

RISKS AND OPPORTUNITIES FOR EUROPEAN AND NATIONAL DEVELOPMENT DURING THE POST-CRISIS – THE CATALYST ROLE OF LABOUR MARKET

Cornelia DUMITRU, PhD. Student
Institute of National Economy – NIER, Romanian Academy
cornelia.dumitru@gmail.com

Abstract

The current trends are marked increasingly more by tendencies of decoupling from the globalization process. One of the essential reasons is the development of the labour markets determined more frequently by technological progress and change which contributes to job losses, changes of occupational profiles and increased inequalities leading to labour market polarization.

This type of issues are not new in the economic-social history of the world, but this repetitiveness includes this time a set of new issues related to the increasing degree of technology, computerisation and automation which has a higher rate than the national, European and international capacities of identifying solutions for the labour force caught in the 'scissors' of polarisation and inequality.

The main solutions must be found at institutional level, in the way cooperation, relationship and collaboration networks are set up between labour market institutions and the other institutions in the social and economic field.

The present paper intends to analyse the main trends, opportunities and risks faced by the European and Romanian labour market, pursuing to particularise them for our country from the viewpoint of main phenomena and developments.

Key-words: labour market, polarisation, employment, unemployment, institutions

JEL Classification: J21, J24, J29, J39, O14, O39

1. Introduction

The current post-crisis period is one of the most difficult at global and European level. The successive crises of the years 2008-2011 imposed austerity measures at the level of the European Union which were managed under difficult conditions, in point, and generated thus several and concern-rising issues for the decision factors and population at the same time.

The effects of the crisis, dominated especially by a swift and increasingly more polarising change of the labour market were the background for several developments suggesting a period of apparent 'decoupling' of some member-states, and for some other countries in the world. Brexit, the increased isolationist trends at world level expressed also by the USA (see recent US-elections), the heightened opposition of the population against migration flow – irrespective of the origin country of the migrants (again, see the case of Great Britain) despite the issues triggered by demographic ageing – poses one of the questions still waiting for a reply from the institutions with direct impact in managing labour market, the way it is structured, as well as from the decision factors with decision attributions regarding economic and social policies dedicated to labour market.

The EU-28 labour force, as well as the world labour force is caught due to the recent evolutions in the midst of interactions between technological progress and technological pressure, between the objectives of attaining sustainable, and as much as possible 'green' and 'smart' economic growth, and the objectives aiming to ensure employability rather than employment of labour force.

Because labour force represents the most significant and active component of the society, the pressure exercised by it, as well as the difficulties encountered in identifying jobs tend to reverse the globalisation process and to put up for debate the traditional economic-social development models.

These processes in which globalisation and de-globalisation succeeded one another during historical periods from the end of the 19th century up to the end of the 20th century were noticed by Williamson (1996a, 1997) and represent a useful starting point in analysing the current period of post-crisis at European, international and national level.

Moreover, the last period tends to provide more substantial support for the advocates of including institutional approaches in analysing the possible interventions that would provide concrete solutions regarding the management and diminishment of unemployment, the increase of employment and for ensuring the social balance which due to increasing polarisation became more fragile at the level of the European Union-28(27).

Economic growth, both in Romania and the world was permanently associated with increased employment opportunities. The current trends at European and international level show a significant change in the relationship between growth and employment, respectively however uncertain and volatile, the economic growth of the last decade, and in particular the one of the last years after the economic-financial crisis was not associated with the corresponding (and expected) increases of labour force employment.

In this context the first significant and problematic difference can be noticed when considering the model proposed by Williamson where the periods of economic growth by global expansions have brought along also increased convergence between the countries involved in these processes, succeeded thereafter by isolationist episodes, only to resume thereafter the globalisation process of an even higher intensity. From historical viewpoint, we notice that the global 'withdrawal' processes were followed by two world wars, which had as outcome political, economic and social reconfiguring.

