

## The Analysis of the Ethnical Discrimination on the Manpower's Market under the Economical Crisis

**Mihaela Hrisanta DOBRE**

Bucharest Academy of Economic Studies  
mihaelah.dobre@gmail.com

**Eugeniu TUDOR**

Bucharest Academy of Economic Studies  
teugeniu2003@yahoo.com

**Abstract.** *Discrimination means any difference, exclusion, restriction, preference or different treatment that brings forth disadvantages for a person or a group as compared to other ones that are in similar situations. The reasons on which discrimination is based can be various, such as race, nationality, ethnics, religion, gender, sexual orientation, language, age, disabilities etc. and in this case we talk about multiple discrimination. In Romania the main forms of discrimination are linked to ethnics and to sexual appurtenance. Within this column we analysed the discrimination amongst the Romany ethnics people, according to a statistical investigation (Access onto the Labour Market – A Chance for You), the research goal being to identify the answer to the following questions: Is there any discrimination inside the Romany ethnic group? What is the correlation between their level of education and their income? What is the correlation between the level of education of the parents and the respondent's?*

**Keywords:** discrimination; ethnic; labour market; wage; education.

**JEL Codes:** J71, J79, J31, J16, I21.

**REL Code:** 5G.

## 1. Preamble

Globally speaking, discrimination, irrespective of its form of manifestation, is one of the factors that have been affecting human society since the beginning of the third millennium. Globally speaking, the armed conflicts generated by religious discrimination have thus been one of the hottest problems ever since the beginning of the millennium and within certain regions ethnic discrimination is responsible for the internal conflicts in these areas. The identification of a person as belonging to a certain group may lead to his/her social discrimination, in other words he/she is excluded from the community. Most of the times such a behaviour has negative repercussions at the level of society, in countless cases bringing forth local conflicts, the specialists' recommendations being to set aside such harmful behaviours. The humane society's alert development recorded at the end of the speed century, the enhancement of Terra's number of inhabitants, the generation of new needs or the amplification of the already existing ones have led to the deepening of the existing social discrepancies, determining the reorganisation of human society. The new context has led to major changes on the manpower's market, as numerous regions have faced a high level of unemployment, so one could thus identify a new trend, namely discrimination on the manpower's market.

The modern economical theory of discrimination began with Becker (1971) and was subsequently developed by Arrow (1974). These ones think that people have certain attitudes towards those with whom they work, towards those whom they supervise and towards those from whom they buy goods, demanding in exchange compensation in order to work with the members of the discriminated group.

Arrow and Phelps (1972) studied for the first time statistical discrimination, which is based on the imperfection of information on the labour market, determined by the employer's incapacity of thoroughly knowing the labourers' productivity.

Special attention has to be paid to the discrimination template suggested by Welch (1967), who thinks that the black and the white labourers are hired together on account of their complementarities within the production. The cooperation amongst individuals belonging to different ethnic groups thus involves the existence of a fixed cost, which depends only on the number of labourers within each group and it can be determined by the preferences for discrimination or by the communication problems. The cost of cooperation between the two races is paid by the minority race and the education yield is lower in case of the minority labourers if the same are hired jointly with the

majority labourers. As a consequence thereof, the minority labourers tend to only work with the members of their group.

D.J. Aigner and G.C. Cain (1977) think that ethnic or gender discrimination is a consequence of the group discrimination, which is inevitable amongst the individuals of a group. These ones define discrimination as being the situation where the mean wages are not set up pro rata the mean productivity or the groups with the same productivity do not receive that mean compensation.

Mc Call (1972) suggested the fact that the discrimination towards the minority group brings forth an increase of the costs related to the search for a job for this one. Sloane (1985) thinks that the probability of rejecting an employee increases with the enhancement of the period of time needed for searching for a job and the opportunity cost is lower in case of the minority group than for the majority one, because their potential gains are more reduced. The conditions on the labour market can influence the labourers' activity rate and the discrimination amongst them leads both to the appearance of unemployment and to the existence of discouraged labourers.

