

No Poverty - The Most Important Indicator of the Development of the EU

MIHAELA MUŞAT

PhD, The Bucharest University of Economic Studies

ROMANIA

musat.mihaela11@gmail.com

Abstract: In this paper I am addressing a topic of great importance, namely poverty, which is considered to be a problem both locally and regionally, respectively globally. In the eradication of absolute poverty, an important factor is globalization, and in order to ensure decent living for all people, it is necessary to continue the efforts to reduce also the relative poverty. In order to achieve this goal, the 2030 Agenda targets the peripheral segments of the society and encourages the transformation of the society into a direction that will ensure a dignified and prosperous life for the citizens. The main approaches aimed at eradicating poverty, proposed to achieve this goal, include reducing the number of those at high risk of poverty and promoting social inclusion.

Keywords: poverty, development, European Union

JEL Codes: I32, N01, P46.

1 Brief history

The International Day for the Eradication of Poverty was marked for the first time on October 17, 1987, when more than one hundred thousand people gathered in the Trocadéro Square in Paris, and *a year later*, in 1988, the Universal Declaration of Human Rights was signed, as sign of solidarity with the victims of extreme poverty, violence and hunger.

Subsequently, by Resolution 47/196 adopted on December 22, 1992, the General Assembly of the United Nations, UN, declared October 17 as the International Day for the Eradication of Poverty, and thus invited all States to devote to it concrete activities regarding eradication of poverty, and intergovernmental and non-governmental organizations to support states in organizing activities at national level to mark this day. Although poverty is a complex problem on a national and international scale, no viable solution has been found to combat the phenomenon on a global scale so far.

We need to be aware that poverty is not due to the lack of a single thing, but it is caused by several interdependent factors that affect people's lives. This means that we must see that poverty is not just a lack of income or what is needed for material well-being - food, housing, clothes, etc. - and to understand it in its multiple dimensions.

Poverty worldwide is a "common thing" in some countries of the world, and global organizations seem to lack coherent policies to support these nations. According to a World Bank experts ranking, the world's poorest country is Haiti, where the poverty rate reaches 80% of its population of about 10 million people, followed by countries like Equatorial Guinea, Zimbabwe, Democratic Republic of Congo and the Kingdom of Swaziland.

Poverty refers to a number of correlated social phenomena, but in Anglo-Saxon literature, poverty refers to monetary poverty and the lack of enough money.

2 Defining poverty at European Union level

Most people define poverty in the European Union by referring to individuals, families or groups of people whose material, cultural and social resources are so limited that in most cases they are excluded from an acceptable way of life at least in the Member State to which they belong.

Extreme levels of poverty have been reduced by more than half compared to 1990. It is indeed a remarkable achievement, but 1 of 5 people in developing regions are still people living on less than 1.25 USD a day, and at the same time there are millions of other people who have even less, and many individuals are at risk of falling into poverty again.

As an evolution of poverty alleviation we have the situation of 1993, when extreme poverty meant living with less than 1.08 USD per day, the situation of 2008, when you had to live with less than 1.25 USD per day, and the situation of 2015, when extreme poverty meant to reach 1.90 USD per day.

At the European Union level, combating poverty and social exclusion is one of the specific objectives in the field of social policy. We must also take into account the fact that the Europe 2020 strategy has had a very important role, and one of its major innovations aims at a new common target in the fight against poverty and social exclusion, namely the 25% reduction in the number of European citizens living below the national poverty line and the pulling of over 20 million people out of poverty.

When we talk about poverty eradication, we must take into account the fact that every citizen should be offered the chance to live with dignity, and this is achieved through public policies aimed at reducing inequalities, towards a correct redistribution system, a progressive tax rate, public investments and access to health services and last but not least, to quality education.

Tabel 1. Data presented on October 16, 2017 by the European Statistical Office

In 2017, at European level, over one third of the population was at risk of poverty and social exclusion in three Member States of the European Union:	Bulgaria 40.4%
	Romania 38.8%
	Greece 35.6%
In the 28 states of the European Union::	22.5% of the population, respectively 112.9 million people - was subjected to the risk of poverty and social exclusion in 2017, a level almost similar to the one before the crisis, in 2008.

Source: Developed by the author based on data available on Eurostat

If we look at the involvement of EU member countries in eradicating poverty, we see that several decisions have been taken, such as: Communications from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - A Global Partnership for Poverty Alleviation and Sustainable Development in the period after 2015, A decent life for all: eradicating poverty and creating a sustainable future for the planet, etc. However, the efforts must be joint, and its focus should be on establishing the appropriate policies and mobilizing the appropriate financial means necessary for their implementation. Depending on the capabilities of each country, appropriate policies should be put in place to enable them to implement their development goals as soon as possible.

At European level, most studies show that certain groups of the population have been particularly exposed to the risk of poverty, namely children, young people, single parents, people with a migrant background, certain ethnic minorities, such as Roma or people with handicap.