The current period is marked by comparable conflicting trend: from fears related to immigrants that would increase the 'imbalances' of the national/regional/local labour markets to the ones related to foreign capital and the domination of corporations, and the ones related to the lack of opportunities for an increasingly higher number of youths to find jobs according to their education and training, all of these issues converging to signal a consistent 'decoupling' tendency of national economies, as well as trends of reformulating national economic and social policies on other foundations. However, all these trend leave out elements, factors and phenomena which distinguish the current evolutions from the aforementioned periods of the interchange between globalisation and de-globalisation:

The future will be defined by increasingly complex evolutions triggered by the trends shaped during the period of the financial-economic crisis and which were confirmed and consolidated during the post-crisis period: automation, robots, and digitalisation of all sectors of economic, social and cultural life. The dominant reason resides in the 'new industrial revolution' debated recently by the World Economic Forum (WEF) where the present period was classified and interpreted as the fourth stage of industrial revolution as result of intense and almost complete changes in the main economic fields.

The empirical observations, and the first statistical-mathematical analyses drew attention to the fact that the penetration of ICT in all sectors, even during the times of the crisis, have triggered new risks for employment under the conditions in which innovations, and their outcomes are immediately and directly valorised in all sectors of activities exposing to increased risks the global labour force, implicitly at national level.. The financial crisis, followed by the economic one and subsequently by the 'sovereign debts' crisis opened the way to social crises that make their effects felt now, especially at political and economic level. For instance, Brexit, the concern rising ascension of political movements contesting the mainstream politics and heavily bending right or left, the vehement attacks against the financial-banking and industrial systems within the 'traditional' western societies are all mainly because of the increased difficulties in identifying a job depending on education and training, but also because of the more swifter changes of the requirements of employers for the majority of jobs, and of the growing inequalities in incomes associated with higher and intense polarisation of jobs, etc.

One of the triggering factors was the increased appetite of enterprises and corporations to become more efficient with respect to costs and expenditures by implementing and immediately valorising the progresses recorded by using robots and automation. The first effect was felt by diminished labour forced demand, both with respect to available and potential labour force. Moreover,

estimates suggest that by 2020, genetics, biotechnologies, artificial intelligence and nanotechnologies will change completely the way in which industries, services and companies operate, while fields and specialisations which apparently cannot be correlated will be the main generators of jobs in the next stage. Nevertheless, the current period is noticeable first of all for its lack of solutions in outlining possible new occupations and employment opportunities for a time horizon that meets the expectations of the active population.

Thus, human resources are faced on the labour market with one of the most severe crises regarding employment opportunities the entire field of labour market being subjected to some unprecedented transforming pressures, while the highest upheavals are born by the young working age generations and by those nearing the end of their active life on the labour market.

The Lisbon Agenda 2010 by its appeal for creating 'more and better jobs' represented a concerted effort at European level associated to a significant initiative drawing attention to the risks related to employment, respectively the inclusion in the Treaty of Maastricht of specific chapter dedicated to employment. The relevance and importance of introducing these specific provisions might be highlighted in the next period when in-depth analyses will be made regarding the effects of the four crises (we might consider) underwent by the global and European society, if we include also the increasingly more deep social crisis.

In the period preceding the crisis, respectively the year 2008, the employment rate recorded a peak of 65.7% at EU-27(28) for persons aged between 15 and 64 years of age, according to the Labour Force Survey (EU LFS). However, by 2010 a diminishment of 1.6 pp was registered regarding the employment rate. Still, much more relevant is the stagnation at the level of the year 2010 for the period 2010-2013, when the employment rate oscillated between the value of the year 2010 of the employment rate of 64.1% and at most 64.2%. Only for 2014 is noticed an increase by 0.8 pp, to 64.9%⁵⁷.

Even though the current premise is of considering a general and consistent increasing trend of the employment rate, the emergence of some processes is noticed which tend to contradict these optimistic estimates. These processes do not reside only in digitalisation, automation and the use of robots, but also in the capacity of the systems with direct impact on labour market (education, professional and vocational training, other forms of formal and informal training) to meet directly, customised and according to expectations to the requirements of employers both within the public and private system. Moreover, this increase in the employment rate generates atypical forms of employment which are progressively more different from what tends to be regarded as the 'traditional' form of employment of labour force.