Carneiro et al. (2003) study the ethnic discrimination on the labour market and account for the existence of the same according to the difference that exists amongst the ethnic groups from the standpoint of the skills, which are influenced by the schooling level. They showed that most of the times there is a direct link between the level of education that the parents have (the schooling years) and the one that their children receive or will receive.

The major changes happened in Romania in the past 20 years have brought along the rearrangement of the manpower's market, the people capable of working being subjected to a process of adaptation to the new conditions imposed. A special problem within the Romanian society is raised by the Romany ethnics, the official statistics considering that the number of those who belong to this ethnics is approximately 1.3 – 1.5 million inhabitants, however according to the non-official statistics of the various non-governmental organisations, their number would be approximately four million stable inhabitants, who are added around one million of mobile inhabitants that leave the country for short periods of time. The integration of these ethnics members into society proves to be a very difficult problem both at the national level and at the international one.

The National Council for Fighting Discrimination (NCFD) initiated an investigation in order to catch up the Romanians' attitudes and opinions regarding the most important issues linked to the phenomenon of discrimination in the last quarter of 2010. The research was performed according to an individual sociological questionnaire applied to a sample of 1,400 adult people

belonging to all the regions of the country, both from the urban environment and from the rural one, the size of those respective localities (for the urban environment) and the administrative type (in case of the rural environment) being taken into account.

Subject to the context of discrimination, the labour market is top one in terms of the discrimination situations frequency. The most discriminated group is thus represented by the people infected with the HIV virus, 71 % of the interviewed people considering that this group is the most often discriminated upon hiring, and 67 % choose the context linked to the workplace. The second place is held by the gays, where 50 to 55 % of the interviewed people think of the workplace and of the public premises as being the most often encountered discrimination contexts. The third place is held by the Roma, 56 % of the interviewed people thinking that discrimination at one's workplace and upon hiring is the most often encountered context of discrimination. Lastly, the context of women's discrimination at their workplace is outlined by 13 % of the interviewed people, some other 11 % thinking public premises as being a major context of women's discrimination.

The problem of social exclusion on the labour market as compared to the disadvantageous minorities has led the interviewed people's opinion (71 %) to the common point, where the people infected with HIV, even though they have the same training, find a job more difficultly as compared to the people who do not suffer from this illness. In the same context, the Romany ethnics people represent, in 70 % of the interviewed people's opinion, the most disadvantaged ethnic category when it comes to being assigned a job.

The research point related to the self-analysis of the majority people (the Romanians) and to the analysis of the minority ones from the viewpoint of the majority ones has brought forth a few characteristics of the groups that are worth mentioning, in order to understand the reasons that lead to a higher or lower percentage of discrimination, depending on the minority ethnical group to which they relate. The results obtained from the questionnaires have led to the following stereotypes:

Table 1

**Stereotypes and preconceived ideas subject to the ethnic categories**

Ethnics	Positive assessment	Negative assessment
Romanians (self-assessment)	Hard-working, tolerant	Disunited, coward, irresponsible
Roma	United, brave, audacious	Lazy, aggressive, dishonest
Hungarians	United, hard-working	Intolerant, aggressive, avaricious
Germans	Hard-working, honest, responsible	Avaricious
Jews	United, hard-working, peaceful	Avaricious

**Source:** The authors processed data from the NCFD's Synthetic Report - TOTEM 2010.

Ethnic belongingness was assessed as being important for the success in life by 24 % of the subjects that answered the questionnaire. Consequently, one thinks that the belongingness to a certain ethnic group matters for: finding a job; acquiring a place to stay; the access to medical services; the access to legal services; the access to public/administrative services; the access to education.

This study supports the idea related to the fact that people should shape their discriminatory opinions depending on the actions and the happenings to which they have personally assisted and not on what other people have said, which can be evasive, opinion-sided, subject to omissions and interpretations.

