

HUMAN DEVELOPMENT PARADIGMS

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Abstract

In our world there are phenomena and processes that are functioning as an expression of natural mechanisms, human, but also man-made: rain, snow, cold, heat, unemployment, inflation, wealth, poverty, bankruptcy, revolution, pollution, development, etc. The reality today is fragmented, largely due to the strong contrast between the degree of knowledge and development of the XXI century and the islands of existing poverty. Transformations of economic development system have exacerbated social problems, placing a significant part of the population in poverty. Increased attention to issues of poverty is determined by expanding the size and the emergence of new forms of this phenomenon, which affects the efficiency and sustainability of the market economy system. This article proposes to outline approaches to poverty essence, content realization poverty as a complex phenomenon, multidisciplinary, social, economic, biological, psychological, cultural phenomenon in Romania highlighting features. Scientific novelty of the research is the proposal to change the current paradigm on poverty and its reformulation in terms of understanding this phenomenon as one of us derived from our being.

Keywords: poverty, human development, innovative solutions, economic growth.

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1. Global perspectives on life degradation

The economic crisis which has begun is unprecedented in modern economic history. It has generated a level of development that people did not expect; development that refers to human and financial decrease. Individual was affected in all aspects: moral, material and spiritual. More and more of our fellow men face higher rates of poverty (Burghilea, 2011, pp 137-147). Poverty exists in poor countries and rich countries. Over one billion people live in extreme poverty. This means that over 20% of Earth's population has an income and purchasing power of less than 1\$/day, or up to \$30/month. At this income, which affects mostly females, we can talk about a way of life unexpected, random, increasingly more difficult, as this population is exclusively from natural ecosystems, seized the planet's resources by the rich . They may not react even as hunters or gatherers. Talk about that part of the world population is doomed to starvation.

Estimates Considering that the Earth's population will reach seven billion by 2015 people, mostly due to accidental breeding those living in the third world, the problem becomes even thornier.

There are food shortages due to global poverty, but especially impossibility of access to it. It is obvious, in this case, the correlation between poverty and misery, disease and death.

Onset AIDS disease meant that worldwide, 60 million people is infected. The disease occurs mostly in middle-aged generation, i.e. the working age population. They are excluded from socio-economic mechanisms before contributing to economic and social development of developing countries, creating special problems especially the poorest countries. I still join this disease tuberculosis, malaria, endo and ectoparasites, diseases of poverty, leading to an average life lying around the age of 50, in poor countries.

Globally, one in two children lives in extreme poverty. Providing daily food is, for nearly a billion people, a big problem. Every day, every three seconds a person dies from hunger.

According to data provided by the World Bank in late 2009 of the world's poorest countries were the Democratic Republic of Congo, Liberia, Zimbabwe, Solomon Islands, Somalia, Comoros, Guinea-Bissau, Central

African Republic, Niger, and Ethiopia. Organizations in the UN poverty list containing 50 countries. The poorest people in the world can not write and read, have never spoken on the phone, and have not seen any movie. Often do not even have a roof over your head.

One billion people live on less than \$0.5 per day. In sub-Saharan Africa one in six children dies before the age of 5 years. Countries that have the highest infant mortality rate are also countries that have the highest birth rate. Women in the poorest countries are also the ones that most children are born, but most of them will die before the age of five years. A woman in Niger, for example, gives births on average 7 children.

One billion children live in poverty, and 640 million of them have a roof over their heads. 400 million have no access to safe drinking water and 270 million have no access to medical services. Annually from hunger and related diseases 10 million children die of malnutrition. Other 2 million die from lack of water.

The three richest people in the world have more resources than 600 million people from the poorest countries. Some of the poorest countries in the world are recognized through sights, while their citizens die of hunger. People around the world go to safari or African regions for exotic dishes. Malawi is one of these countries, a country where 10 million people live, most in extreme poverty. On average, a woman gives birth to 6-7 children in Malawi, but only half of them survive the age of five.

Most areas of Ethiopia have no access to electricity and the most common houses are actually built of mud huts. Children to play, building their own balls of rags tied with ropes have never heard about computers, internet or telephone. Poverty robs them of their right to a happy childhood.

In the Asia-Pacific are almost two billion people living on less than two dollars a day. Evaluates World Bank forecasts that the number of people living below the one dollar a day will reach 2015, one billion Asians.