The trends regarding unemployment are more and more comparable with the even more often called upon gap between the Northern and Western countries and those from Central, Eastern and Southern Europe, with the lowest unemployment rates registered in Germany (4.5%), Czech R. (5.0%) and Malta (5.1%), and the highest in Greece (25.2% in June 2015) and Spain (22.2%) during the same period⁵⁸, while in the New Member States the highest unemployment rates on long-term were recorded in Croatia, with a rate of 6% in 2007, before the outbreak of the crisis and an unemployment rate of 10.1% for the age group 15 to 74 years of age in the year 2014. Still, in the case of Croatia should be taken into account that the unemployment increase could be regarded as a transition effect, this country being the newest EU member (EU-28, accession in July, 2013). Romania succeeded in maintaining long-term unemployment at relatively reasonable levels, respectively for the age group 15 to 74 years of age at 3.2%, and on decrease to 2.8% in the year 2014, in order to record an increase by 0.2 pp to 3,0% in the year 2015 (according to Eurostat statistics).

In this context, we notice also the display of well-outlined trends representing as many challenges for employment and superior valorisation of human resources:

1. the continuing significant increase of relevance and impact of science and technology on economic growth;

⁵⁷ [http://ec.europa.eu/eurostat/statistics-explained/index.php/Labour_market_and_Labour_force_Survey_\(LFS\)_statistics](http://ec.europa.eu/eurostat/statistics-explained/index.php/Labour_market_and_Labour_force_Survey_(LFS)_statistics)

⁵⁸ Eurostat statistics, www.ec.europa.eu.

2. the increased complexity regarding the creation of additional value and value added in industry and services, which means implicitly an increased necessity of ensuring and strengthening inter-industrial/inter-services and sectoral activities and partnerships, as result of the increased degree of interdisciplinary interaction in generating products, goods and services;
3. the swift emergence of new models of businesses and enterprises which is stimulated on one hand by the effects of the economic-financial crisis and, on the other hand, by the continuing digitalisation of the whole economy.

2. The integrated and innovative approach of employment – a possible solution?

The time horizon 2020 is still under the sign of uncertainty regarding the economic-financial evolutions due to several factors which, far from consolidating a climate of relative calm in the post-crisis period, contribute to increasing the degree of uncertainty. Such a first event is the Brexit as its (potential) effects are still not fully assessable, measurable and properly evaluated due to the postponement of initiating the negotiation process for exiting the European Union and, consequently, delaying the negotiation process regarding the conditions that will govern in the future the relationship between EU and Great Britain⁵⁹.

However, it should be underpinned that this decoupling vote of Great Britain from the common European process counts among its essential reasons the issue of employment, and of the evolutions in employment for this country. A brief analysis of employment in Great Britain, though included in the group of developed EU member-countries provides important indicators of the positive and negative impact factors, about the way in which negative factors prevailed and had a more considerable weight in the option of the society and of the political decision factors, the more so as the risks that generated them are shared by all EU member-countries, irrespective of the level of economic and social development. Among the factors with the most negative impact leading to the pro-Brexit vote were counted:

- the decrease in the numbers of jobs, especially in the productive (labour-intensive), and manufacturing sector at national and regional level, including the European level, even if the unemployment rates indicate decreases for the second half of 2016 at EU-28 level, including in Great Britain, where the statistical data reflect a relatively constant development of employment which is around 70% of active population as of 1971 for this country (71.8% in 1971, then the economic crises of the eighties, reflected in an employment decrease to 68.5% in 1981, followed again by an increase to 70.7% in 1991, 72.6% in 2002, just like in 2008 at the outbreak of the financial-economic crisis, with a decrease to 70.3% in the peak year of the economic-financial crisis (2011) and, finally, the increase to 73.7% in 2015)⁶⁰.
- increasing disparities between the regions in Great Britain at national level, as there are obvious correlations between the pro-Brexit regions and increased unemployment rates and the disappearance of some industrial sectors, just as these correlations are given also for regions where the vote was essentially against Brexit and remaining in the European Union and higher employment chances existed. Examples in this respect are revealed also by the national statistics of 2016 for Great Britain which also show yet another aspect with direct impact on employment and unemployment not only for this country, but also for the other European Union member-states, respectively: the increased weight of the services' industry and of financial-banking sectors, and the decrease in the weight of industries with a strong labour-intensive component;
- the increased immigration from regions of the world which are not perceived as 'traditional' regarding the flow of migrants to Great Britain. Thus, a study dedicated to Brexit underpins that

⁵⁹ Meanwhile, the British prime-minister Theresa May stated that the initiation of the process will take place in the spring (March) of this year, however, the uncertainty persists because the decision is also depending on the resolutions of the British Parliament (January, 2017).