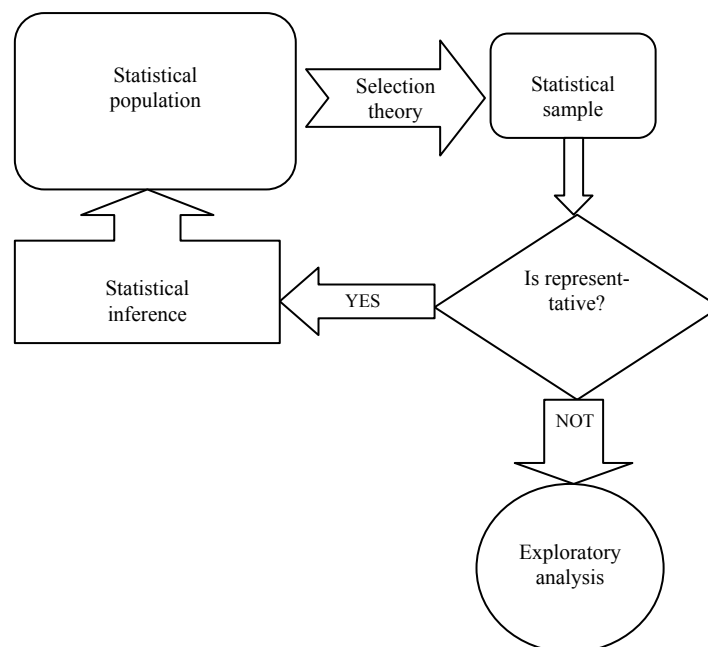
## 2. The research methodology

The complexity and the diversity of the social-economical phenomena call for adequately tackling with the problems appeared during their study. Seeing that a study of the total communities is costly from the point of view of time and of the financial resources involved, one had to study certain parts of the general information-related groups that reproduce, at a reduced scale, the statistical populations taken into consideration and the thus obtained results can be extrapolated at the global level, according to the results obtained in conformity with the theory of probabilities. Taking into account the fact that the social-economical phenomena are influenced by countless factors, the identification of the laws for their optimal management, in other words of the rules according to which these phenomena manifest themselves in the real environment, represents a process of approximation carried out in the context of incomplete *a priori* information. The determination of the evolution trajectories associated to these complex phenomena that can be seen within human society supposes to notice their dynamics in the real environment, the appropriate template for the analysis within the subsequent scientific approach being to be determined according to the measurements performed at the level of the statistical facilities comprised in the study. In this way, the approximation is made by virtue of an ample process of measurement carried out at the level of the facilities selected from the general community, which are grouped within the statistical sample, the rules for their selection being made according to the statistical selection theory and in this way the bi-univocal correspondence between the real environment and the transformed space where each statistical unit is uniquely identified by the vector of the characteristics associated thereto takes shape. The representation of the general communities by means of the statistical samples constitutes an elegant and robust method of identifying the trends that exist at the level of the analysed populations, of the meaning of the identified links, the formulation of certain legal characteristics regarding the evolution of the phenomena that are the subject-matter of the present

study thus outlining their large scale manifestation. From this point of view, the social-economical phenomena are deemed to have a mass character, as they are the result of the action of a great number of factors, their achievements having certain irregularities and thus justifying the use of the stochastic processes in their study.

The statistical sample thus appears to be an information-related entity, the study of the units of which it is composed enabling the obtaining of a vision relative to the characteristics of the statistical population to which they pertain. The identification of the significant links that statistically exist within the population analysed, the establishment of the existing causal relations and of their meaning within the statistical investigation by polls are relevant at the global level if the sample subjected to the scientific approach meets the representativity conditions, thus contributing to the deepening of the scientific knowledge in the field under study.

The necessary and sufficient condition for the results provided by the poll investigation to be used for making statistical inferences is that the population's structure should be reproduced within the sample, which means that each statistical unit should have the possibility of being selected in the sample. There are, however, situations where the poll investigation is exploratory in character, the results obtained being orientative and useful for the identification of the existing local aspects, the community analysed in this situation for the sample elaboration not observing the conditions imposed by the theory of probabilities.