Poverty led to organ trafficking. It has grown in recent years, especially in Eastern Europe. Poor inhabitants of Moldova, Romania, Ukraine and Albania sell their kidneys for huge amounts. For example, in 2007, in Turkey, a kidney can be purchased at the price of 2700 dollars. An Indian or a donor kidney Iraq was worth only \$1,000. Wealthy customers bought then the

intermediate bodies at unbelievable prices that could reach up to 150,000 dollars.

2. Distribution of global poverty

The world population reached 6.82 billion people. Of these 60% live in Asia, 14% in Africa, America - 14% of which 8% in North America and 6% in South America and in Europe - 11%.

In 2005 the world population was 6.47 billion people. Of these, 906 million lived in Africa, 329 million in North America, 373 in South America, 3.92 billion in Asia, 730 million in Europe. Poverty distribution for 2005 is shown in the table below which includes also distribution of poverty forecast for 2015 (see Table 1).

Table 1: Distribution of global poverty in 2005 and 2015

Region or country	Year 2005	Year 2015
Percentage of the population surviving with less than \$0.5 per day		
East Asia and Pacific		6,8
China	15,9	6,1
Europe and Central Asia	3,7	2,2
Latin America and Caribbean	8,2	5,0
North and Central Africa	3,6	2,5
South Asia	40,3	23,8
India	41,6	25,4
Sub-Saharan Africa	50,9	37,1
TOTAL	25,2	15,5
Percentage of the population surviving with less than \$2 per day		
East Asia and Pacific	38,7	21,6
China	36,3	18,9
Europe and Central Asia	8,9	6,0
Latin America and Caribbean	16,6	11,8
North and Central Africa	16,9	9,3
South Asia	73,9	56,6
India	75,6	57,9

Sub-Saharan Africa	73,0	60,8
TOTAL	47,0	34,6

Source: own calculus

XXI century is unprecedented in history in terms of the desire to eliminate the problem of poverty. In 2000, at the first meeting of Heads of State and Government, the Millennium Declaration was adopted by the United Nations. Thus, both rich and poor countries have pledged to meet by 2015 the following goals: eradicate extreme poverty, increase the graduation rate in compulsory education, protection of gender equality, human dignity and empower women, reduce child mortality, improving maternal health, combating HIV / AIDS and tuberculosis, environmental sustainability resources, communications and information society development, peace, democracy. Millennium Development Goals have stepped up efforts to combat insufficient income countries involved, the omnipresence hunger, sociological inequalities between women and men, lack of education, health services and drinking water.

Year 2010 has been declared by the European Union as the European Year for Combating Poverty and Social Exclusion. It was decreed on the international financial and economic crisis of 2008, because it can have long term consequences on growth and employment in the European Union, the most affected may be the most socially vulnerable. Thus, the European Year for Combating Poverty and Social Exclusion must have an important impact in terms of promoting active inclusion of people.

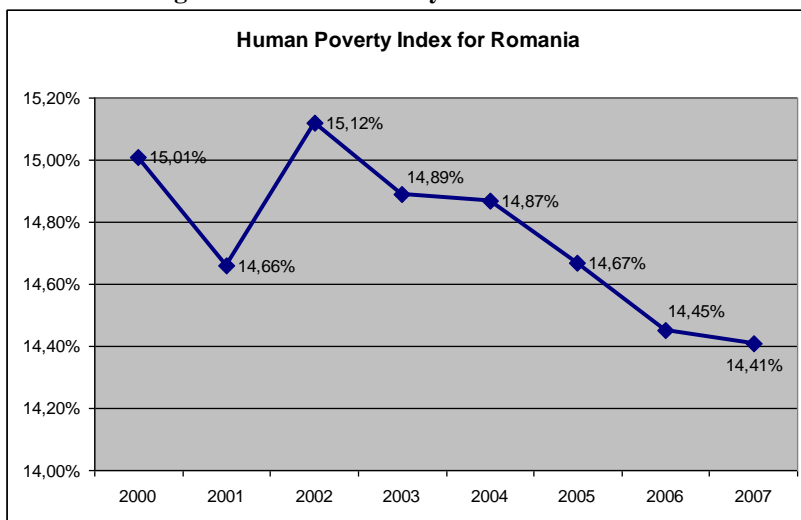
Humanity actively and sustained combat this cancer, which is poverty that grinds peoples of the world for millennia. Although efforts are successful, registering positive effects from year to year, there are still poverty areas across the entire globe. Humanity must understand that there is a constant amount of resources that an individual's wealth means another's poverty. Only through awareness and understanding of the fact that resources must be spent wisely, poverty can be solved. As long as there are still people with excessive desire to accumulate goods, much more than they need, poverty will not disappear "poverty is a problem of the world and will last how the world exists." (Craciun, 2012, pp 77-84)

