

**Final Report**

Rapid assessment of the social and poverty  
impacts of the economic crisis in ROMANIA,  
June 2009

Prepared for UNICEF and the World Bank

Lead researcher: Manuela Sofia Stănculescu

Researcher: Vlad Grigoraş

Bucharest

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*The findings and interpretation expressed in this paper are those of the authors, and do not necessarily represent the views of UNICEF and the World Bank.*

*We thank Monica Marin for her consistent help in the analysis of focus groups and interviews.*

## Introduction

This final report includes the outputs of the *Rapid Assessment of the social and poverty impacts of the economic crisis in Romania*. Thus, the report is structured in four parts:

- Chapter 1 represents the summary fieldwork report, specifying number and composition of focus groups and interviews.
- Chapter 2 is the summary report covering the main findings of the research
- Chapter 3 presents the practical plan for repetitive research rounds
- The Annex contains the guides for focus group discussions and interviews.

The Rapid Assessment of the impacts of the economic downturn in Romania is supported by the Social Development Department (SDV) of the World Bank in collaboration with UNICEF. This exercise relies on qualitative research techniques to gather information that can be of use to those engaging in crisis response work.

The scope of this research has been designed with a view to providing information on topics and issues that are difficult to capture through quantitative methods.

For gathering qualitative data that can illustrate the diversity of crisis impacts within households and communities, a team of junior researchers from CERME (Romanian Center for Economic Modeling), coordinated by a lead researcher and a researcher, carried out an extensive fieldwork research during 1-30 June 2009, which covers:

- ⇒ 24 FGDs with population
- ⇒ 154 participants to the FGDs, from various social strata and life cycles,
- ⇒ 37 interviews with business and community representatives
- ⇒ about 55 hours of discussions overall recorded
- ⇒ 15 communities, 8 cities and 7 communes, located in 8 Romanian counties.

Verbatim transcripts of the focus groups and interviews have been delivered as a separate report.<sup>1</sup>

The objective of this report, according to the TOR prepared by the World Bank in cooperation with UNICEF, is to provide insights into the following questions:

- Who is being affected and through which channels? How are impacts different for different groups and individuals? How are impacts distributed within the household, as well as between households? Are there particular impacts on women or children?
- How are people responding to the labour market shocks? Which formal and informal institutions are they turning to for help?
- How useful, functional and how well-targeted are these sources of assistance and where are the gaps?
- Are coping strategies that are being adopted by those affected likely to cause further harm in the longer term and how might this be prevented?

<sup>1</sup> The first draft was delivered on 26<sup>th</sup> July 2009.

In the Romanian context, for the first round of research (June 2009), the rapid assessment has been focused on the following channels <sup>2</sup> through which the impacts of the crisis are more likely to be transmitted:

- (1) The contraction in demand for labour in both formal and informal sectors of the economy.
- (2) A cessation, reduction or growing unpredictability in the flow of remittances from family members working overseas (largely in Spain and Italy).
- (3) Limited access to credit, which is constraining the ability of farmers to invest in necessary inputs.

Interviews with community representatives refer also to an additional transmission channel, namely the fiscal pressure that may be limiting the ability of local governments to provide broad access to quality basic services. However, it has been agreed between research partners that the implications of a contraction in fiscal space remain a priority area of enquiry in future research rounds.

The analysis presented below is based on the qualitative data gathered by CERME in June 2009. The analysis follows the frame presented above with respect to the research questions and the transmission channels of the impacts of the crisis.

## 1 Summary fieldwork report

### 1.1 FOCUS GROUPS BY TRANSMISSION CHANNELS

In order to capture a diversity of circumstances and impacts, the research on the transmission channels of the impacts of the crisis in Romania was carried out with the following groups:

Transmission channels	Focus Groups	Group profile
<b>(1) Labour market</b> (20 FGDs)	<b>Formal sector</b> (4 FGDs)	Employees in industries heavily dependant on export - Women
		Unskilled workers - Men
		Unskilled workers - Women
	<b>Informal sector</b> (6 FGDs)	Constructions - Men
		Services to households - Women
		Constructions and services - Roma men and women
	<b>Agriculture</b> (4 FGDs)	Daily workers - Young 15-29 years, men and women
Business oriented farmers		
<b>'New' unemployment</b> (6 FGDs)	Unemployed - Young 15-29 years - Men and women 30 + years	
<b>(2) Remittances</b> (4 FGDs)	<b>Remittances</b> (4 FGDs)	Persons who returned from abroad as effect of the crisis or representatives of households receiving remittances. - Men and women

<sup>2</sup> In some instances, certain households and communities may be experiencing the effects of more than one transmission channel.

Information regarding the third transmission channel - (3) limited access to credit of population, farmers and entrepreneurs - were observed during all focus groups, no particular group being selected.

All focus group discussions have begun with a discussion about the nature and intensity of changes over the past six months. This was followed with more tailored questions depending on the particular situation of the participants. All groups have included questions about the impacts on child health and wellbeing. The guides for focus groups are provided in the Annex.

The research team carried out 24 focus groups, which represent over 30 hours of recorded discussions. Out of these, 8 groups comprise only women, 6 groups only men, 3 groups comprise only young people (15-29 years) and 2 groups comprise only Roma people. In 22 groups, at least one participant has children (0-18 years).

The objective of this work has been to gather qualitative information that will supplement the available quantitative data on the impacts of the crisis. In this respect, we have drawn on the quantitative data provided by the research *Informal Economy in Romania 2008*,<sup>3</sup> which was carried out by an international consortium for the National Institute for Statistics. About 40,000 individuals were interviewed in 2008 with respect to their economic activities and incomes. Out of them, we selected more than 100 persons to be screened for the 2009 focus groups on the impacts of the economic crisis.

Transmission channels	Focus Groups	Group profile	Number of FGDs		Number of persons	
			2008*	2009**	2008*	2009**
Labour market (20 FGDs)	Formal sector (4 FGDs)	Employees in industries heavily dependant on export		3		18
		Unskilled workers		1		8
	Informal sector (6 FGDs)	Constructions	2		12	
		Services to households	1	1	5	6
		Constructions and services	1	1	8	9
	Agriculture (4 FGDs)	Daily workers		1		5
		Business oriented farmers	2	1	12	6
	'New' unemployment (6 FGDs)	Unemployed		6		44
Remittances (4FGDs)	Remittances (4FGDs)	Persons who returned from abroad as effect of the crisis or representatives of households receiving remittances.	3	1	16	5
<b>Total</b>			<b>9</b>	<b>15</b>	<b>53</b>	<b>101</b>

\* Persons interviewed in 2008 that were included in a screening for determining their participation in FGDs.

\*\* Persons who were recruited in 2009, about whom we have no quantitative information from 2008.

With respect to the participants to the focus group discussions:

- about 200 persons were included in the screening and recruiting activities
- 154 persons were interviewed, 76 women and 78 men
- 40 young people (15-29 years) participated in focus groups
- 67 interviewed persons have had children below the age of 18

<sup>3</sup> PHARE 2005/017-553.03.07.02, ref: EuropeAid/123275/D/SER/RO, Economic Statistics Development.

- 17 Roma people, 5 women and 12 men, took part in focus groups.

Two main difficulties were encountered during fieldwork. Firstly, some of the information from 2008 has proven obsolete. Thus, two of the planned focus groups<sup>4</sup> with informal workers in constructions in 2008 were canceled because in 2009, they were informal workers in constructions no longer or they were working abroad. A focus group with people who in 2008 received remittances was also canceled because in 2009 they either left the country or were no longer receiving them. The focus group with farmers from Garcov, Olt county, was expected to provide detailed information about the third transmission channel – limited access to credit, which is constraining the ability of farmers to invest in necessary inputs. Although in 2008 all selected farmers sold a part of their production and showed to be market oriented, in 2009 most of them limited their activities to survival. Consequently, a ‘new’ focus was also organized with the most active farmers who have led the largest units in the area.<sup>5</sup>

The second type of difficulty refers to the focus groups with informal workers. It is common knowledge the fact that informal work (and particularly income) is ‘hidden’ and ‘under declared’. In our study, we selected for screening people who in 2008 declared and described their informal activities in face-to-face interviews. During screening, they re-confirmed that in 2009 they have still performed some informal activities. Nonetheless, in the focus group situation, some of them were reluctant to talk about their informal activities in front of other people. Thus, some of the focus groups with informal workers are marked by gaps, refusals, or even denials that they would have ever been doing any informal activity.

