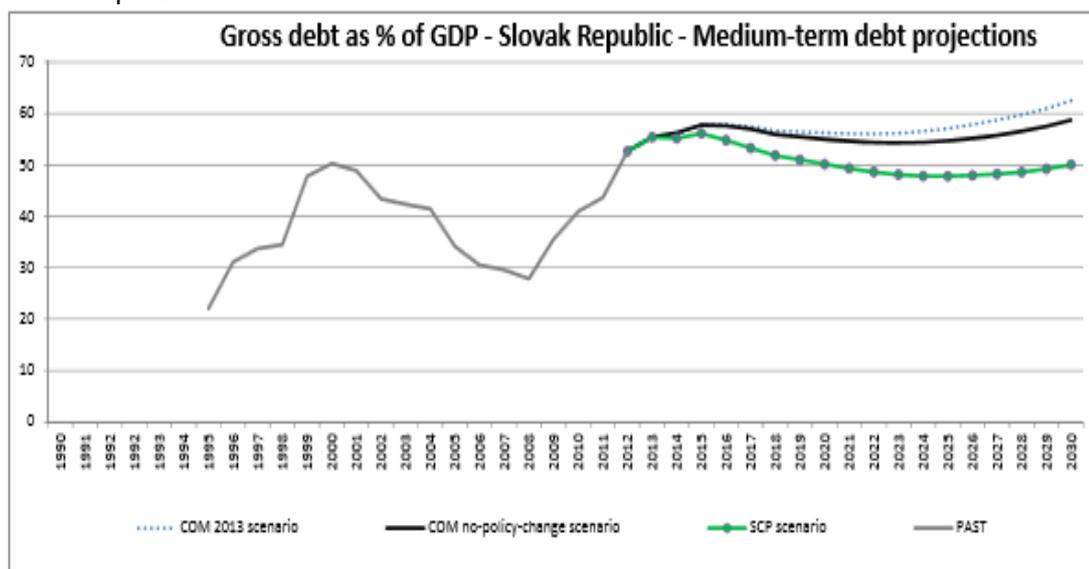
Government debt to GDP will continue to grow in 2014 in both countries. In Romania, the government gross debt as a percentage of GDP increased from 28.0% (average 2008-2012) to 38.4% in 2013 and then to 39.9% in 2014. In Slovakia, the government gross debt as a percentage of GDP increased from 40.1% (average 2008-2012) to 55.4% in 2013 and then to 56.3% in 2014. Gross debt situation of Romania and Slovakia is presented in graphs 1 and 2. This forecast is based on the Commission Spring 2014 and the convergence programs of the two countries.

Graph 1. Gross debt as % of GDP - Romania - forecast medium-term debt



Source: European Commission, 2014

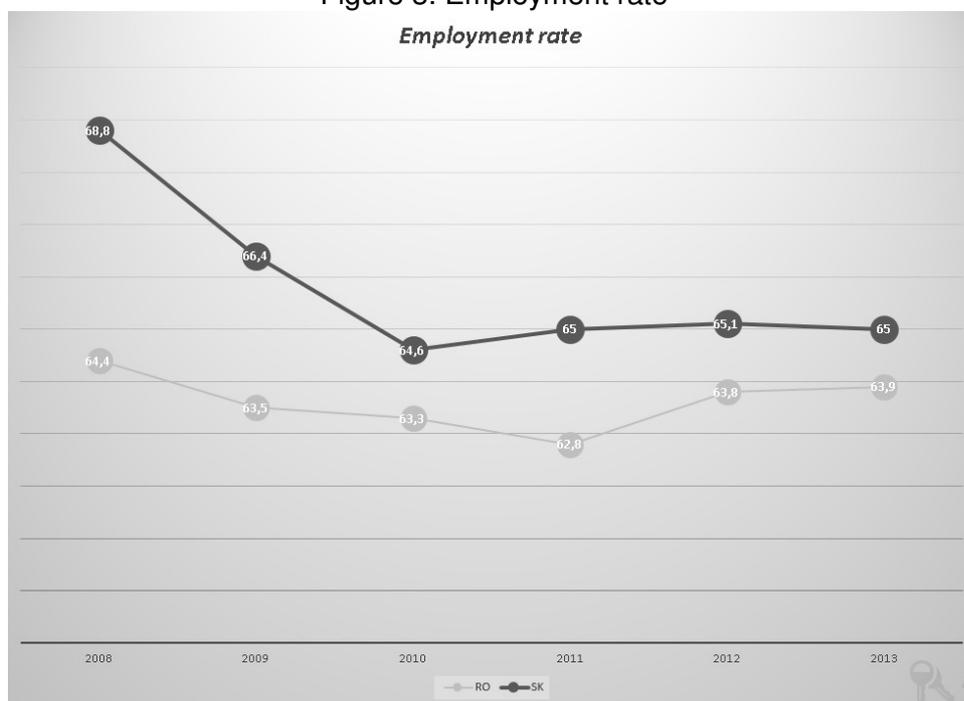
Graph 2. Gross debt as % of GDP - Slovakia - forecast medium-term debt