3. Multidimensionality of poverty

Human poverty indicators serve a number of purposes. Although imperfect, they synthesize using a multidimensional poverty index. They also stated that if the total income is not human life or its absence does not mean all human deprivation. They were effective average distribution to indicate achievement of human development as reflected by the human development indicator (HDI). Human poverty indicators offered to recognize that poverty is not just a Southern phenomenon, but also a Nordic geographically speaking. HPI-2 allowed us to distinguish between human developments among countries whose average achievements in terms of human development are extremely close. A high human development does not necessarily imply a reduced level of deprivation.

For Romania it is calculated HPI-2. The overall evolution of this indicator is favorable, Human Poverty Index decreasing from year to year. This trend indicates a decrease shortcomings in the four elements of the HPI-2 calculated for Romania (see Figure 1).

Figure 1: Human Poverty Index for Romania



Source: own calculus with data from www.insse.ro

Human Development Report for 2009 ranks Romania 63 in the world, behind countries of the former communist bloc. Bulgaria ranks 61, Hungary ranks 43, Slovakia ranks 42 and Croatia ranks 45.

Human Poverty Indicator construction allows for comparisons between human and monetary poverty. These two types of poverty reflect two different trends due to fundamentally different modes of calculation. If World Bank calculates monetary poverty based on a fixed threshold, allowing international comparisons, the human poverty calculation uses a set of adapted social context of the country analyzed. For example, Angola, an indicator that assesses living conditions in Sri Lanka HPI has six key elements in the Philippines are supervised "basic minimum essential requirements" of young people using a set of 33 indicators. Human Development Index is a tool for measuring the development of a country tends to be a more representative assessment tool than per capita income. It is possible through international comparisons and chronological assessment of performance of national policies. The constitution and form of the HDI has evolved over time, knowing the changes and adaptations (Dumitriu, 2002).

Human Development Index includes indicators that reflect three major dimensions of human development and consists of three components:

- Life expectancy at birth - longevity and health;
- Adult literacy rate weighted by 2/3 and the gross enrollment rate for education at all levels, weighted by 1/3 - level of education;
- The standard of living as measured by GDP/capita in purchasing power parity (PPP) - PPP in USD.

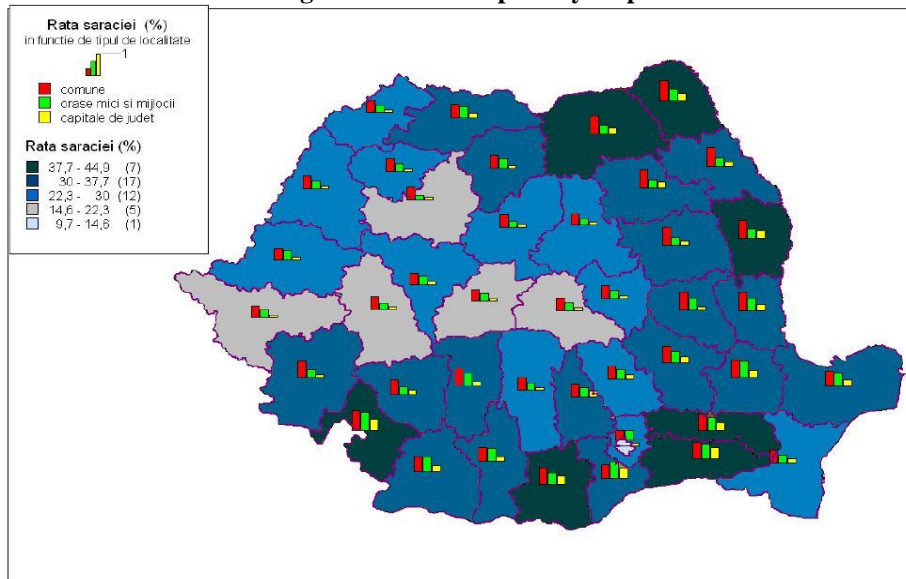
These three indicators are used in HDI with equal weights and characterize the development of a nation, HDI becoming thus a synthetic substitute for them.