## 1.2 INTERVIEWS WITH COMMUNITY STAKEHOLDERS

In addition to focus groups discussions, interviews with stakeholders that were able to provide an overview analysis, who were able to locate the findings in a bigger picture and who were able to describe community level changes were conducted.

In total 37 interviews with 39 community stakeholders, which cover about 25 hours of recorded discussions, were conducted, out of which:

- 9 interviews with 11 representatives of the local business
- 4 interviews with representatives of the local municipality
- 9 interviews with social workers
- 4 interviews with representatives of employment offices
- 7 interviews with teachers
- 4 interviews with representatives of community based organizations.

The fourth transmission channel - (4) fiscal pressure limiting the ability of local governments to provide broad access to quality basic services - was a special topic of the interviews with community representatives. The guide for interviews with community stakeholders is provided in the Annex.

<sup>4</sup> Commune Dobrotesti (county Teleorman) and commune Garleni (county Bacau).

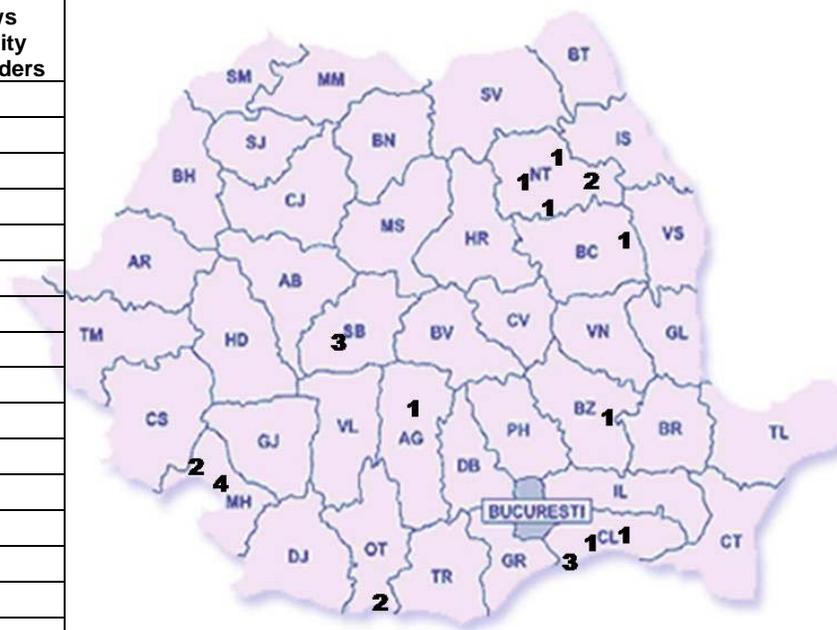
<sup>5</sup> This area is well known for its vegetable producers.

### 1.3 FIELDWORK MAP

The fieldwork research was carried out in 15 sites, 8 cities and 7 communes, from 8 counties.

JUD	Residency	Locality	FGDs population	Interviews local business	Interviews community stakeholders
CL	Urban	Oltenița	3		5
	Rural	Ulmeni	1		2
	Rural	Mănăstirea	1		4
NT	Urban	Piatra Neamț	1	2	3
	Urban	Roman	2		
	Rural	Români	1		
MH	Urban	Drobeta Turnu Severin	4	2	3
	Rural	Eselnița	2		3
	Urban	Câmpulung Muscel	1		2
BZ	Urban	Buzău	1		1
BC	Rural	Răchitoasa	1		1
SB	Urban	Sibiu	3	3	3
	Rural	Gârcov	2		1
OT	Rural	Slatina	0	2	
		<b>TOTAL</b>	<b>24</b>	<b>9</b>	<b>28</b>

Note: The marked cells indicate FGDs with persons selected from the 2008 database.



Map of the FGDs, 1-30 June, 2009

Distributions of focus groups and interviews by type (transmission channel/ group) and location are shown in the Annex.

## 2 Main findings of the research

### 2.1 'REAL CRISIS' VERSUS 'CONTINUOUS CRISIS' AND 'TV CRISIS'

In order to experience the feeling of loss, one needs first to have the feeling of possession. Having some money is a prerequisite for the perception of money loss. Having work is a prerequisite for job loss. So on. That is precisely the explanation for the syndrome of 'continuous crisis' as well as for that of 'TV crisis', which has appeared to be consensually shared in communities with underdeveloped local economy.

In rural communities in which employment is limited to agriculture, the actual crisis is perceived either as the 'natural' continuation of the on going postcommunist crisis or as a red herring put forward by mass media in order to divert public attention from the 'real' problems such as corruption or even international plots.

In small urban communities in which nearly all productive units were closed down since 1996-1999, the situation is almost the same. Most people describe their small city (e.g. Oltenita) as 'the *most dead* city in South-Eastern Europe' so the crisis is 'powerless as there is nothing that can be worse'. Employed people make however discordant note. In their opinion, 'things are not so well and will get worse, particularly due to the actual crisis'. They are concerned of losing their jobs or part of their income and pay a lot of attention to any crisis related news and rumors.

In larger cities with many enterprises, the crisis is perceived as 'real' and is one of the favorite topics of daily conversations. The majority expects to deepen in the following 2-3 years. The level of anxiety is however much higher in cities such as Drobeta Turnu Severin, where massive lay-offs have already been announced (three large enterprises have informed that until autumn between 300 and 900 workers are made redundant) compared to cities such as Sibiu or Slatina. In the latest two cities the number of jobs have been reduced, but the situation is not yet defined in terms of 'massive lay-offs'.

For young people, the Romanian society is rather defined as 'work-poor' and 'life-chance poor'. The smaller and less developed the community, the more common the perception that 'young people/ my children have no future here'. So, as a young man put it: 'I prefer the Spanish crisis to Romania'. Accordingly, the large majority of young people plan or dream to leave Romania, at least temporary.

## 2.2 WHO IS BEING AFFECTED AND THROUGH WHICH CHANNELS?

### 2.2.1 THE FORMAL ECONOMY <sup>6</sup>

The private sector appears to be affected by the crisis in few different ways:

- the number of employees has decreased (confirmed also by the official data issued by the National Institute for Statistics)
- the available jobs have declined
- the number of overtime hours has decreased
- the demand has not necessarily fallen, but as a delayed effect of the crisis it is expected to shrink in the near future
- earnings have been diminished (confirmed also by the official data issued by the National Institute for Statistics) or have had a lower raising pace compared to one year ago.

Earnings seem to have been considerably decreased also in the public sector due to the cut off in bonuses and other benefits offered besides the monthly wage.

In addition, there is a consensus that earnings erosion is much more accentuated than it was six months ago: 'now money simply fly out of our pockets'.

In smaller cities (e.g. Oltenita, Roman), trade activities seem significantly affected by crisis. Lessening incomes of the population has translated into the contraction of demand, particularly for products offered by small shops. Consequently, interviewees mentioned closed down shops as a 'visible sign of the present crisis'. On the other hand, small shop owners mentioned the decrease of selling and the need to revive crediting ('selling on notebook'),<sup>7</sup> which was very popular in the '90s.

There are visible signs that the transportation sector has also shrunk. Interviewees located near the Danube mentioned that the flow of cargo ships has noticeably reduced over the last six months. Employees from industries dependent on export pointed out that the number of cargo trucks has lowered compared to one year ago. People from communes and cities near Bucharest referred to the 'good times' when 'everyday, at 5 a.m. in the bus station commuters used to form long lines. Tens of buses were necessary to transport all of them to Bucharest. Now the lines disappeared, as commuters have been laid-off, and accordingly the number of buses has reduced to less than twenty. It is much higher competition between transport firms.'