⁶⁰ <https://www.ons.gov.uk/employmentandlabourmarket>

between 1995 and 2015 the number of immigrants from other EU member-countries tripled from 0.9 million to 3.3 millions. And the share of those originating from the EU increased also, from 1.5% to 5.3% in total population, and from 1.8% to 6.3% regarding the working age population (for the age group between 16 to 64 years of age)⁶¹;

- the sentiment, at population level, that the relationship between costs and benefits of being in the European Union is imbalanced, and that benefits are fewer than costs. This persuasion was very much strengthened also by the erroneous perception regarding the diminished chances of finding a job because of the immigrants.

From the development of the industrial sector at European level we find a decrease of its contribution to GDP formation within the European Union in favour of the services' sector with respect to attaining the objectives of economic growth and sustainable development. Thus, nowadays, it is estimated that industry has a share of about 16% of GDP at EU level, a reason for the position of the European Commission to indicate as one of the essential economic policy objectives for the Europe 2020 Agenda the increase of the percentage contribution of industry to the EU-GDP to 20%⁶², thus aiming to re-launch the European industrial sector. Moreover, this diminishment of industry's contribution to the European GDP is reflected also in the disparities at the level of the member-states. Thus, regarding the contribution of the industrial sector to GDP a significant gap exists between the Czech R. (24.7%), Ireland (23.3%), Hungary (22.7%) and Germany (22.4%) which are on the leading positions regarding the contribution of the industry sector to GDP, and Greece, France, and Great Britain where the contribution of this sector diminished to only about 10% from the national GDP.

Recent analyses estimate that the European Union benefits of competitive advantages in some strategic, key-sectors for launching the (re)industrialisation process, respectively in sectors such as: aeronautics, constructions, chemical and pharmaceutical products, automotive sector, including the spatial industry. At the same time, industry represents 80% from European exports, while 60% from the private investments in the R&D sector are realised by enterprises directly involved in productive activities. In this regard, several studies and analyses have shown that about 12 million jobs in the European Union depend on the automotive industry either directly or indirectly, as this sector is also the most important investor in RDI sector, with about 28 billion euro/year⁶³. Another sector of particular relevance with a contribution exceeding 6% of the European Union GDP, respectively 800 billion euro is the sector dedicated to satellite assisted navigation applications, including strategic sectors of management, networking, mobility and smart transport infrastructure. In this respect two projects have been initiated which might have extremely positive effects that could be propagated on the value chain aimed at reindustrialising, respectively the projects Galileo and GMES, the outcomes of which expressed in financial terms are translated into 90, respectively 70 billion for the next 20 years⁶⁴.

Actually, the new post-crisis period links directly economy growth to putting to good use the technological progress and surpassing difficulties in identifying new employment opportunities generated by the changes brought about by the technological progress in (re)creating and generating jobs. The processes aimed to reindustrialising the European economy will be translated into valorising high-tech industries which fulfil also the criteria related to environmental protection. At the same time, the new type of industries based on the outcomes of technological progress will impose the direct

⁶¹ Jonathan Wadsworth et al., Brexit and the Impact of Immigration on the UK, CEP Brexit Analysis no. 5, Centre for Economic Performance and London School of Economics and Political Science, 2016, pg. 4, <http://cep.lse.ac.uk>

⁶² EU Commission (2012). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. A Stronger European Industry for Growth and Economic Recovery. Brussels.

⁶³ Antonio Tajani, vice-president of the European Commission, responsible for Industry and Entrepreneurship "Mission Growth: Europe at the Lead of the New Industrial Revolution", High-level conference, Brussels, 29 May 2012.

⁶⁴ Eric Heymann, Stefan Veter (2013), Europe's re-industrialization, the gulf between aspiration and reality, Deutsche Bank AG, DB Research, EU Monitor-European Integration, November, <http://www.dbresearch.com/>

correlation between industry and the services' sector (Ambroziak, 2015) by creating some networks and integrated 'networks' industry-services which by their characteristics will ensure not only maintaining and/or stimulating the current occupations but also the emergence of new occupations related most of them, but not exclusively, to the 'green' profile of the economy aimed by the Europe 2020 Strategy.