At the same time, the difference between women and men is clearly visible, and the risk of poverty for women is generally higher than for men. The problem in the case of women is shown by the exclusion from the home in which they grew up, on the grounds that the women marry, and the man is the one who comes with the house. Also, another manifestation of severe insecurity is the lack of fuels, which risks letting households not only without heating or reducing the temperature, but also without hot water, electricity and other essential domestic needs.

In Europe we unfortunately identify also the financial exclusion, which comes from the lack of access to basic banking services, as well as the high degree of debt, aggravated by the recent crisis. These can also be obstacles to finding a job and can thus lead to persistent marginalization and poverty.

3 Poverty in Romania

The Government of Romania, supported by the National Strategy on social inclusion and poverty reduction for the period 2015-2020, has proposed that all Romanian citizens have equal opportunities to participate in society, to be appreciated and valued, to live in dignity and their elementary needs to be satisfied and the differences to be respected. In this context, according to the goal assumed by Romania in order to reach the objectives of the Europe 2020 Strategy, the main result targeted by the strategy is to reduce by 580,000 the number of people at risk of poverty or social exclusion by the end of 2020.

In 2014 it was prepared a study with the poverty map at the level of Romania which shows that in the North-Eastern Region (Moldova), the highest rate of poverty is recorded, all six counties in that region

presenting a high risk of poverty. Also, the Southern Region includes counties with very high rates of poverty, such as Calarasi and Teleorman, as well as counties with relatively low rates, such as Prahova. At the other extreme we have the county of Cluj, which ranks second after Bucharest in terms of the low value of the poverty rate in Romania, and the counties adjacent to Cluj in the North-Western Region - Bistrița-Năsăud, Maramureș, Sălaj and Satu Mare - presents a higher level of poverty than the average of Romania.

The fight against poverty and exclusion in Romania must be based on economic growth and employment on the one hand, and on the other hand on modern and efficient social protection. At the same time, Romania must continue its economic development and growth through a permanent commitment in the relationship between the Government - Parliament, civil society - the academic environment, as well as all stakeholders. We want to eliminate poverty, but we must be aware that we must join forces to support inclusive and sustainable growth in Romania.

We need to understand that a good approach can produce positive effects in society only if the intervention operates simultaneously on several levels - in the social, education, health, employment, housing and protection of children's rights field, not only on one level.

Although many people associate poverty with lack of money, we must understand that poverty means much more than the lack of income and resources to ensure a sustainable standard of living, and for this we mention hunger and malnutrition, limited access to education and other basic services., discrimination and social exclusion, but also the lack of participation in the decision-making process.

Table 2. The current situation and what is desired in the future

Horizon 2020	Targets 2030
Establishing sustainable quality and cost standards for all social services, targeting vulnerable groups especially	Eradicating extreme poverty for all citizens of the European Union
Developing a national system of social inclusion indicators by integrating all databases in the field of social assistance into a digitalized regime that takes into account social mobility; effective annual monitoring of results based on these indicators	Reducing by at least half the number of citizens living in relative poverty
Stimulating the participation in the labor market of people able to work which are at risk of exclusion through the development of active counseling and social assistance measures	Strengthening the national unitary system of emergency intervention services, subsequent rehabilitation and compensation for losses in the event of natural disasters, industrial accidents or extreme weather events

Source: Created by the author

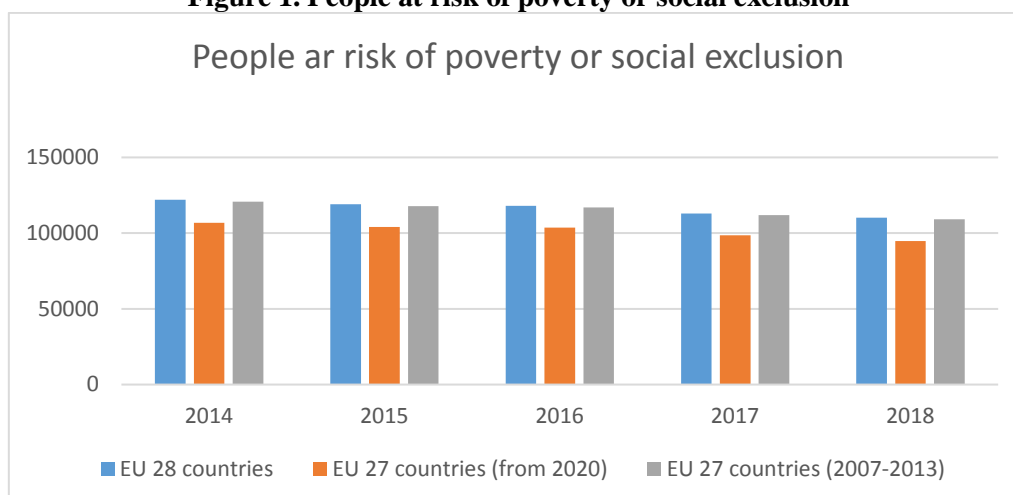
4 How is the situation presented according to the data?