**Figure 1.** *The logical scheme associated to the poll statistical investigation*

Given that the indicators values are obtained after a process of measurement, there appears the possibility that the remarks made could be affected by measurement errors, which thus lead to the relation below:

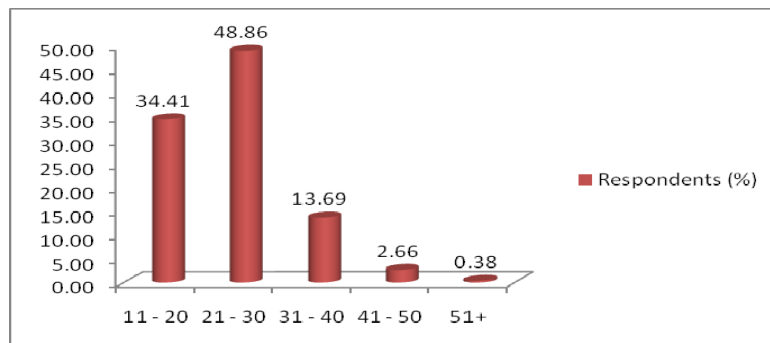
$$\text{Measured Value} = \text{Real value} \pm \text{Random error} \pm \text{Systemic error}$$

The large volume of information that exists on the poll-based statistical investigation shows the fact that this field of scientific research arouses the interest of numerous researchers, the supporting point within the development of the scientific investigation being offered by the practical results obtained.

For the database we used the *Access onto the Labour Market – A Chance for You*<sup>(1)</sup> poll, which was carried out between February and April 2010 at the regional level.

### 3. The research results

The sample volume was composed of 529 people. The selection of the statistical units was made within the Romany ethnic population, the selection range being comprised between the ages of 16 and 57. The information-related synthetisation concerning structure was performed by grouping the respondents on five equal age ranges: 11-20, 21-30 etc. The graph below shows that most respondents fell into the 21-30-year age category (48.86%) – Figure 2. The analysis of the database shows that approximately 97 % of the respondents are young people, fit for the manpower's market.

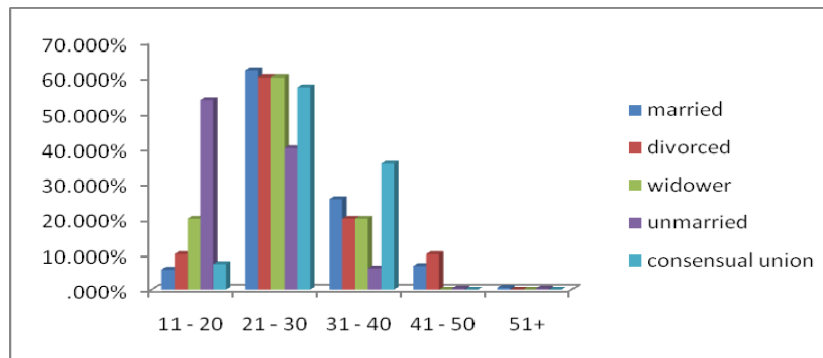


Source: The authors processed data.

Figure 2. Structure by age of respondents

At the level of the sample obtained, every second interviewed person is single and as regards the married people, one person of three is within the

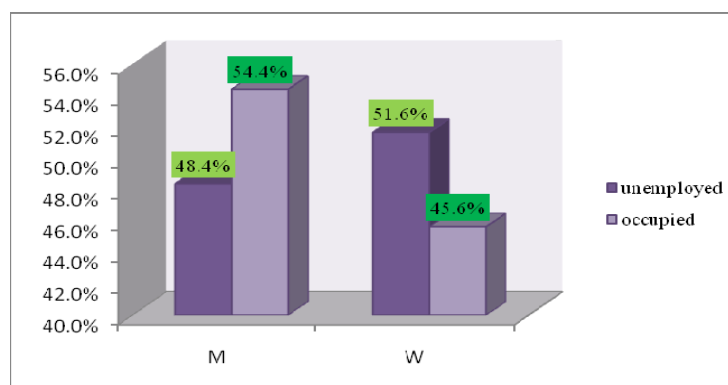
21-30-year age category, as Appendix 1 shows (The Respondents' Structure Depending on Their Civil Status). The graph below shows two poles: the former one is made up of the married people and the latter one is composed of the single people, in the statistical units included in the study the weight of the single people being high, which proves the exit from the classic patterns associated to this ethnics (Figure 3).