Another reasons for which employment growth is uncertain, next to the changes underwent by the industrial sectors, might result from the direct link between job polarisation – a phenomenon increasing after each crisis wave during the last thirty years in the western hemisphere, and the economic recovery lacking the (re)creation of jobs in occupations that rely heavily on routine and repetitive activities which tend to be representative for the median segment of skills and incomes (Acemoglu 1999, Autor et al. 2006, Goos and Manning 2007, Goos et al. 2009, Autor and Dorn 2012). The same phenomenon makes its effects felt also at global level, including the European Union after the next recession wave⁶⁵.

In this context, it is obvious that the innovative-integrated approaches must be oriented specifically on three main axes:

- i) identifying 'critical' sectors for labour force employment on medium- and long-term;
- ii) identifying the ways by which the educational and vocational-educational system might contribute better, directly and swiftly and substantially to ensuring, improving and developing the skills demanded by the labour market;
- iii) reviewing the institutional frameworks at national, (macro)regional and European level for ensuring employment growth and stimulating employment as inclusive as possible.

3. Employment and the Future of Employment at European Level and in Romania

The development of European Union economies and of the global ones subjected the concepts of labour and employment to a change process that, nevertheless, cannot adjust to the swift rate imposed by the technological progress. Thus, in the last half of the 20th century and in the first decade of the 21st decades of the 21st centuries emerged various social changes, some with a critical potential (demographic and social risks, etc.) for which is pursued the identification of optimum solutions. However, there are some hindrances of objective and subjective nature, from the ones related to cost-benefits analyses that increase the appetite of enterprises and companies from the public and private sectors to maximise profits, especially by making use of automated solutions to the detriment of labour force, to the ones of the increasing degree of polarisation of occupations by dividing them into high-tech segments which involve knowledge and cognitive abilities, sophistication and higher competences, including the ones of agile learning and valorising gained knowledge in new circumstances and in low-skilled segments.

For the active working-age population in the labour market new problems emerge, especially for those in the medium-skilled level of competences and skills. Actually, this was also the segment most affected by the diminished contribution of the industrial sector in achieving economic growth as they are most frequently in the situation to face difficulties in identifying suitable jobs in the post-crisis period.

Currently, there are two essential components that contributed to changing occupations and to the emergence of new forms of employment:

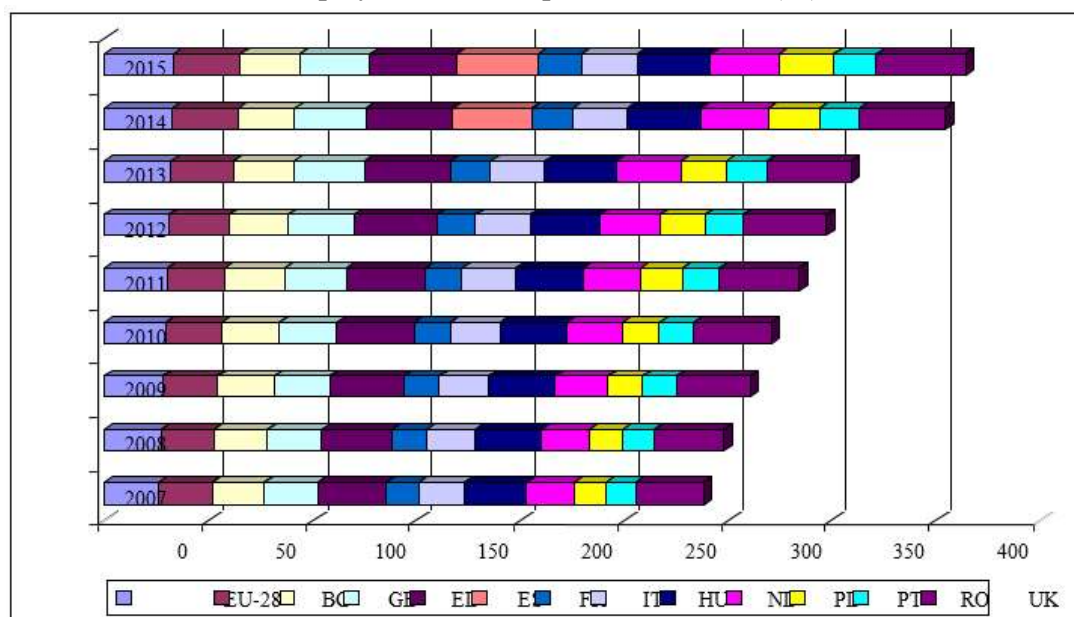
- on one hand, technological progress which by its nature might contribute both to redefining on the job requirements, implicitly triggering also changes in the relationship between income/wage and labour demand, but also contributes to increased emerging disparities especially in the post-crisis period even if it might seem that apparently it blurs, or even blurs the differences on the labour market between east and west, because of the absorption capacity of less developed countries of the outcomes which might be translated in developing high-tech industries next to the services' sector which underwent a more swifter development also in the Former Member-States of Convergence and Cohesion (FMSCC) and in the New Member-States (NMS).