For each of the components of the HDI indicators were set fixed minimum and maximum values. Thus, life expectancy at birth, the minimum is 25 years and the maximum is 85 years. For the adult literacy rate and gross enrollment in education, the minimum value is 0% and the maximum - 100%. For GDP/capita in real terms (in USD PPP), the minimum is \$100 PPP and the maximum value of \$40,000 PPP. Although the HDI is a popular global indicator, it is criticized for various reasons. These include the fact that

neglects important dimensions of the human condition, such as freedom, democracy, security, equality, and political participation. HDI is also accused of inefficiency because it involves substitution possibilities between its components (e.g. a decrease in life expectancy can be mitigated by an increase in GDP/capita). Another criticism would be that the HDI uses an arbitrary weighing scheme (for example, health would be equally as important as income or education), addressing only average achievements and neglect human development within a country. To fully understand the process of human development has been identified a set of factors acting on the individual. Based on Maslow's hierarchy of needs vision, should be calculated HDI ample built in correspondence with the needs placed on the steps of the pyramid. Therefore we can talk about a high human development when members of society have reached a high degree of self-realization, medium human development when members of society have reached an average appreciation of self accomplish and finally we talk about low human development when the degree of self-fulfillment of individuals in society is low. Human development indicators should include information about the social climate, regarding the social environment characterized by violence, corruption, bureaucracy, drug use, prostitution, helping authorities fight the phenomenon of moral degradation. Human Poverty Indicator coincides with the dimensions of human development indicators. The first two components of the ISU, health / longevity and education level are found in HDI in the same form. The third variable on decent level of living, is found in the HDI as an indicator that consists, in turn, the other three variables: the percentage of individuals who have no access to drinking water, those with no access to health services and the percentage of underweight children, under the age of five. Human development has long been considered a process which benefits all people, regardless of social position. Although these differences have diminished, the current situation shows that the company is still forced to face significant gaps between income equality and they manifested both in countries with authoritarian regimes and in countries with democratic regime in developing countries developing and developed countries. Poverty is a thorny issue in Romania. Although this has declined over time, as we shall see, it is still a major problem. Despite the economic progress made by our

country and EU accession, Romania continues to have outbreaks of poverty. At national level there is a poverty map (see Figure 2).