Source: The authors processed data.

**Figure 3.** Marital status of respondents

Out of the totality of respondents, 75.8% have a job – see Appendix 1 (The Structure of the Respondents' Occupation) and out of them 54.4% are men and 45.6% are women. The graph below shows that the weights are approximately equal between the men and the women from the standpoint of the occupation (Figure 4).



Source: The authors processed data.

**Figure 4.** Occupation by gender



In order to analyse the causal relationship between the father's and the respondent's occupation, we correlated the answers from the 'What is your father's occupation?' question to the 'What is your occupation?' one, because the Romany families are patriarchally organised. For 78.26% of the respondents the father has a job, as Appendix 1 shows (*The Father's Occupation*). At the level of the thus constituted sample, in case of 66.9% of the interviewed people, both the father and the respondent have a job (Table 2). The correlation of the answers to the two questions is statistically relevant (Appendix 2: *The Correlation Coefficient between the Respondent's Occupation and the Father's*), as there is a direct link between the father's occupation and the child's. Within these ethnics, conservatism plays a very important part, as the trade passes over from one generation to another.

Table 2

**Correlation between the father's and the respondent's occupation**

			Respondent's occupation			Total
			Died	Unemployed	Occupied	
Father's occupation	Unemployed	Count	13	55	60	128
		within Occupation_1	10.2	43.0	46.9	100.0
		within Occupation_02	39.4	67.1	14.5	24.2
		of Total	2.5	10.4	11.3	24.2
	Occupied	Count	20	27	354	401
		within Occupation_1	5.0	6.7	88.3	100.0
		within Occupation_02	60.6	32.9	85.5	75.8
		of Total	3.8	5.1	66.9	75.8
Total		Count	33	82	414	529
		within Occupation_1	6.2	15.5	78.3	100.0
		within Occupation_02	100.0	100.0	100.0	100.0
		of Total	6.2	15.5	78.3	100.0

Source: The authors processed data.

Most respondents' incomes are less than RON 1,000, irrespective of the age category, which is accounted for by the nature of the occupations deployed by the Romany people (Appendix 2: *The Income Structure According to Age*), which are activities that suppose a low level of education. In accordance with the economical theory, aging till a certain level leads to the incomes enhancement, but within this sample analysed this theory is not valid.

On analysing the correlation between the respondents' income and level of education, the statistical tests show the presence of asymmetry, as the Cramer statistics, the contingency coefficient and  $\phi$  reject the void hypothesis corresponding to the significance threshold of 5 %. Between these variables there is no significant statistical link, which is a fact highlighted by the Pearson correlation coefficient, and the determined categories are not correlated pro rata

the Spearman levels correspondence (Table 3). These conclusions are confirmed by the way in which the interviewed people's answers are distributed within the sample analysed. According to the numerical results provided by the sample, most Roma representatives carry out activities that do not call for a high level of training; in addition, in most cases they have a low level of education. Taking into account the structure of the sample obtained, the people with a low level of education (grammar school-type at the most) represent 61.36% of the sample volume and approximately 82% of the respondents earn less than RON 1000. (Appendix 2: The Respondents' Structure According to the Last School Graduated From).

Table 3

**Symmetric measures between income and education**

Symmetry coefficients				
	Value	Asymp. Std. Error	Approx. T	Approx sig.
Phi	1.458			0.000
Cramer's V	0.515			0.000
Contingency Coefficient	0.825			0.000
Pearson's R	0.118	0.040	2.290	0.023
Spearman Correlation	0.249	0.0051	4.965	0.000
N of valid cases	375			

**Source:** The authors processed data.

As a result of the sample answers one noticed a reticence of the interviewed people in declaring their incomes obtained in the latest month of activity. This attitude can be accounted for by the fact that the stereotypes related to the Romany ethnic group determines their members to refuse answering this question, so that out of the 529 people analysed, 152, that is 28.7%, did not answer (Appendix 2: The Validation of the Answers Related to the Latest Month's Earnings).