⁶⁵ Henry Siu, Nir Jaimovici, Jobless recoveries and the disappearance of routine occupations, 2012, <http://voxeu.org/article/jobless-recoveries-and-disappearance-routine-occupations>

- On the other hand, the post-crisis period led to the disappearance of some rules regarding labour contracts, to reconsidering essential aspects related to ensuring subsistence means and the reconciliation of the work-life balance, and in attaining own objectives of professional satisfaction and success in career. Moreover it might be stated that the estimates of experts anticipate that the future no longer will be represented necessarily by working contracts with the same employer, or in the same occupation for life (a model practiced almost for the entire 20th century both in the west and in the east) but on multiple labour contracts, more frequent changes in the employer and the ability and adaptability of using in new situations, conditions and jobs the knowledge, competences and skills gained during formal and informal education and vocational-professional training processes (including on the job).

It results that the present issues of the labour market might be resumed by the terms of 'multiple-layers', uncertain and unpredictable as outcome of an evolution with higher dynamics from the model of the sixties defined for the Old Member-States by regulated working programme and hours, and a career for undetermined periods of time, even for lifetime with the same employer accompanied by well-defined social insurances (see the German "Wirtschaftswunder"), up to the present dominated by increasingly more flexible contractual working relationships, where employment was redefined by "employability" accompanied by flexibility, irregularity and still incompletely regulated, or even not regulated at all, yet (Zimmermann, 2014).

Fig.1 The weight of employed persons with ISCED educational levels 5-8 in total employment, for the period 2007-2015, (%)



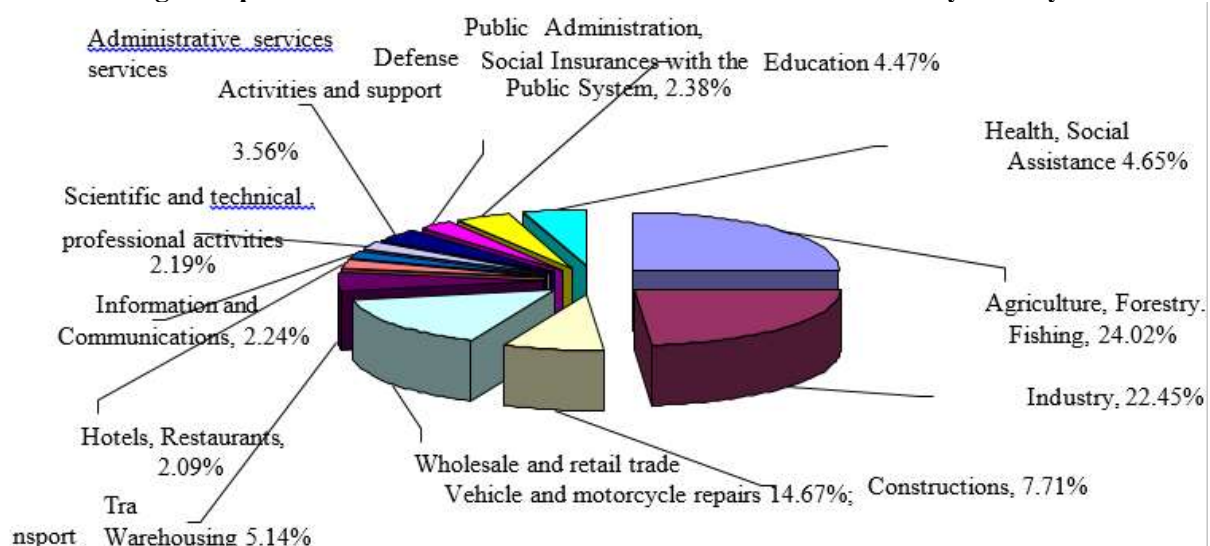
Data source: Eurostat statistics (cod online: [lfsi_educ_a])