Decline in transportation was also mentioned in relation to high school pupils. As most high schools are located in cities, young (15-19 years) from rural areas have to commute in order to complete education. A governmental program has provided transportation subsidies for high school pupils from rural areas: 50% of the costs are covered from the central budget and the other 50% are provided by the pupil's family. Financing from the central budget has been delayed and many households from rural areas have not had means to cover the entire cost of transportation.

<sup>6</sup> Out of the total employed population in Romania (about 6 million), persons employed in the formal economy represent between 57% and 52% (in agricultural seasons). In addition, another 8% to 10% (during agricultural seasons) have a formal job and make supplementary incomes from informal activities or subsistence agriculture. (Stanculescu, Marin and Hommes, 2008, *Informal Economy in Romania*, NIS publication, project PHARE 2005/017-553.03.07.02, ref: EuropeAid/123275/D/SER/RO, Economic Statistics Development)

<sup>7</sup> People buy food and beverages for daily consumption and pay at the end of the month, when wages, pensions, or other social benefits are received.

Consequently, (1) the number of children from rural areas that do not attend school on a daily basis or leave school at an early stage has increased and (2) the transportation firms have faced difficulties in running their business (some interrupted transportation of pupils from rural areas and few closed down due to financial difficulties).

In the formal economy, the main impacts of the crisis refer to:

- (1) *decreasing incomes*, which affects the large part of the employed;
- (2) *low chances to entering the formal labour market*, which affects mainly the young and the low skilled or unskilled;
- (3) *increasing number of laid-off workers*, which affects predominantly:
  - workers aged 40-50 years
  - unskilled and low skilled workers
  - workers from constructions or related service sectors (such as guardsmen)
  - commuters.

Regarding gender, the situation seems ambiguous. In some communities, the available work opportunities are mainly for women (the main employer is a textile company or public institutions such as hospitals and schools), while in other communities (particularly from rural areas), those are predominantly for men.

Laid-off workers from the formal sector have received unemployment benefits, some of them have benefited of well prepared redundancy plans including severance payments, and have had access to various (re)training programs. However, the dominant job-seeking strategies seem to be: (1) waiting for pension or, particularly for women, getting a disability pension and (2) asking relatives and friends for help in finding a job without acquiring new skills or competencies.

Most of the laid-off persons, particularly those from small and underdeveloped communities, are pessimistic about finding a new job. Their pessimism is founded on the shared belief that employers cannot be trusted 'they work you like hell and pay you like dirt or find all sort of grounds for not paying at all' and public institutions are corrupted 'they fake tests so that one can never pass without relations (*pile*) and money'.

Training courses are available but they are considered 'expensive' and 'useless'. 'Expensive' in the sense that training courses although might be free of charge, they do not allow in the same time working or carrying for the family: 'for few months you are expected to spend all day in courses. I simply cannot afford it. Who provides for my children and who takes care of my home?'. (Re)Training courses are considered 'useless' because 'here nobody hires based on competencies but on (social) relations. One has to know the right person in order to get a job. And if we talk about trading, because these are the jobs you can find here, one needs to be young, beautiful and stupid-ish for accepting to work and be fouled by a shop owner'.

Due to the high risk of commuters to be made redundant, the unemployment statistics can be misleading with respect to the geographical distribution of the laid-off workers. For instance, in county Calarasi, the unemployment rate almost doubled compared to last year. The number of registered unemployed to the Employment Office from Oltenita was in the first six months of 2009 as large as the number of unemployed for the year 2008. But in Calarasi county (Oltenita area) no enterprise was closed or restructured. Calarasi unemployment reflects in fact the situation in the construction and service sectors from Bucharest, where the laid-off workers used to commute for work on a daily or weekly basis.

In some enterprises, the working conditions have worsened. Under circumstances of abundant labour supply, some employers increase the work target, particularly when urgent orders should be delivered, without raising the workers' payments accordingly. In some enterprises with financial difficulties (e.g. Mittal Steel Company from Roman), costs were reduced by breaking off the cleaning contract and consequently workers have been forced to clean by themselves their working places. In other cases, employers have reduced costs by canceling the transportation subsidies for workers: 'The company pays less and less attention to our needs. Last year, for commuters, they reimbursed either a train ticket or a lump sum for transportation. Now this benefit has been removed.'

The situation of unskilled workers appears from interviews as very fragile, being more alike the one of the informal workers than the one of the formal skilled workers. Their employment histories include more jobs and frequent changes from one work to another and from the formal to the informal sector. Their predictability and security of employment are assessed as low. All of them complain of poor working conditions and wages that are 'much too low'.

In the context of the economic crisis, the unskilled workers have been 'the first to be fired'. They are rather pessimistic about finding new work, let alone a secure and well paid job. In this respect they explain: (1) subsistence agriculture is not an option because they do not own land; (2) day labour in agriculture is not an option because 'demand for day labour decreased considerably as people have no money' and 'payment for their work would not cover the costs of commuting for work in the neighboring villages'; (3) shift to the informal sector in constructions is not an option for women. Also, men in their 40s or 50s are not accepted as unskilled workers, particularly in this context of recession of the construction sector; (4) shift to the informal sector in domestic services is not an option for men. Entering this sector is now difficult even for women as the sector has stopped expanding over the last six months; (5) leaving for work abroad is not an option as 'we are too poor to leave Romania'.

The only viable option, mentioned repeatedly by many unskilled workers as well as by the informal workers, particularly in underdeveloped communities, has been applying to the guaranteed minimum income scheme. The benefit is low, but is better and more secure than the payment for the work they have access to.

## 2.2.2 AGRICULTURE <sup>8</sup>

The focus groups discussions with farmers revealed the main problems of the people employed in agriculture. Most of these problems are not effects of the present crisis but they have marked the Romanian agriculture since the former socialist agricultural cooperatives were dismantled and land was reinstated (since 1991). These problems include:

- continuous raise of the prices of agricultural inputs; the total costs increased from 12-13 in 2008 to 17-18 millions lei in 2009 (from about 330 to 460 USD). Only the payment for daily workers has remained constant to 10-15 USD plus meal per day.
- fall of the prices of agricultural products; for almost all types of crops, interviewees estimated that 'selling the entire production for the actual price would result in an amount of about a half of the initial investment'.

<sup>8</sup> Out of the total employed population in Romania (about 6 million), persons making a living solely from subsistence agriculture represent between 23% and 26% (in agricultural seasons). (Stanculescu, Marin and Hommes, 2008, *Informal Economy in Romania*, NIS publication, project PHARE 2005/017-553.03.07.02, ref: EuropeAid/123275/D/SER/RO, Economic Statistics Development)

- agriculture is predominantly made with traditional means, which, on the one side, makes work in agriculture 'too hard' for the elderly peasants<sup>9</sup> and, on the other side, increases its vulnerability to climatic conditions: in all rural communities we learned that crops have been 'weak this year' either because 'it rained too much', 'it hailed' or 'it rained too little', 'we are struck by drought'.
- lack of (or lack of access to) storage capacities
- poor transport infrastructure and means to the urban peasant markets
- low access to credits 'because banks do not accept agricultural land or equipments as guarantee, they ask for apartments or houses in a city. However, bank loans are too expensive for people like us with pensions of 2-3 millions and insecure crops'. On the other side, the shared opinion is that 'I would rather die than take a bank loan'. Instead, for financing their activities they make small loans (e.g. 30-100 USD per 3-5 years) from cooperatives of mutual help.

In consequence, nearly all interviewees talked about limiting their agricultural activities. People from small cities declared that they have left unused their land from neighboring villages. People from rural communities said that they have started to work only a part of their land (depending on the financial resources available), while other have limited to gardening for survival. In communities where agricultural associations have been developed, land is leased out to these associations.

Noticeable, the strategy of leaving unused the agricultural land in the field is accompanied by the coping mechanism of starting or intensifying gardening on the smaller plots usually located next to the house for survival.