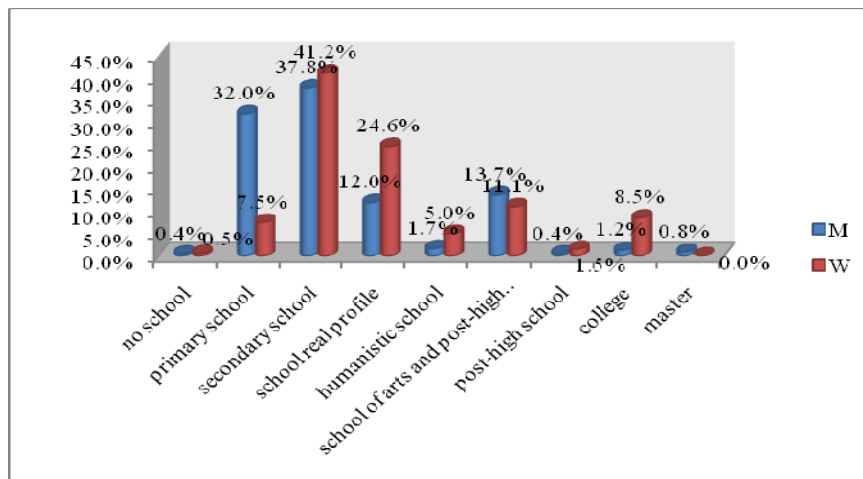
Table 4

**Income structure by gender (%)**

			Income					Total
			<= 0	1 - 1000	1001 - 2000	2001 - 3000	3001+	
Sex	M	Count	2.00	179.00	28.00	0.00	4.00	213.00
		within sex	1	84	13	0	2	100
		within income 01	50	61	55	0	57	59
		of total	1	50	8	0	1	59
	W	Count	2.00	116.00	23.00	2.00	3.00	146.00
		within sex	1	79	16	1	2	100
		within income 01	50	39	45	100	43	41
		of total	1	32	6	1	1	41
Total	Count	4.00	295.00	51.00	2.00	7.00	359.00	
	within sex	1	82	14	1	2	100	
	within income 01	100	100	100	100	100	100	
	of total	1	82	14	1	2	100	

**Source:** The authors processed data.

On analysing the incomes structure according to gender, one noticed that, as an average, the number of men that earn up to RON 2,000 is greater than the women's (Table 4). Even though the two categories of respondents according to gender are approximately equally distributed at the level of the entire sample (Appendix 1: The Sample Structure According to Gender), the number of men that actually answered the question related to the income obtained during the latest month represents 59% of the number of valid answers, as compared to the 41% one corresponding to women. The identified structure can also be justified by the fact that amongst the male gender people the degree of occupation is higher than amongst the female gender ones. Contrary to the perception on the income differences between men and women, especially in case of this social category, the recordings analysis shows that there are no big discrepancies between the level of the income obtained by women and men.



Source: The authors processed data.

Figure 5. Respondents' Structure according to the Last School Graduated From

The sample analysis showed that the men have a low level of education and that their weight was higher than the women's in terms of elementary school and of the arts and crafts category, as they are more oriented to practical activities. Unlike them, the women are dominant in terms of secondary education, post-secondary school and college. This trend can be accounted for by the measures adopted at the European level for the diminishment of discrimination amongst women, notably for the ethnic group under study (Figure 5).

Table 5

**Correlation between father's education and respondent's education**

	Value	Asymp.Std.Error	Approx.T	Approx.Sig
Pearson's R	0.41	0.04	9.42	0.000

**Source:** The authors processed data.

According to the sample analysed one has identified a direct causal relation between the father's educational level and the child's level of training, which is a statistically significant relation, as the table above shows it.

#### 4. Conclusions

Nowadays the problem of integrating Roma into society is a major goal at the level of the European Union, seeing the generalisation of the preconceived ideas linked to this ethnics. Romania constitutes a solid research base, because of the great number of Romany people that live in this European area (the non-official statistics state that the number of Roma is approximately 4 million inhabitants).