At the same time, as can be noticed, for the whole of EU-28 that the percentage of those with tertiary education in employment increased permanently, including during the period of the financial-economic crisis, from 26.1% (EU-28) to 33.4% in 2015. In Romania the percentage of employed individuals with ISCED 5-8 educational levels was of 14.5% in the year 2007 (at the moment of accessing the European Union) and in 2015 their share increased to 20.8%, the country being surpassed both by New Member States (NMS) included in the present paper (Bulgaria, Hungary, and Poland) and by the Former Member-States of Convergence and Cohesion (Spain and Portugal). This is also a reflection of one of the national particularities both of the educational system and, especially for the period 2007-2015, of the losses due to labour migration in particular of well educated and high-skilled individuals developing their activities in domestic high-specialised and key systems, such as the medical one (Fig.1) (Eurostat statistical data).

In Romania, there are also issues that might be catalogued as “national specifics” because for the post-crisis period exist several elements contributing to considerable asymmetries and disparities on the labour market. First of all, it must be underpinned that the change in the structure of the activities of the national economy, including by diminishing the weight of industry, the increase of in the one of the services’ sector, but also the display of a strong migration wave among the active age population for work abroad: hence, we may notice that even if apparently the employment trends of the population on activities of the national economy is circumscribed to the general European one, there are fields in which this fact far from representing an advantage is rather a risk (Fig.2). From this perspective, the most concerning are the employment in health – where a constant and increasing deficit of health workers with all levels of training is recorded for the years after the accession the employment in this sector being of only 4.65% - and the absence of trained personnel and with the necessary skills in the fields that are estimated as ‘promising’ for the future, such as the tourism industry, correlated with the excessive focus on consumption as source for stimulating economic growth, under the conditions in which consumption increase does not guarantee necessarily also the implicit generation of new jobs.

Another risk results from analysing the working age population according to the main sectors of activity, which shows that the share of employment in the scientific and technical fields regarded as main generators of innovation and innovative processes is relatively low. Hence, the lack of sustained policies in the field of research-development and innovation, the absence of constant, sustainable, sound measures, the diminished investments in encouraging this sector had as effect that the country remained in the group of ‘modest innovators’.

Fig. 2 Population distribution on activities of the national economy in the year 2015



Data source: Tempo-online database – National Institute of Statistics, www.insse.ro

To these are added also significant losses of working age population especially in the aforementioned strategic fields (health, engineering, constructions, transports, etc.). According to estimates, currently are about 2.1 million Romanians working abroad, most of them in Italy (890.000), Spain (825.000) and Germany⁶⁶, a fact which is correlated with increasingly more of the young generation on entering the labour market in the absence of functional, sustained and actual cooperation between the educational systems and the representatives of employers from the public and private sector.

On the whole, from the comparative analysis of the employment rate distribution in Romania and in the member-states of the European Union, in 2012, Romania had an employment rate for persons aged between 20 and 64 years of age of 63.8%, a 4.77 pp difference against the European average, respectively 68.5%. From the countries included in the present study, the same comparable situation and

⁶⁶ Government of Romania, National Strategy for Labour Force Employment, 2014-2020.

with relatively similar percentages is noticed for Bulgaria and Poland, next to Italy, Portugal, and Hungary, while an even more difficult situation is found in Greece and Spain.

Hence, three major influences result which take a relatively disadvantageous shape regarding employment at national level: (i) the influence of the educational and vocational-professional system which still has not succeeded in readjusting to the requirements of the market after the transition disturbances of the nineties, when transition meant also the initiation of some reforms which still are not finalised within this system. The impact most difficult to absorb on the labour market was born by the young generations which faced most problems. Additionally, this contributed also to the emergence of generations that might be considered as joining the western trend of the NEETs. ii) The influence exercised by the incapacity for more rapid adjustment of the institutional systems to the changed national and European conditions on the labour market, especially with respect to the arrangements referring to labour contracts, working hours, working schedules, under the conditions in which part-time employment, fractions or other forms of partial employment become often, especially in the Old Member-States and in some Former Member-States of Convergence and Cohesion a viable option in the case of the young generation in view of the transition to more stable or full-employment. iii) The influence exercised by the persisting lacking correlations between the actions of the public sector and of the private one in undertaking joint actions for establishing the directions and opportunities of increasing employment, with specific emphasis on actions aimed at vulnerable individuals on the labour market, among which are found also the youths, next to individuals of other ethnicity, or disabled individuals and, at the opposite pole, the elderly on the labour market.