Poverty is both a cause and a consequence of social marginalization and exclusion, and the task of governments and societies is to act to eliminate socio-economic systemic inequalities and to facilitate the participation or employment of the very poor so that they can help themselves, their families and communities, all these in order to build a better future. Poverty eradication can show results when access to education is broader, when agriculture receives support and shows improvement, but also when there are microfinance or other programs beneficial to the citizens..

The sustained efforts of the last quarter of a century lead the world closer to the historical goal of eradicating extreme poverty by 2030, as follows:

- The eradication of extreme poverty for all people, currently measured as the number of people living on less than 1.25 USD per day;
- The introduction of some social protection systems but also of the minimum guaranteed income, for a substantial protection of the poor and vulnerable by 2030;
- Ensuring that all men and all women, especially the poor and vulnerable, have equal rights to economic resources, have the right to property and control over land and other forms of property, inheritance, natural resources, new appropriate technologies, but also financial services including microfinance.

Figure 1. People at risk of poverty or social exclusion



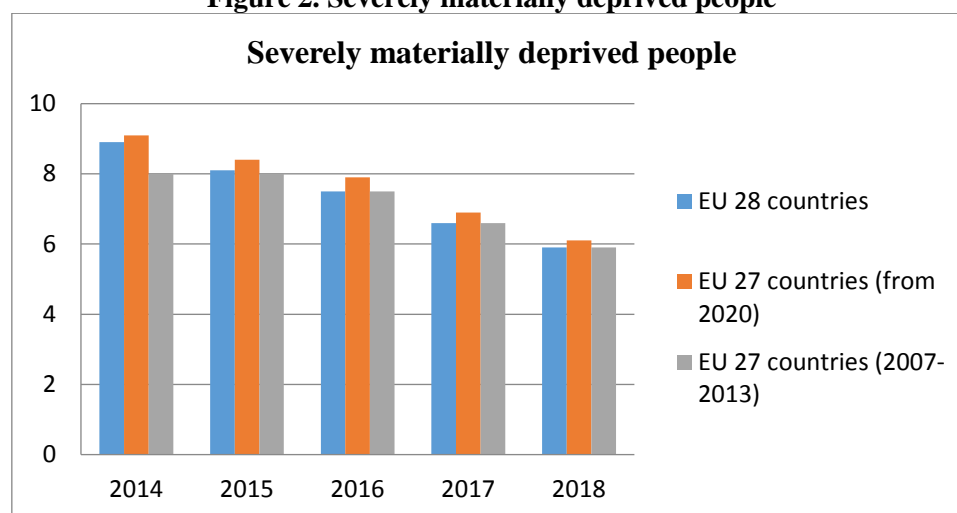
Source: Developed by the author based on data available on Eurostat

In the figure showed above we can see a decrease in the number of people at risk of poverty or social exclusion. If in 2014, the situation at European level (28 countries) presents us a number of 122,026 people, in 2018 we have a number of 110,235 people. Although the decrease was with about 12,000 people, it should be appreciated that from year to year there are decreases, and it is aimed that in the coming years we will be as close as possible to 0.

Next I will show the share of the severely materially deprived people, or who have living conditions constrained by the lack of resources at European level.

In this presentation I am going to analyze the following private elements: people who cannot afford to pay utility or rent bills, people who cannot afford to maintain their house warm, to cope with unexpected expenses, people who cannot afford to eat protein (meat or fish at least once every 2 days), but also those people who can not afford a phone, a colour TV, or a washing machine.

Figure 2. Severely materially deprived people



Source: Developed by the author based on data available on Eurostat

From the data found, we identified that the share of disadvantaged people is constantly decreasing, from year to year, which means that we are on the right track. If in 2014, in the case of EU 28 countries, we identify a number of 44,465 people, in 2018 we have only 29,750 people, which means a decrease of 14,715 people in just 5 years.

5 Conclusions

We all know that Europe is one of the best places to live in the world, but, as everyone "runs away" from poverty, it is very important that the implementation of the sustainable development goals of the 2030 Agenda to be achieved as quickly as possible.

Poverty eradication is framed as the first objective within the 2030 Agenda and it is considered that its achievement would give every citizen the opportunity to fully realize their potential, to participate actively in society and to be offered access to quality services. As I mentioned before, poverty refers not only to the lack of money, but also to material deprivation, discrimination or inability to participate in decision-making processes. Moreover, this can persist over time and can be transmitted from one generation to another. With the involvement of the European Union on several fronts, both internally and externally, from coordinating policies to promoting social responsibility, respecting, on the one hand, the principle of subsidiarity, and on the other hand the principle of proportionality, the poverty eradication has undergone real changes, and in 2017, for the first time after the onset of the global crisis, it was seen that the number of people exposed to poverty or social exclusion fell below the reference point in 2008, when the highest growth was registered. For a good development of the European Union, it is very important that in the process of eradicating poverty, the citizens to be very involved, and the competent authorities to ensure the access of all to adequate social protection, quality healthcare, education and an important role in this respect it will have the increasing of the employment level in the EU.

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