The main crisis related impacts refer to the 'decline of the purchasing power' (wherefrom difficulties to sell agricultural products on the peasant market) and the severe delay of the subsidies from the European Union. While the decline of demand was mentioned only by the market oriented farmers, the delay of subsidies was one of the major themes of the focus groups and of the interviews with community leaders from rural areas.

What kind of support from the government would farmer need in order to solve their problems? 'Subsidies for heating and electricity, lower taxes, cheaper fuel, fertilizers and seeds would help us to live better and make our agriculture more competitive.'

### 2.2.3 THE INFORMAL ECONOMY<sup>10</sup>

The informal employment in Romania is concentrated in agriculture, constructions, trade (including vehicle repair) and services provided to households. Precisely for this reason, the focus groups were realized with informal workers in constructions (men) and services provided to households (women).

In the informal economy, as result of the economic crisis:

- the number of working hours is under severe decreasing

<sup>9</sup> Various studies showed that, in Romania, employment in agriculture is aged.

<sup>10</sup> Out of the total employed population in Romania (about 6 million), persons employed in the informal economy (without any formal job) represent between 12% and 13% (in agricultural seasons). (Stanculescu, Marin and Hommes, 2008, *Informal Economy in Romania*, NIS publication, project PHARE 2005/017-553.03.07.02, ref: EuropeAid/123275/D/SER/RO, Economic Statistics Development)

- work opportunities for informal workers has sharply declined in constructions: 'the prices of construction materials have gone up and people have less and less money so they do no longer renovate their homes as they used to'; 'last year we used to work eight to ten hours per day plus Saturdays. Now we can hardly find work from time to time'; 'last year it was a shortage of workers in constructions. You asked the money and they paid. Now, they say - this is the money, take it or leave it, they do not negotiate because ten other workers are crowding at their door'
- work opportunities for day labourers in agriculture significantly diminished, particularly due to unfavorable weather
- work opportunities in the informal economy consist mainly in casual and day labour
- in most communities, work opportunities in the informal economy are predominantly:
  - available for men; women have access only in the sector of services provided to households
  - available for people aged less than 45 years; persons in their 50s have very low chances to enter the informal labour market
  - Roma seem to be the most disadvantaged: 'people avoid us because we are Roma. Now that there are so many unemployed people, work opportunities for us are very few to none.'
- earnings have been low and recently have diminished.

Women laid-off from the formal sector would like to turn as a temporary solution to informal work on own account such as cleaning, baby sitting or housekeeping services provided to households. However, the demand for this kind of services is limited to a certain segment of better off households that for the moment suffer less by income loss. Thus, over the last six months, while the demand for domestic services has rather stagnated, the labour supply on this market has increased. This situation causes high uncertainty for the informal workers that do not have a stable network of clients and makes difficult the entrance of new workers.

The informal workers have changed many jobs and many employers during their employment history. Predictability and security of employment as well as working conditions were poor and over the last six month have worsened. Competition in the informal sectors under study has considerably increased as the corresponding formal sectors have contracted and the labour force supply seeking informal work has grown. Consequently, most informal workers are worried that the available work opportunities (and, accordingly, their incomes) will further decline in the next six months. Thus, regarding future, they are rather pessimistic.

Unlike workers in the formal economy, the informal workers seem to be multiple (informal) job holders and do also gardening, if they have a 'small piece of land', or day labour in agriculture for in kind incomes: 'a bottle of milk, some cheese, few eggs'.

#### 2.2.4 ALLOCATION OF LABOUR WITHIN THE HOUSEHOLD

Few patterns were observed. The majority of people employed in agriculture belong to couples of pensioners with low pensions that do not have paid work. Roma have large multigenerational households with a large number of children, in which men do the paid work and women do the unpaid work. Most of the other interviewed households are nuclear families with one or two earners. In most of these, women take care of children, are in charge with shopping and do most domestic work (cooking, washing, ironing, cleaning etc.).

Children (0-18 years) do not work for money. All children 0-14 years from the households represented within focus groups attend school on a daily basis. Young 15 years or over, particularly girls, usually help mother in domestic activities (cleaning, carrying for younger sisters/brothers etc.). In the studied communities, most children 15 years or over attend high school.

As a rule, elderly parents help their adult children with various domestic services, agricultural products and money.

#### 2.2.5 HOUSEHOLDS WITH REMITTANCES FROM MEMBERS WORKING ABROAD

The effects of the crisis on migrants and on their households appear to be shaded.

A significant part of people who have relatives abroad mentioned that they were not affected by the crisis. It is primarily about the persons who migrated abroad for a long time, who managed to legalize their stay and work with contract (or at least made enough contacts to find easier a job).

There are also migrants who lost their jobs in the past months and have found only temporary jobs or have not found work at all. The sector that seems most strongly affected is the construction one, but also the women's jobs such as housekeeping or selling. *However, apparently, the number of migrants returning to Romania is still quite low compared with that of persons who could not find work in the destination country, mainly because:*

- a. The migrants prefer to stay abroad even if they do not find a job or have to work only for a few days per week because in their home localities there are no job opportunities: 'He says that if he returns we would be too many in the house and he would better live there and come later, hoping to make money, just for that .....it is hard for him, very hard in Italy overall'. A quantitative study could confirm the hypothesis that the number of those who choose not to return is higher in areas with poorer labour market: in small towns (especially in the former monoindustrial ones) and in rural areas where agriculture is the only source of income.
- b. A good part of migrants bought apartments abroad with mortgage loans and they are now unable to recover the amounts invested due to the significant decline of prices: 'They bought the apartments with credit but they gave them also money... For this the majority stays there and wants to come back - they have houses which they are no longer able to sell'.
- c. There are people who do not want to return, as they are 'ashamed' for not having managed to put aside abroad although they migrated for some time.

The strategy of living abroad was largely accepted as a part of the migrants who worked legally still receive unemployment benefits, while the others manage to survive based on their past savings or by working a few days a month. Most of the migrants' relatives stated that even if they worked a few days per month they could live and buy their necessities, as food was much cheaper than in Romania and the

rent expenses were paid in common: 'Abroad, once a month, one could fill a full basket with 50 euros (in Portugal which is also an affected country by the crisis). In Romania try to get it with 100 euros and still you cannot fill even half of it...'

#### **Effects on the households from the origin country:**

Although the number of people returning in Romania is relatively small, the effects on households with migrants who lost their jobs or reduced their economic activities are significant. Most of the respondents mentioned that since their relatives lost their jobs abroad *the frequency, the amounts of money and the number of packages* decreased considerably.

*The number of visits in the country* for various celebrations or holidays has decreased as well. Respondents in the locations with strong migration say that this trend started last Christmas and has persisted for Eastern holidays, for two main reasons: on the one hand, lack of money (it's hard to raise money for transportation and other expenses while the number of working days significantly decreased) and on the other hand, the employment insecurity, especially for those working without contract (there is a high risk that another person take your job while you are gone).

### **2.3 DISTRIBUTION OF THE CRISIS IMPACTS WITHIN AND BETWEEN HOUSEHOLDS**

There is a consensus between population and the community representatives that the large majority of the Romanian population is 'poor', where 'poverty' is defined as 'living from one wage/pension to another'. However, in all communities the interviewees identified also 'really poor' among the following groups:

- no-earner families with three children or more
- households of disability pensioners, in urban areas
- people who do not own land, in rural communities
- Roma people
- Beneficiaries of the guaranteed minimum income that is provided by local municipalities

Within the household, the impacts of the crisis are shared by all members. The main breadwinner has to face psychological pressure (caused by the fear of losing job) since s/he feels responsible to provide for the entire family. The person in charge with shopping and carrying for children (most often, the woman) has to manage lowering incomes under conditions of raising prices. 'I give up clothes, I give up meat, I even cut off sweets for child because we have to pay electricity, cable TV, medicines and so on. We manage how we can. What do you think? We haven't seen a holiday for ages. We haven't seen a resort ever. We cannot afford a simple trip or even a visit to a doctor. All these ask for money. Or taxes are other money. Even church asks for money. So, please, believe me when I tell you that managing poverty is a full job'.