The following conclusions have come out from the poll investigation performed at the level of the sample:

- within the ethnic group there is no major discrepancy between the incomes obtained by women and those obtained by men;
- the male gender people are mainly oriented toward practical activities (arts and crafts), as compared to the female gender people, who tend to pursue their education;
- because of traditionalism, the respondents tend to continue their fathers' trade, even their level of training;
- no matter what the age might be, the earnings made by the respondents are less than RON 1000, because they deploy activities that do not suppose a high level of education;
- the sample under analysis is asymmetrical from the viewpoint of the link between the incomes and the level of education, because the most interviewed people can mainly be found in one category of income and level of education (that is to say the RON 1000 income and the grammar school studies category).

The analysis of the results obtained by virtue of the statistical inferences showed that the Romany ethnics people have a different behaviour as compared to the perception that exists about this ethnic group within the Romanian society, thanks to the efforts made by certain non-governmental authorities and organisations for the mitigation of the Romany ethnics people's discrimination.

## Acknowledgements

This work was supported by CNCSIS+UEFISCSU, project number PNII-RU code PD: 281/2010 (number 77/2010).

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## Note

- <sup>(1)</sup> Research project no. 56420, co-financed from the European Social Fund by means of the 'Human Resources' Development' Sectorial Operational Programme 2007-2013. Priority axis 5: 'The Furtherance of the Active Occupation Measures'. The major intervention field 5.1.: „The Active Occupation Measures Development and Implementation”.

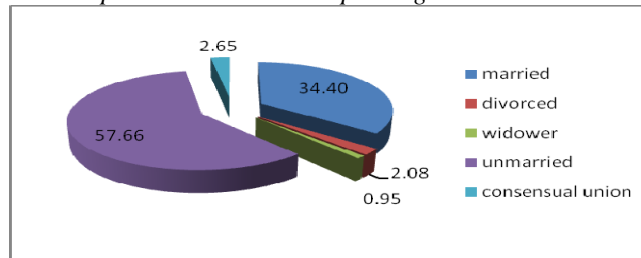
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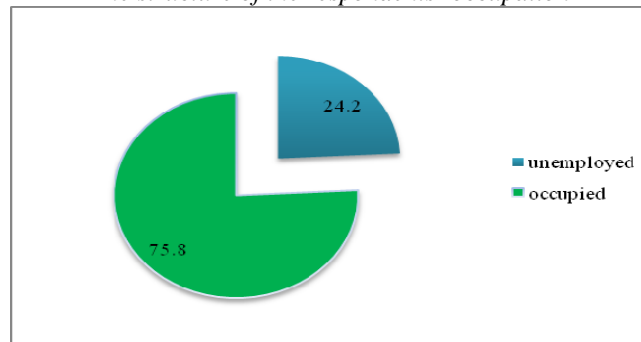
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### Appendix 1

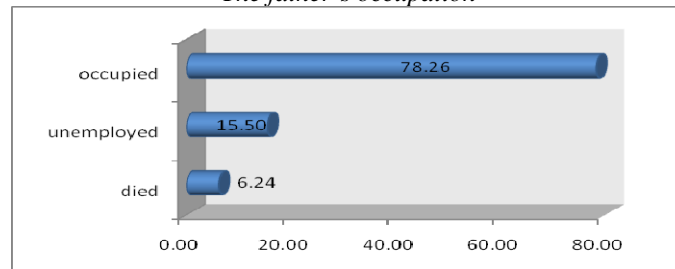
*The respondents' structure depending on their civil status*



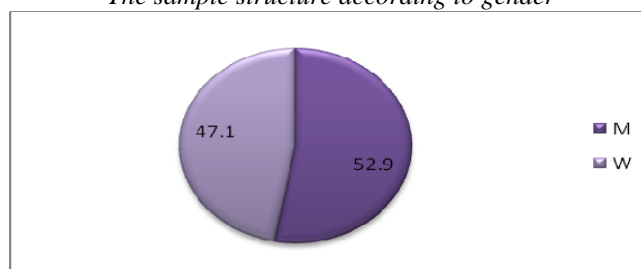
*The structure of the respondents' occupation*