Source: European Commission, 2014

As labour market indicators, considering the employment rate (% of population aged 20 and 64), we find that the situation is similar in the two countries. Changes for 2008-2013 is shown in Figure 3.

Figure 3. Employment rate



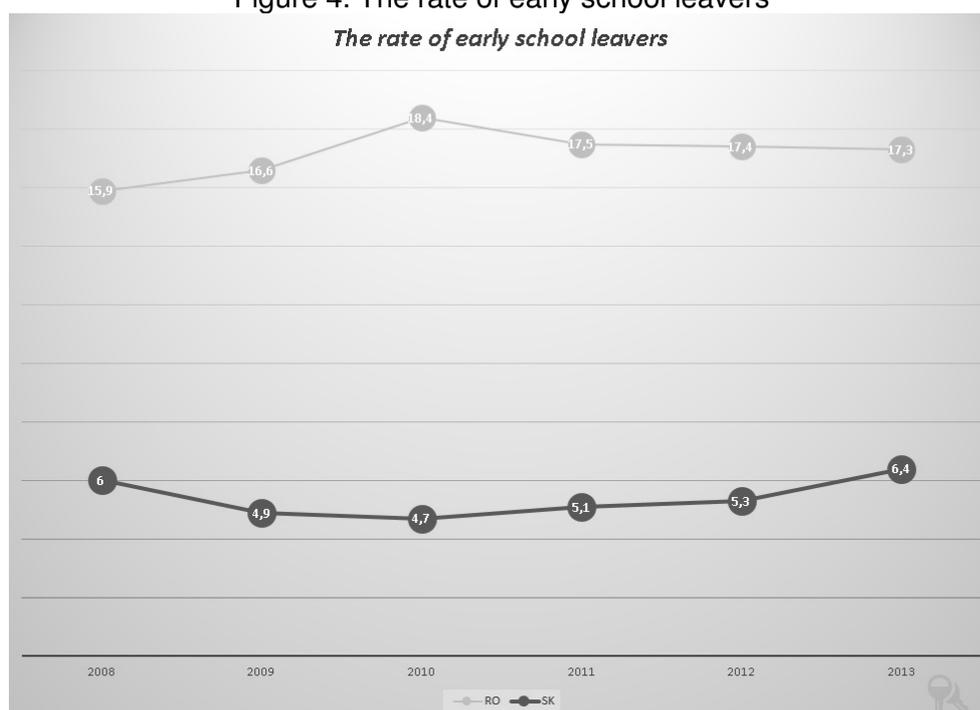
Source: conducted by the author using data from the European Commission, 2014

Regarding the reduction of early school leavers, the strategic objective for education, Figure 4 shows the situation of people who left early form of education or training. These data are presented as a percentage of the

population aged between 18 and 24 years who completed at most lower secondary education and not undertaken further education or training.

From the data presented, the situation in Romania, there is a slight decrease in the percentage in 2011. It can be concluded that the measures imposed by the new education law since 2011 have resulted in a substantial reduction of early school leavers. And other interventions are needed in education and training so that people aged between 18 and 24 years can follow the corresponding upper secondary school studies or follow other forms of education or training.