All interviewees emphasized that 'children always, under any circumstances, come first'. Even so, there is a consensus that 'the crisis hit children the most because they simply do not understand that we cannot always afford certain beverages, trendy clothes, camps, trips or holidays'. Many people explained that although they have tried to cushion their children against income loss, they had to cut off some extracurricular activities (dancing lessons, private lessons, trips, camps etc.) and/or goods (particularly sweets and beverages).

Among children, high school pupils from rural areas are the most affected by the crisis through the delay of subsidies for transportation (see above). In their case, lack of money for transportation has determined temporary school interruption or even

early school leaving, fact which on the long run will certainly have a negative impact on their life chances.

Serious difficulties in dealing with the labour market shocks were expressed by young mothers and by single parents because they cannot find work arrangements that allow balance between work and family.

Particularly in underdeveloped communities 'the youth have no chance', which means that 'irrespective of how much they learn and how well they do in school they cannot get a job because simply there aren't any'. The only way to make a living is located either in big cities (such as Bucharest, Iasi, Cluj, Timisoara etc.) or abroad. However, in the context of the economic crisis, youth' difficulties to enter labour market are a major concern for the entire population. Within the focus groups discussions, both young people and their parents (people in their 40s or 50s) described in detail about failed trials of the young, including experiences with exploitative employers or with the corruption from the public institutions. 'My daughter graduated faculty and she did not find any job here. The only available jobs are seller or waitress and for those, employers cannot afford or do not want to pay the minimum wage, and the associated social contribution, for a employee with university degree.'

The labour market shock has also positive effects for the local communities. It is well known that well educated young people tend to seek jobs in the private sector, in which earnings are higher and career opportunities are better than in the public sector. As the number of well paid jobs in the private sector is under severe decrease, well educated young people have started to look for a job in the public sector, particularly in education, as a temporary solution. This is considered a positive effect, particularly in smaller cities marked by a shortage of well trained teachers in areas such as foreign languages.

## 2.4 COPING STRATEGIES AS RESPONSE TO THE CRISIS

The most widespread strategy is the reduction of consumption, specifically because under conditions of raising prices the opportunities for increasing incomes are not available. In all studied communities, people emphasized the negative impact of the raising of the utilities prices (gas, water, telephone, wood for heating etc.) on their standard of living.

In households without children the dominant pattern is: reducing expenses for utilities (put on more clothes instead of heating the house, use the same water for washing clothes and cleaning the toilet, turn off electricity etc.), completely cutting off expenses for non-food goods and services, buying less and cheaper food (change bread with polenta, buy more vegetables and less meat). Smokers mentioned that they decreased the number of cigarettes.

In household with children (particularly with smaller ones) limiting consumption of utilities is rarely mentioned. Non-food goods and services are reduced at minimum, if they are not child related. Food consumption is diminished only for the adults and, as long as possible, is kept constant for the children. Mothers frequently mentioned giving up smoking.

In all focus groups, people with health problems declared that, although implied 'considerable effort and sacrifices', drug expenses have always been covered.

It seems that first are paid the utilities bills (electricity, heating, phone, cable TV etc.), secondly the debts (bank loans, debts to small shops etc.), and then medicines and food are bought. However, according to the business and community representatives from urban areas, the population indebted to banks and utilities has increased compared to the last year.

Usually earnings are spent before the month is over. Because most people have no savings to rely on, they borrow (or receive) small amounts from relatives and friends and/or they buy food on credit from small shops. 'I have a small pension from the cloth factory. I stretch it and spread it at full for cable TV, electricity, medicines, and yet I get indebt by the end of the month' (rural farmer).

The coping strategy of moving from cities to the countryside for cutting expenses has been rarely mentioned during focus groups, mainly by people in their 50s who own in a village a house and a piece of land.

Temporary migration abroad is still very tempting, particularly for people in their 40s or younger. Nonetheless, the fact that 'in Italy and Spain is also crisis' has somewhat tempered the propensity to migrate abroad. People have become more prudent. The discourse about leaving Romania 'at any costs' because 'migrants abroad are making fortune' is now counterbalanced by more and more stories about migrants difficulties to keep a job, to find new work or simply to survive in the new economic context. In the last years, people learned about the opportunity to work abroad based on a formal contract and they prefer this kind of temporary work arrangement although the available jobs are predominantly unskilled work in agriculture. Except for the young, who are eager to leave Romania, the others seek formal seasonal work abroad as a way to improve their life (in Romania) with minimal disruptive impacts on the family relationships.

## 2.5 SUPPORT FROM FORMAL AND INFORMAL INSTITUTIONS

The social protection from Romania is complex and includes a large number of social benefits and social services aimed at various disadvantaged groups. However, focus groups include information about the following governmental social protection programs:

- pensions with complete due contributions, pension for farmers and disability pensions
- unemployment benefits
- guaranteed minimum income scheme
- heating subsidies
- child allowance
- social scholarships for pupils and the program 'scholarship for high school' addressed to the rural pupils
- subsidies for agriculture.

Aside pensions, the ranking exercise indicates the heating subsidies, in urban areas, and subsidies for agriculture, in rural areas, as the most important social programs for the population wellbeing. Thus, cancellation and/or delays of payments have serious negative impacts on the population.

'Scholarship for high school' (which includes transportation subsidies) is seen as 'very important' for the young from rural areas, whereas social scholarships are 'too few and too low for making a difference. What can a child do with 30 lei (less than 1 USD) per month? Nothing!'

Child allowance is 'vital' only for the poor. For the large majority of households, child allowance provides some 'pocket money' for s/he. Nevertheless, when the theme of shifting the child allowance from an universal to a targeted social benefit, everybody disagreed: 'monthly allowance is a child right that cannot be infringed by the state'; 'we are all somewhat poor, why would they (*politicians*) take away our children's money for sweets'; 'it would be a real shame. Take a look in France,

Germany, Spain or in any other civilized European country and you will see that families with children receive hundreds of euros. Only here the child allowance is so small that now it tends to zero’.

Guaranteed minimum income has been provided in all studied communities. Although small, all beneficiaries assessed it as ‘very important’. Some unskilled workers and informal workers, particularly those with two or more children, mentioned receiving the guaranteed minimum income as ‘the best solution’ because it provides an income bigger and more secure than the casual work available to them.

Mitigation of the negative social impacts of the crisis is the ‘state responsibility’. Public institutions are expected to protect and to provide support to the vulnerable groups of population. On the one hand, trust in politicians, justice and police is low or very low in all communities. On the other hand, trust in local institutions is highly dependant on the attitude towards the mayor. In the small city Oltenita or in the commune Eselnita, the mayor is highly trusted so that trust in local public institutions is also moderate to high.

In most local communities, the local budget has been assessed as ‘enough to cover community needs’. The departments of social work from local municipalities can estimate neither the trend in the number of beneficiaries, nor the budgetary effects of the crisis. However, most representatives of the studied local municipalities do not expect a substantial increase in the number of beneficiaries: ‘at least until autumn, our budget is sufficient, we will not face financial constraints’.

On the other side, in larger cities some social programs and benefits financed from the local budget have been cut. For instance in the city of Piatra Neamt the local municipality have provided from the local budget various kind of ‘emergency help’ for surgeons, food, school supply and other goods. Over the last six months, the available resources have continuously diminished so that the number of beneficiaries has sharply decreased.