*The father's occupation*



*The sample structure according to gender*



**Appendix 2**

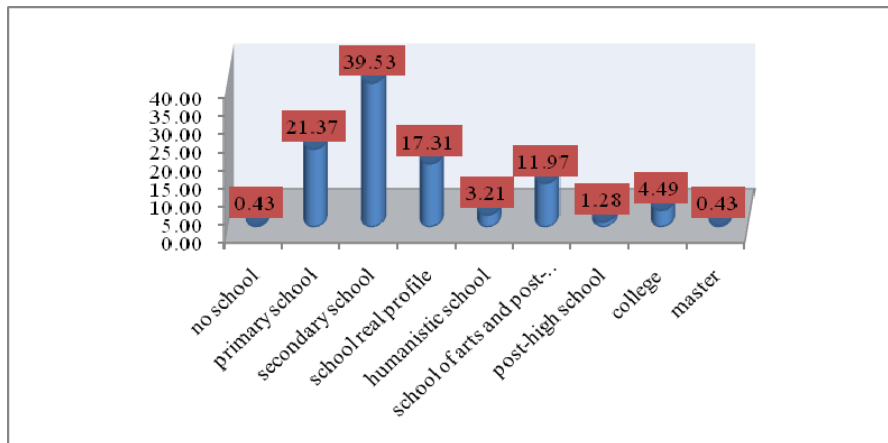
*The Correlation Coefficient between  
The respondent's occupation and the father's*

	Value	Asymp.Std.Error	Approx.T	Approx.Sig
Spearman Correlation	0.412	0.046	10.387	0.000

*The income structure according to age*

		Income_01					Total	
		<= 0	1 - 1000	1001 - 2000	2001 - 3000	3001+		
Age	11 - 20	Count	1	89	34	1	1	126
		% within Age	0.8%	70.6%	27.0%	.8%	.8%	100.0%
		% within Income_01	25.0%	28.7%	64.2%	50.0%	12.5%	33.4%
		% of Total	0.3%	23.6%	9.0%	0.3%	0.3%	33.4%
	21 - 30	Count	3	167	16	1	5	192
		% within Age	1.6%	87.0%	8.3%	0.5%	2.6%	100.0%
		% within income_01	75.0%	53.9%	30.2%	50.0%	62.5%	50.9%
		% of Total	0.8%	44.3%	4.2%	0.3%	1.3%	50.9%
	31 - 40	Count	0	47	3	0	2	52
		% within V	0.0%	90.4%	5.8%	0.0%	3.8%	100.0%
		% within income_01	0.0%	15.2%	5.7%	0.0%	25.0%	13.8%
		% of Total	0.0%	12.5%	.8%	0.0%	0.5%	13.8%
	41 - 50	Count	0	6	0	0	0	6
		% within Age	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
		% within income_01	0.0%	1.9%	0.0%	0.0%	0.0%	1.6%
		% of Total	0.0%	1.6%	0.0%	0.0%	0.0%	1.6%
51+	Count	0	1	0	0	0	1	
	% within Age	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	
	% within Income_01	0.0%	0.3%	0.0%	0.0%	0.0%	0.3%	
	% of Total	0.0%	0.3%	0.0%	0.0%	0.0%	0.3%	
Total	Count	4	310	53	2	8	377	
	% within Age	1.1%	82.2%	14.1%	0.5%	2.1%	100.0%	
	% within Income_01	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	% of Total	1.1%	82.2%	14.1%	0.5%	2.1%	100.0%	

*The respondents' structure according to the last school graduated from*



*The validation of the answers related to the latest month's earnings*

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Sex * Income 01	359	67.9%	170	32.1%	529	100.0%

*Correlation between father's education and respondent's education*

	Value	Asymp.Std.Error	Approx.T	Approx.Sig
Spearman Correlation	0.048	0.54	0.908	0.364