The first two global objectives have to deal with the necessary reform of institutions and institutional arrangements with impact on the labour market, which draws attention also on their relevance for the economic growth as a whole.

The last mentioned global objective underpins the importance that must be given to finalising the reform of the educational system, including here the provision of the opportunity to pursue dual educational paths, respectively by ensuring the type of continuity which allows on one hand pursuing and/or continuing studying within professional-vocational programmes or, on the other hand, by adopting measures and systems that would encourage public/private employers to contribute to the continuing vocational training of the workers. This element is essential, if we take into account that in particular the crisis period meant a drastic diminishment of the participation to continuing professional-vocational training as compared with the situation in other member-states where the same period was perceived as an opportunity for realising investments in education and vocational training, both by employers and by individuals active on the labour market interested in their own professional/career advancement.

4. Conclusions

The current evolutions, with an unprecedented dynamic on the national labour market and at the level of the European Union, are determined by the swift technological progress and the high speed of implementing in the industrial activities the most recent innovative solutions and innovations. This trend is the one characterising preponderantly the current state in which economic growth is discussed increasingly more in the context of re-launching the re-industrialisation process at EU-28(27) level, however without leaving aside the European ‘decoupling’ trends visible currently, at least on the political agenda, but also on the agenda of the society subjected to the risks which are not approached in an integrated and innovative manner with respect to increased polarisation, inequality, and uncertainty in the field of employment. This fact represents, to an equal extent, a risk for Romania due to the processes of ‘brain drain’ on the background of intense migration for work, especially of the high-skilled and educated young individuals trained for high-tech fields.

Due to these evolutions, the active population at EU-28 level is in the situation of being faced with the dilemma generated by the technological progress versus technological pressure. This situation generated by the polarisation of employment on high- and low-skilled working-age population segments, and which ‘threatens’ most the medium-skilled segments must be solved by adjusting and creating the necessary institutional frameworks required for encouraging active labour market policies and measures.

Regarding the labour market we distinguish between two types of processes with direct impact on the occupational structures and profiles: first, the ‘macro’ processes, respectively: demographic ageing, migration and technological progress/pressure. Secondly, the ‘micro’ trends defined by the global ones, implicitly by the European ones and which contribute, to an equal extent, if not more than the first to changing the labour market:

- the change of the bread earner model, as the weight between men and women in employment is increasingly more balanced, including here management and decision positions;
- the (worrying) consolidation of part-time working forms, or in occupations in the sphere of self-employment, or in a combination of these with other related occupations, or in occupations based on full-time contracts which cover the other half-time of effective work;
- more intense flexibility of numerous occupations and jobs, of working hours and options of realising the work-load;
- the requirement and, at the same time, necessary condition to be fulfilled will be an increased number of individuals with tertiary education or equivalent with respect to labour force;
- demographic ageing also will require to be compensated by increasing the retirement age, especially in the case with decreasing population, including here population decrease due to migration for work, a risk to which Romania is constantly exposed;
- labour demand will diminish, mainly, in the field of agriculture, industries, and constructions.

Therefore, the evolution on the labour market for the time horizon 2020, but also for the next decades will be under the sign of increased interaction between change and continuity, if the aim is to ensure sustainability of this market, as well as the superior valorisation of the human capital and resources at national and European level.

Thus, four main action fields are identified, the variables of which are determinant for the labour market: ensuring economic growth and sustainable development; continuing adjusting and adapting to structural changes by investing the necessary material, financial, infrastructural and human resources for ensuring performance at the level of the regions of development; analysing the effects of establishing a minimum wage, as well as of the unequal incomes on the evolutions of the labour market; and, especially because of the recent geopolitical and geo-economic evolutions and of the links with and of the shocks that might be received from the global and European economy.

The simple building of ‘activities’ and occupations’ blocks’ which will continue to exist, or are exposed to disappearance on medium- and long-term is not a consistent and sound approach, as long as it is not associated with some sustainable solutions of economic and social nature such as, for instance, the closer cooperation between the public and private sector, and between the educational systems and the representatives of the entrepreneurial sector at European and national level.

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