Nonetheless, the budgetary constraints at the central level have already caused negative impacts at the community level. For instance, the reduction of the budget of the Ministry of Education, Research and Innovation has determined the cancellation of the regional and national rounds of various extracurricular activities such as dancing and singing contests for children. Another example refer to the delay in payments for the active labour market policy measures (provided by the Employment Offices to enterprises) due to the budgetary difficulties (and/or dysfunctions) of the Ministry of Labour, Family and Social Protection. A third negative impact refers to the same ministry, which has reduced considerably the funding available to the non-governmental organizations that provide community services. Social NGOs’ situation is further complicated by ‘change over night of the rules of the game’. Although the subsidy for NGOs dealing with children with disability was increased more than three times per beneficiary, the funding was ‘arbitrary decided and did not comply this ratio. They (*the county social office*) do not want to finance differently and they give no explanations. You take or leave it and goodbye, because submitting an appeal is not allowed. (...) (In addition,) the ministry issued a new rule according which we (*residential center for children with disabilities*) are no longer allowed to use the state subsidy for food. How are we supposed to feed our children? (...) In the whole country, in this field, we are only 39 NGOs acknowledged as public utility but we will be less, we will die if the ministry continues in this way.’ (NGO representative from Sibiu)

Unfortunately, after 20 years of postcommunist transformations, the civil society is still underdeveloped in most local communities. People are not aware of the non-governmental organizations active in their area. Some charitable actions are known

only if they are publicized through mass media or if they directly involve people in the area (e.g. floods in the neighboring communities). The Orthodox Church is most often described as 'taking and not giving' and repeatedly people feel the need to emphasize that 'nowadays religion is priced just like any other commodity and with this crisis they are more and more costly'. Only religious cults such as Pentecostal and Adventist provide various kind of support for their members. Other community based organizations that provide a safety net for the population in need have been mentioned neither in focus groups nor in interviews.

In many focus groups from various local communities, people mentioned in caustic terms the 'plastic bags with flour, oil, rice and so on' which are provided by the political parties during the electoral campaigns: 'so called support for buying votes from the poor suckers'.

The most reliable safety net is provided by relatives and friends. Neighbors might provide help with small quantities of food or services. Communities, particularly the smaller ones, are described as 'calm' (*linistita si cuminte*). In all studied communities, the level of crime is perceived as 'rather low', although small thefts and violence has steadily increased during the last years. Behaviours such as family arguments, alcohol consumption, domestic violence are considered 'under an acceptable level'. The mutual support within the community has begun to diminish since the last year as 'people became more concerned, more afraid of losing their jobs, more concentrated on their own troubles'.

### 3 Practical plan for repetitive research rounds

Taking into the consideration the experience of the initial round, we advise that a next round to be organized in four months' time, that is fieldwork in October, analysis and report in November-December 2009.

One objective of this round of research has been to conduct the research in a manner that will allow the construction of a panel for regular collection of qualitative information. In order to allow future follow-up, the contact details of participants in the research were recorded (see the excel file *Panel Database*).

It is recognized that it may not be possible to formulate identically-composed focus groups in future research rounds. On the other hand, it has been already agreed that future research rounds should have the flexibility to incorporate newly-identified vulnerable groups, regardless of whether these were considered in the original research round. Consequently, for the next round of research we suggest to re-interview about 66 percent of the participants included in the *Panel Database* as follows:

- cancel the 4 FGDs with farmers (23 participants) because in four months time we do not expect them to produce new relevant information for those engaging in crisis response work (FG 7.1, FG 7.2, FG 7.3 and FG 7.4); they might be repeated in future rounds (after 8 or 12 months)
- cancel the FGD with households receiving remittances from members who work abroad (4 participants) from commune Urecheni, county Neamt (FG 11.1) because its results are rather poor
- add 2 new FGDs with households receiving remittances from members who work abroad

- change (by recruiting new participants) a half of the participants that do not fully comply to the focus group criteria or have been reluctant to provide information in the following 6 FGD:

Transmission channels	Group profile	FGD Code	County	Locality	No. of persons
<b>LABOUR MARKET</b>	<b>TOTAL - 6 FGDs</b>				<b>40</b>
<b>Formal sector</b>	Employees in industries heavily dependant on export - women	FG 1.2	NT	Roman	4
<b>Informal sector</b>	Constructions - men	FG 4.2	SB	Sibiu	8
	Services to households - women	FG 5.1	NT	Piatra Neamț	6
	- women	FG 5.2	SB	Sibiu	5
<b>'New' unemployment</b>	Unemployed - men 30 years and over	FG 10.1	CL	Mănăstirea	10
	- 30 years and over	FG 10.3	MH	Drobeta Turnu Severin*	7

\* We intend to include 'new' laid-off workers from the three large enterprises that have announced massive redundancies, which we expect to provide valuable information from assessing the economic and social impacts of the crisis.

In conclusion, 107 (69% of the) participants in the first round of focus groups will be re-interviewed and about 35 new individuals will be recruited. Thus, the next round will include 21 FGDs to which about 140 people will participate.

On the other hand, our strategy was to address this initial round like a pilot research based on trials and errors. Accordingly, we conducted a number of interviews with community stakeholders much larger than foreseen in TOR (38 compared to 20). Some of these interviews were not very fruitful, the recruited community stakeholders having a low capacity to provide a comprehensive picture of their communities. Correspondingly, we recommend for the next round to re-interview only 50-65 percent of them, which is 20-25 interviews.

In the next round, research will be carried out in the same sites.

We recommend for the next round to keep the methodology (the selected transmission channels and groups, research questions, guides for FGD and for interviews) of this initial round.

## 4 Annex

### 4.1 GUIDES FOR FOCUS GROUP DISCUSSIONS

The guides presented below cover all issues listed in the TOR, both those common to all focus groups (changes in the last six months and access to assistance and support) and those more specific applied depending on the composition of the focus groups, namely issues related to remittances from abroad, unemployment or to rural, farming households.

#### 4.1.1 COMMON ISSUES (ALL FGDS)

##### **Focus group discussion (FGD) coordinates:**

Locality, residency, county

FGD type (transmission channel/ group) and code

Place where the FGD took place

FGD duration (date, starting time, ending time)

FGD is 'new' (with persons recruited in 2009) or 'old' (with persons selected from the 2008 database)

FGD is paid (participants receive payment) or unpaid

Information about participants: total number, out of which: women/ men, young (15-29 years)/ adults (30 years and over), with children (0-18 years)/ without children.

#### **Changes in the last 6 months (December 2008 – May 2009)**

##### **1. Can you find work?** Changes in the availability of work (ie hours or days worked)

Consensus 50%-50%, pattern ..... Disagreement
Number of working hours / paid work opportunities <ul style="list-style-type: none"> <li>- Increased</li> <li>- Remained the same</li> <li>- Decreased</li> </ul>
The number of hours they usually worked
Observations

##### **2. Changes in the predictability and security of employment.** Are they afraid of losing their job/ of reduction of their number of working hours due to decreased demand or to increased competition?

Consensus 50%-50%, pattern ..... Disagreement
Predictability and security of employment <ul style="list-style-type: none"> <li>- Increased</li> <li>- Remained the same</li> <li>- Decreased</li> <li>- Unpredictably fluctuated</li> </ul>
Observations

**3. Changes in working conditions** (including in the benefits received in addition to the wage).

Consensus 50%-50%, pattern ..... Disagreement
Working conditions - Better - Remained the same - Worst - Unpredictably fluctuated
Observations

**4. Changes in wage rates / payment per hour or per working day**

Consensus 50%-50%, pattern ..... Disagreement
Monthly wage rates/ payment per working day - Increased - Remained the same - Decreased
Monthly wage/ payment per working day usually received
Observations

**5a. Changes in the allocation of paid labour within the household** (whether some hh members are working less and others working more, asking specifically whether)

Consensus 50%-50%, pattern ..... Disagreement
The dominant pattern of allocation of paid work within the household - mainly, the husband - mainly, the wife - husband and wife - one or more of the kids - nobody in the household - somebody else in the household
Are children involved in paid work? What kind of work? If so, are they still attending school?
Observations

**5b. Changes in the allocation of unpaid labour within the household**

Consensus 50%-50%, pattern ..... Disagreement
The dominant pattern of allocation of unpaid work within the household - mainly, the husband - mainly, the wife - husband and wife - one or more of the kids - nobody in the household - somebody else in the household
Are children involved in unpaid work? If yes, what exactly are they doing? If yes, how does this affect their school results?
Observations