Figure 4. The rate of early school leavers



Source: conducted by the author using data from the European Commission, 2014

For the second indicator for education, the data presented for 2013 by the European Commission shows that almost 27% of the population aged between 30 and 34 successfully completed a tertiary education in Slovakia. For Romania, the percentage is about 23%. It should be noted that European target for 2020 is 40%. In Table 3 indicates the percentage values of spending on social protection benefits for the period 2007-2011.

Table 3. Expenditure on social protection benefits

Expenditure on social protection benefits (% of GDP)	Country	2007	2008	2009	2010	2011
Health Care	RO	3,5	3,5	4,1	4,4	4,0
	SK	4,7	5,1	5,8	5,5	5,4
Invalidity	RO	1,3	1,4	1,6	1,6	1,5
	SK	1,3	1,4	1,5	1,6	1,6
Old age and survivors	RO	6,0	7,1	8,8	8,8	8,6
	SK	6,8	6,6	7,8	7,8	7,7
Family / children	RO	1,7	1,5	1,7	1,7	1,4
	SK	1,5	1,5	1,7	1,8	1,8
Unemployment	RO	0,3	0,2	0,4	0,6	0,3
	SK	0,6	0,6	1,0	1,0	0,8
Total	RO	13,2	14,1	16,9	17,4	16,1
	SK	15,4	15,5	18,2	18,1	17,7

Source: European Commission, 2014

In Romania, there is a 2.9% increase in expenditure in 2011 compared to 2007. This increase is mainly due to increase by 2.6% of social protection expenditure given category "Old age and survivors".

Also, it can be seen that for the "Family / Children" in 2011 compared to 2007, in Romania the percentage decreases from 1.7% to 1.4% in Slovakia expenses distributed category "Family / children" grow from 1.5% to 1.8% of GDP.

One of the EU's strategic objectives is to reduce the number of people at risk of poverty. From this point of view, in Slovakia, for the period 2008-2012, the percentage is kept approximately constant 20.5% of the total population.

Unfortunately, in Romania, even though the percentage of people at risk of poverty or social exclusion in 2012 decreased by 3% compared to 2008, it remains high as nearly 42% of the total population in 2012.

Also, if in Slovakia only a quarter of the population aged 0 to 17 years falls into the category of children at risk of poverty or social exclusion, in Romania the percentage is 52%. This means that more than half of the population aged 0 to 17 years falls into the category of children at risk of poverty or social exclusion. Data on social inclusion indicators are presented in Table 4.

Table 4. Indicators of social inclusion

Indicators of social inclusion	Country	2008	2009	2010	2011	2012
The population at risk of poverty or social exclusion (% of total population)	RO	44,2	43,1	41,4	40,3	41,7
	SK	20,6	19,6	20,6	20,6	20,5
Children at risk of poverty or social exclusion (% of the population aged 0 to 17 years)	RO	51,2	52,0	48,7	49,1	52,2
	SK	24,3	23,7	25,3	26,0	26,6
Elderly at risk of poverty or social exclusion (% of population aged over 65 years)	RO	49,2	43,1	39,9	35,3	35,7
	SK	21,9	19,7	16,7	14,5	16,3
Risk of poverty rate (% of total population)	RO	23,4	22,4	21,1	22,2	22,6
	SK	10,9	11,0	12,0	13,0	13,2
Risk of poverty rate persons in employment (% of employed)	RO	17,5	17,6	17,2	18,9	19,1
	SK	11,8	11,1	11,4	10,6	10,5

Source: European Commission, 2014

Another interesting observation is given by the evolution of the percentage rate risk of in-work poverty. Thus, in Slovakia this percentage decreases in 2012 compared to 2008 by 1.3% to 10.5% in 2012. In contrast, in Romania, during the same years, the rate increases to 19.1%. This means that one in five people employed in the position of being classified as persons at risk of poverty.

It should be noted that people at risk of poverty or social exclusion are people at risk of poverty and / or suffering from severe material deprivation and / or living in a household with work intensity equal to zero or very low.

Also, the poverty rate is the percentage of people with disposable income per adult-equivalent income below 60% of the national average. In terms of percentage of population by age groups in Table 5 provides information resulting from population censuses in both countries in 2011, as well as information for December 31, 2013 (Slovakia) and January 1, 2014 (Romania). Data refer to the distribution of population by age groups 0-14 years, 15-64 years, over 65 years.