Figure 2: Romania poverty map

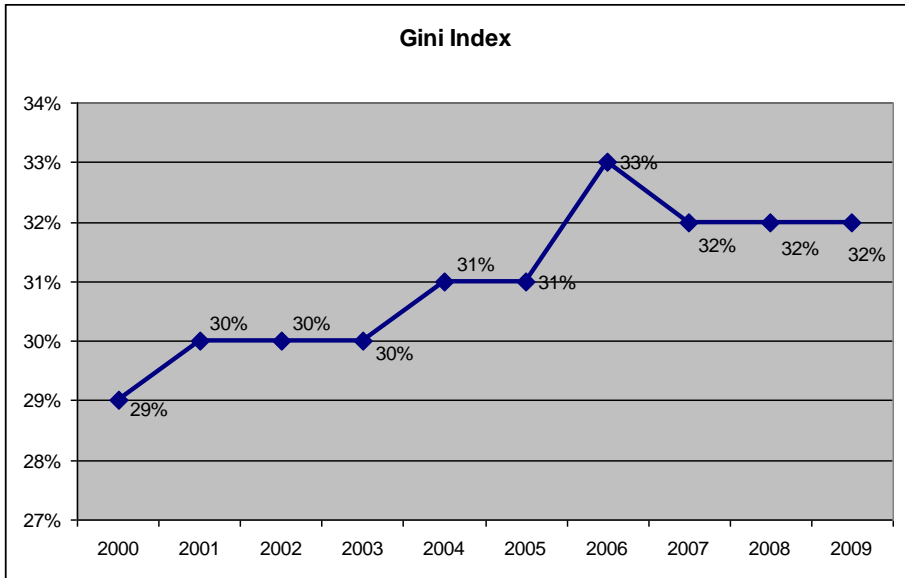


Source: www.siteresources.worldbank.org

As we can see, the poorest region in Romania is Northeast region (Iasi, Botosani, Neamt, Bacau, Vaslui, Suceava), followed by the Southeast (Vrancea, Galati, Braila, Tulcea, Buzau, Constanta) which otherwise are among the poorest regions in the EU. On the opposite side is Western Development Region of Romania, including Arad, Caras-Severin, Timis and Huneadoara alongside central region (Alba, Sibiu, Mures, Harghita, Covasna, and Brasov). South of the country has a high poverty rate (South Muntenia - Arges, Dambovita, Prahova, Ialomita, Calarasi, Giurgiu, Virginia - and the South-West Oltenia - Mehedinți, Gorj, Valcea, Olt, Dolj). Bucharest-Ilfov region is enjoying the lowest poverty rate. In 2009 the average household disposable income was 4.5 times lower than the EU-15 average and 1.9 times the average of the first 10 countries. Most of the household income is

allocated to cover basic needs (food, shelter, health, clothing and footwear, transport to work), the remaining part to cover other needs are much lower, insufficient - in most households - for a decent living. At the end of 2009 about half of the households could not make ends meet with the income they had, 33% of which are in the situation of being unable to pay for bills related to housing maintenance and power consumption. Main source of income is the earnings; the most common form of employment in the employment rate is employed. Wage level is higher compared to other income enjoyed by a large number of people. Another source of income is the money income from agriculture, but they have a low share in household income, while farmers represent 25% of total employment (Molanescu, 2011, pp 59-74). This is a result of low efficiency of small farms, the majority of whose production is for own consumption. A large part of the population receives social benefits. In 2009 they ensured 20.8% of household income. This is a fairly large proportion deriving from the complexity of social protection, especially of the large number of beneficiaries. In relation to their protection needs, but also level of protection in European countries, the income from social benefits is low. Income from social benefits accounts for more than half of household income retirees and fewer than 25% of unemployed households. In households with children, this type of income form only 10% of social benefits amounts to 3%. For households that are most significant insecurity, only a quarter of the income is from the welfare system. Welfare and family benefits contribute a much smaller proportion to the income of these households. Most of the social benefits go to households' budgets of pensioners, as pensions are the most important component of the social protection system. Households of employees receive a larger share of allowances for disability, maternity, childcare and family benefits. 47% of welfare is used to support household incomes of farmers. In Romania, the degree of income inequality is above average registered in the European Union and as in most Member States. It is surpassed only by southern EU countries - Italy, Portugal and Greece - the United Kingdom and the Baltic countries. The evolution of income inequality increased population in 2000-2006, in 2007 recorded a significant decrease compared to 2006. In the coming years, namely 2008 and 2009, income inequality has remained constant (see Figure 3).

Figure 3: Income inequality evolution



Source: own calculus with data from www.insse.ro

Inequality increase occurred amid increasing inequality of income growth due to higher revenue growth faster than small ones. According to a World Bank report (World Bank, 2007), economic growth in 2000-2007 was not favorable to the poor.

In 2009 about 19% of the population had incomes below the threshold of 60% of median income available to the public. With the poverty rate Romania is among the European countries with the highest incidence of poverty. In the EU-15, it varies in the range of 10-20%, which is less than that of Romania only in countries where income distribution inequality is higher in comparison with Romania.

Most at risk of poverty are the following categories: children and the elderly, farmers, unemployed and retired farmers. The risk of poverty is higher for single people, single-parent households or those in large households.

In 2009 a quarter of children aged 0-15 years lived in households with income below the poverty line. Compared to the estimated EU countries, Romania was recorded the highest rate of child poverty, except Italy.

Households with children have a higher poverty rate (21% compared with 15% for households without children in care), especially for single parents and for households with dependent children (31% and 40% respectively).

For elderly, poverty rate is close to that estimated for the entire population. About a fifth of people aged 65 and over living in households with a disposable income below the poverty line. The risk of poverty is more significant for the elderly alone.