**6. Changes in the allocation of labour within the household**

Consensus 50%-50%, pattern ..... Disagreement
How has changed the allocation of labour within the household?
Is there any change in children working for money?
Observations

**7. Changes in total monthly earnings of the household**

Consensus 50%-50%, pattern ..... Disagreement
Total monthly earnings of the household - Increased - Remained the same - Decreased
Average household monthly earnings (RON)
Observations

**8. Changes in the household savings**

Consensus 50%-50%, pattern ..... Disagreement
Does the household have savings that can be used during temporary hardship?
Household's savings in the last 6 months - Increased - Remained the same - Decreased
The savings can secure their survival for a period of about ...
Observations

**9. As a consequence, has household consumption been reduced?**

Consensus 50%-50%, pattern ..... Disagreement		
What type of consumption has been reduced	<b>LIST</b>	<b>HIERARCHY</b>
- buying cheaper food		
- buying less food		
- reducing the non-food consumption (clothing, goods)		
- buying second-hand clothing		
- buying on credit, "on the notebook"		
- debts on utilities payment		
- others		
Which household members feel these impacts most?		
- mother		
- father		
- children		
- other persons		
Do these changes influence in any way the frequency or the school performances of the children?		
Observations		

**10. Impacts of the economic stress on the family and community relations**

Consensus  
 50%-50%, pattern .....  
 Disagreement

Family disputes and arguments;  
 Quarrels and beatings between spouses;  
 Quarrels and beatings between parents and children;  
 Disputes and misunderstandings between relatives, neighbors, etc.;  
 Small thefts and community violence;  
 Mutual support within the community

- Increased
- Remained the same
- Decreased

Have young people any chance for a better life in the community? Which are their alternatives when they cannot find work?

Observations

**11. Support from governmental institutions as response to the economic stress**

Consensus  
 50%-50%, pattern .....  
 Disagreement

What kind of support can they receive/ access from existing programs?      **LIST**      **HIERARCHY**  
 (the importance of the support for daily living)

- Unemployment benefits
- minimum income guarantee scheme
- social canteen
- scholarship
- other goods and services for children
- other goods and services from local municipality

In case they cannot access these programs, what is the reason?

Which household member benefits more from these programs?

- mother
- father
- children
- other persons

What kind of support would they need from governmental institutions in order to solve their problems?

Observations

**12. Support from nongovernmental institutions as response to the economic stress**

Consensus  
 50%-50%, pattern .....  
 Disagreement

What kind of support can they receive /access and from whom?      **LIST**      **HIERARCHY**  
 (the importance of the support for daily living)

- support for children from a nongovernmental institution
- help with food, goods, services or money from church or a religious organization
- food from neighbors
- other kind of support, namely

In case they cannot access this kind of help, what is the reason?



4.1.3 FGD WITH UNEMPLOYED PERSONS

**13b. Unemployment as result of the economic crisis**

<p>Consensus                      50%-50%, pattern .....</p>	
<p>Disagreement  <i>Note the difference between men and women.....</i></p>	
<p>Terms of unemployment</p> <ul style="list-style-type: none"> <li>- For laid-off workers, what was the length of notice prior to layoff;</li> <li>- Terms of severance payment, if there were any.</li> <li>- Did the family have savings at the time of lay-off?</li> </ul>	
<p>Which categories of workers are more vulnerable to being laid off?</p> <ul style="list-style-type: none"> <li>- low skilled or unskilled</li> <li>- women</li> <li>- young people</li> <li>- Roma</li> </ul>	
<p>What type of support do they receive and from whom?</p> <ul style="list-style-type: none"> <li>- Unemployment benefits</li> <li>- Help to find new work</li> <li>- Help with training for a new work</li> <li>- Other type of support from the state</li> <li>- Support from nongovernmental organizations</li> </ul>	
	<p><b>LIST</b>                      <b>HIERARCHY</b>                      (the importance for daily living)</p>
<p>In case they cannot access this kind of help, what is the reason?</p>	
<p>Finding a new work</p>	
	<p><b>LIST</b>                      <b>HIERARCHY</b>                      (most efficient method)</p>
<ul style="list-style-type: none"> <li>- What kind of job-seeking strategies do unemployed use?</li> <li>- How optimistic are they about trying to find a new job?</li> <li>- Are these the same kind of jobs that they had before or different?</li> </ul>	
	<p><b>YES</b>                      <b>NO</b> (If no, how are they different in terms of work, pay, conditions?)</p>
<ul style="list-style-type: none"> <li>- Can other family members find work to make up for lost income?</li> </ul>	
	<p><b>YES</b> (If yes, who and how?)                      <b>NO</b></p>
<ul style="list-style-type: none"> <li>- How does unemployment effect children in the household?</li> </ul>	
<p><i>Note differences between men and women</i></p>	
<p>Observations</p>	

4.1.4 FGD WITH RURAL, FARMING HOUSEHOLDS

**13c. Rural households doing agriculture**

Consensus	
50%-50%, pattern .....	.....
Disagreement	
How reliant are farming households on credit in order to purchase inputs for farming?	
What changes (if any) have there been in availability of credit for farming inputs over the past six months? What are the consequences of these changes?	
Have there been changes in agricultural output over the last year, and what are the consequences of these changes for consumption patterns within the household?	
Do farming households sometimes work on other farms? What has happened to the availability of paid agricultural work over the last year and what are the consequences of these changes?	
Are farming households supporting other family members by sending food products? Has the level of support that they give to other family members changed over the last year?	
What type of support do they receive and from whom?	
<ul style="list-style-type: none"> <li>- Subsidies for farmers</li> <li>- Help with work</li> <li>- Help to sell their products</li> <li>- Other type of support from the state</li> <li>- Support from nongovernmental organizations</li> </ul>	<p style="text-align: center;"><b>LIST</b>                      <b>HIERARCHY</b></p> <p style="text-align: center;">(the importance for production)</p>
Observations	

**4.2 GUIDES FOR INTERVIEWS WITH COMMUNITY STAKEHOLDERS**

Community stakeholders refer to representatives of local business and representatives of local community (local municipalities, social workers, employment offices, teachers, mass media, priests and other community based organizations).

Interviews have been focused on the main changes that have taken place over the last six months as identified and described by 'expert' informants that are able to provide an overview analysis of the community.

4.2.1 INTERVIEWS WITH REPRESENTATIVES OF LOCAL BUSINESS

**Interview (INT) coordinates:**

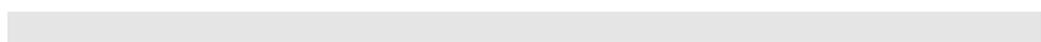
Locality, residency, county

INT type and code

Place where the INT was held

INT duration (date, starting time, ending time)

Information about the interviewee: woman/ man, age, years worked in the institution / position, years lived in the community.



## **Changes in the last 6 months (December 2008 – May 2009)**

### **1. Levels of poverty and wellbeing of the population**

- Changes in the standard of living in the community over the last 6 months
- Main economic activities within the community (description and changes, with special reference to export industries and those mostly affected by the economic crisis)
- Changes in employment opportunities in the community
- Trends and main characteristics of the unemployment in the community within the last 6 months

### **2. Main difficulties and concerns of the local businesses in relation to the economic crisis.**

- Decrease of turnover
- Decrease in product demand
- Lay-off workers
- Financing the business (difficulties related to increase of the credit interest rates, impossibility to apply for new credits, cash-flow, etc.)

### **3. Main business strategies used as response to the economic downturn**

- Have they reduced the number of employees? Which categories of employees are exposed the most to being laid-off?
- Have they retrained their employees/ laid-off workers?
- Have they reduced the bonuses or wages? If yes, was the reduction the same for all categories of employees?
- Have they identified new markets? If yes, which ones and how?
- Have they diversified their production?
- Have they received/ asked public authorities for support? If yes, what kind of support?