Table 5. Population by age group

	Year	Total resident population	0-14 years		15-64 years		Over 65 years	
			Absolute value	%	Absolute value	%	Absolute value	%
SK	2011	5.397.036	826.516	15,3	3.886.327	72,0	682.873	12,7
	2014	5.415.949	829.925	15,3	3.852.888	71,1	733.136	13,5
RO	2011	20.121.641	3.189.646	15,9	13.684.251	68,0	3.247.744	16,1
	2014	19.942.642	3.090.080	15,5	13.555.125	68,0	3.297.437	16,5

Source: Statistical Office of the Slovak Republic, National Institute of Statistics of Romania, 2014

There is a similar distribution by age groups for both countries. In Table 6 are data on the educational level of the population in Slovakia and Romania.

Table 6. The educational level of the population

	Year	Total resident population	At least secondary education attested		High school completed		Without graduated high school	
			Absolute value	%	Absolute value	%	Absolute value	%
SK	2011	5.397.036	747.968	13,9	1.596.589	29,6	3.052.479	56,6
RO	2011	20.121.641	2.591.021	12,9	4.964.802	24,7	12.565.818	62,4

Source: conducted by the author using data from the Statistical Office of the Slovak Republic and the National Institute of Statistics of Romania, 2014

If University degree category, the percentages are close in terms of people with high school graduated there is a difference of 5 percent in addition to the population of Slovakia. Also, the percentage of people who have not completed high school (or not said level of education) is higher in the case of Romania. This means that more people with lower education levels, but is an advantage for training activities that target group people with low level of skill or unskilled.

Conclusions

Sustainable development is increasingly becoming a constant economic and social policies of each country. Thus, there is no economic or ideological boundaries of pollution. If current trends in terms of the degree of pollution, but also the poverty, globalization actions to counteract the only solution. Positioning man in the spotlight is essential, in order to lead to material prosperity, cultural, and physical and mental health.

In Slovakia, high unemployment is a challenge on the labour market. Long-term unemployment is a particularly serious problem, accounting for about 70% of the total unemployed. Unemployment among young people is also among the highest in the EU. These aspects must be taken into account when developing new programs on the labour market both graduates and people who are a long time looking for a job. Integration of Roma in the labour market should continue through implementation of special programs whose target group is composed of the Roma population.

As in Slovakia, and Romania should be further addressed issues such as youth unemployment and the integration of the most vulnerable groups of society both in education and in the workforce. In Romania, it is necessary to organize new training programs aimed at people who have a low level of qualification. Another concern would be raising labour productivity.

In both countries it is important that education and training are relevant to the labour market so that the transition from education to employment to be made easily. Education and training should be improved. Also, there should be a better match of skills acquired with skills required by the labour market.

Knowledge transfer is another aspect that can be improved through the creation of partnerships between educational institutions and businesses. These partnerships are needed both for higher education and for school education.

In Romania action is needed to combat poverty, especially in rural areas and the Roma population. The overall health status of the population of Romania is still worrying. It appears that there are very high rates of infant mortality and low life expectancy at birth. Action is needed consolidation of recent progress in health reform.

Urban areas can be the engines of growth and hubs for creativity and innovation. You can create new jobs by creating partnerships between companies, universities and researchers. Public authorities should be involved in urban problem solving activities.

It is necessary to increase and diversify partnerships between education and training organizations and the labour market. Through these partnerships can facilitate interventions in education and training. In secondary education, training programs intended to be modified so that they contain the subject of sustainable development.

People who have not completed compulsory education can participate in training programs only level 1 qualification. This is important to assess the training needs of these people. Depending on the training needs, these individuals can participate in training programs to improve their skills. If these people skills improve, they will be able to take jobs that require a higher level of education.

Based on this information, it is important to identify the extent and coverage level jobs in rural communities. For these people there is the possibility of obtaining a job or based on education held at the moment, be based on higher qualifications acquired through education and further training. A contribution in raising the level of education of people living in rural areas may have investments made by local communities in training programs.

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