Occupational categories most affected by poverty risk are farmers, unemployed, self-employed in non-agricultural activities and the elderly who do not have pensions. They represent one third of the poor. This situation will worsen, however, amid rising unemployment and an aging population that is currently not covered by pension insurance system.

High incidence of poverty among farmers and self-employed in non-agricultural activities is the result of low levels of income from agriculture and non-agricultural employment. In 2009, the cash income from agriculture and agriculture independent was seven, respectively, two and a half times lower than that achieved average employee.

High incidence of poverty among the unemployed is due to the large share of those who do not receive unemployment benefits, derived from the very low level of benefits and the relatively short period in which the right to benefits. Only a third of registered unemployed in 2009 benefited from compensation, a minimum level of benefits being only 82% of the poverty line. An employee with over 20 years experience and a salary equal to the national average could benefit from unemployment payment that is 20% above the poverty line. Therefore, income from unemployment benefits contribute only a little to the household income of the unemployed. Given that many unemployed families with dependent children, the risk of poverty is very high. Low unemployment allowances granted for short periods of time, can be justified by the belief that a higher level of unemployment benefits the unemployed no incentive to seek employment and reintegration into the labor market. Entering the labor market depends, however, many other factors. One

consequence is that once you exit from unemployment, this category diminishes its rights to other welfare benefits. For individuals and their families losing their jobs and being unemployed is taking a drama. This means, basically, not only loss of revenue, but their instability, imbalance in all aspects of family life.

After 2010, the European Union has paid attention to combating poverty and social exclusion, in 2011 to promote volunteering and active citizenship, in 2012 to focus on social problems associated with old age and aging, declaring 2012 European Year of aging active and Intergenerational Solidarity. Thus, as intended by the EU in 2012, was promoted innovative solutions to economic and social challenges faced by Europe's population, which is aging. Also undertaken projects helped older people to maintain their physical and mental health and to contribute more actively to the labor market and in society.

Were brought to the fore the contribution of older people to society. In this regard, it was encouraged policymakers and stakeholders to take action to promote active aging and solidarity between generations increase.

Active aging means to maintain our health and status of active members, independent and involved in society, as we age. Regardless of age, can play an important role and enjoy a better quality of life. It is essential to realize the potential to succeed. European Year 2012 aimed to promote active aging in three areas:

- Employment - life expectancy increases, as well as retirement age. But still the fear that we can not keep a job or find another one before the age that we have the right to a decent pension. Europe needs to improve employment prospects of older people.

- Participation in society - Retirement does not mean inactivity. Many of us take care of others (most often parents, partners or grandchildren) or work as volunteers - much less visible efforts often neglected. European Year just wanted to highlight these contributions and encourage the authorities and society to create a more favorable framework.

- Independent Living - generally health worsened over the years, but do not lay down their arms. Small changes in the living environment may be an invaluable aid to people affected by illness and disability. Therefore, the

European Year aims to promote all measures and devices that allow us to live as long without being dependent on someone else.

The need for this program is given by the fact that, too often, aging is seen as a burden rather than an achievement - both the person and the society. Increasing number of elderly people is considered a burden for young and active population. Yet today, health of the elderly is becoming better. In addition, they have gained experience and skills that can be useful for the young.

4. Conclusions

To help older people to remain active, it is necessary:

- offer them the chance to participate fully in society;
- to create employment opportunities;
- to facilitate access to voluntary activities (e.g. caring for family members);
- to create conditions to live an independent life, adapting housing, means of transport, infrastructure and IT applications.

Among the anti-poverty program objectives include: raising awareness, sharing best practices, encouraging policymakers and stakeholders to take measures to facilitate active aging. The EU can help in this regard, in areas such as employment, public health, information society, transport and social protection.

Europeans are living longer and increasingly fewer children. It is estimated that in 2060 there will be only two people on the labor market for a person 65+. Now the ratio is 4:1. Now he wants to quickly increase awareness of older people, promoting a friendly environment for the elderly and for solutions to turn aging into an opportunity.

The number of people aged over 60 increased by two million a year. Old age is often associated with illness, addiction, exclusion from the labor market, the family and society. Year 2013 may come as a continuation of the policies proposed European Year 2012 in that it works to strengthen attitudes change and develop a culture of active aging as part of the European social model. In 2013, initiatives taken at local, regional and national population will address the challenge for aging population.

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