## 4.2.2 INTERVIEWS WITH REPRESENTATIVES OF LOCAL COMMUNITY

### **Interview (INT) coordinates:**

Locality, residency, county

INT type and code

Place where the INT was held

INT duration (date, starting time, ending time)

Information about the interviewee: woman/ man, age, years worked in the institution / position, years lived in the community.

## **Changes in the last 6 months (December 2008 – May 2009)**

### **1. Levels of poverty and wellbeing of the population**

- Changes in the standard of living in the community over the last 6 months
- Estimation of the number of poor. Are there 'new' poor in relation to the economic crisis?
- Main characteristics of the poor and of the 'new' poor
- Spatial distribution of the poor within the community: Are the poor clustered? Are there any ghetto like areas?
- Main coping strategies of the population:
  - Reduction of the household consumption: Which categories of consumption have been reduced? Consumption related to children have been changed in any way?
  - Increasing incomes by finding new or additional work in the formal or informal sectors of the economy both in the country and abroad

- Increasing incomes by borrowing, delaying payments to utilities or receiving money from relatives, friends etc.
- Asking support from governmental institutions: social scholarships for children, guaranteed minimum income or other kind of support

**2. The quality of social relations and mutual support within the community**

- Are people more or less helpful to each other compared to one year ago?
- Is there any mobilization around key points such as NGOs, church or other community based organization for helping the disadvantaged groups?

**3. Level of crime**

- Changes in the general community spirit
- Do people fear more for their security or for their properties? Have the number of small thefts increased?
- Have the level of alcohol or drug consumption increased over the past six months?

**4. The number and intensity of conflicts within and between households**

- Domestic violence against women
- Domestic violence against children
- Arguments between neighbors

**5. The main problems of children within the community**

- Children who are not attending school on a regular basis
- Children who are working for money
- Other problems of children relevant for the community

**6. The main problems of youth within the community**

- Early school leavers
- Deviant and risky behaviours by young people
- Other problems of youth relevant for the community

**7. The capacity for intervention of the local institutions**

- Has the institution budget been decreased? Is it expected to decrease for the fiscal year 2009? If yes, how does this effect the institution capacity for intervention?
- Have the number of beneficiaries/ claims for support increased over the last six months? Is it expected to increase in the following six months?
- Assessment of the relation between the resources available for intervention and the community needs for support.
- Assessment of the relation between community needs for social support and human resources for social work available to the local municipality level.
- In which way the budget projection for 2009 has taken into consideration the potential negative effects of the economic crisis
- To what extent community needs can be met within the given financial and human resources?

### 4.3 FIELDWORK: DISTRIBUTION OF FGDS AND INTERVIEWS BY TYPE AND LOCATION

#### 4.3.1 DISTRIBUTION OF FGDS BY TYPE AND LOCATION

<b>Transmission channels</b>	<b>Group profile</b>	<b>FGD Code</b>	<b>County</b>	<b>Locality</b>	<b>No. of persons</b>
<b>LABOUR MARKET</b>	<b>TOTAL - 20 FGDS</b>				<b>133</b>
<b>Formal sector</b> (4 FGDS)	Employees in industries heavily dependant on export				
	- women	FG 1.1	CL	Oltenița	7
	- women	FG 1.2	NT	Roman	4
	- men	FG 2.1	CL	Oltenița	7
	Unskilled workers	FG 3.1	MH	Drobeta Turnu Severin	8
<b>Informal sector</b> (6 FGDS)	Constructions				
	- men	FG 4.1	CL	Ulmeni	4
	- men	FG 4.2	SB	Sibiu	8
	Services to households				
	- women	FG 5.1	NT	Piatra Neamț	6
	- women	FG 5.2	SB	Sibiu	5
	Constructions and services				
	- Roma	FG 6.1	MH	Eșelnița	9
	- Roma	FG 6.2	BZ	Buzău	8
<b>Agriculture</b> (4 FGDS)	Daily workers				
	- young (15-29 years)	FG 7.1	MH	Eșelnița	5
	Farmers	FG 8.1	NT	Români	5
	Farmers	FG 8.2	OT	Gârcov	7
	Business oriented farmers	FG 8.3	OT	Gârcov	6
<b>'New' unemployment</b> (6 FGDS)	Unemployed				
	- young (15-29 years) men	FG 9.1	CL	Oltenița	4
	- young men and women	FG 9.2	MH	Drobeta Turnu Severin	9
	- men 30 years and over	FG 10.1	CL	Mănăstirea	10
	- 30 years and over	FG 10.2	NT	Roman	7
	- 30 years and over	FG 10.3	MH	Drobeta Turnu Severin	7
	- women all ages	FG 10.4	AG	Câmpulung Muscel	7
<b>REMITTANCES</b>	<b>TOTAL - 4 FGDS</b>				<b>21</b>
<b>Remittances</b> (4FGDS)	Households receiving remittances from abroad				
	- 30 years and over	FG 11.1	NT	Urecheni	4
	- women 30 years and over	FG 11.2	MH	Drobeta Turnu Severin	5
	- women and men all ages	FG 11.3	BC	Răchitoasa	7
	- women all ages	FG 11.4	SB	Sibiu	5

4.3.2 DISTRIBUTION OF INTERVIEWS BY TYPE AND LOCATION

<b>Community stakeholder</b>	<b>INT Code</b>	<b>County</b>	<b>Locality</b>	<b>Gender</b>
<b>LOCAL BUSINESS</b>				
- Two owners of small shops	INT1.1	NT	Piatra Neamț	M & M
- Bank representative	INT1.2	NT	Piatra Neamț	M
- Two employers	INT1.3	MH	Drobeta Turnu Severin	F & F
- Director of a large aluminium company (ALRO SA)	INT1.4	OT	Slatina	B
- Bank representative	INT1.5	OT	Slatina	F
- Bank representative	INT1.6	SB	Sibiu	B
- Bank representative	INT1.7	MH	Drobeta Turnu Severin	B
- Manager of a construction firm	INT1.8	SB	Sibiu	F
- Representative of the Chamber of Commerce	INT1.9	SB	Sibiu	B
<b>LOCAL COMMUNITY</b>				
<b>Local municipalities</b>				
- Deputy mayor	INT2.1	MH	Eșelnița	B
- Deputy mayor	INT2.2	CL	Mănăstirea	B
- Financial director	INT2.3	AG	Câmpulung Muscel	F
- Mayor	INT2.4	BC	Rachitoasa	B
<b>Social work departments/ institutions</b>				
- Social worker	INT3.1	MH	Drobeta Turnu Severin	F
- Social worker	INT3.2	MH	Eșelnița	F
- Social worker	INT3.3	BZ	Buzău	F
- Social worker	INT3.4	OT	Gârcov	F
- Social worker	INT3.5	CL	Mănăstirea	F
- Social worker	INT3.6	CL	Oltenița	F
- Social worker	INT3.7	CL	Ulmeni	F
- Social worker	INT3.8	AG	Câmpulung Muscel	B
- Social worker	INT3.9	NT	Piatra Neamț	F
<b>Employment offices</b>				
- Representative	INT4.1	MH	Drobeta Turnu Severin	B
- Representative	INT4.2	CL	Oltenița	B
- Representative	INT4.3	NT	Piatra Neamț	F
- Representative	INT4.4	SB	Sibiu	F
<b>Schools and School Inspectorates</b>				
- Teacher	INT5.1	MH	Eșelnița	F
- Teacher	INT5.2	MH	Drobeta Turnu Severin	B
- Teacher	INT5.3	CL	Mănăstirea	F
- Teacher	INT5.4	CL	Mănăstirea	B
- Teacher and director of the City Pupils' Club	INT5.5	CL	Oltenița	F
- Teacher	INT5.6	NT	Piatra Neamț	B
- Teacher	INT5.7	SB	Sibiu	F
<b>Community based organizations</b>				
- Journalist	INT6.1	CL	Oltenița	F
- Priest	INT6.2	CL	Oltenița	B
- Priest	INT6.3	CL	Ulmeni	B
- NGO representative	INT6.4	SB	Sibiu	F

