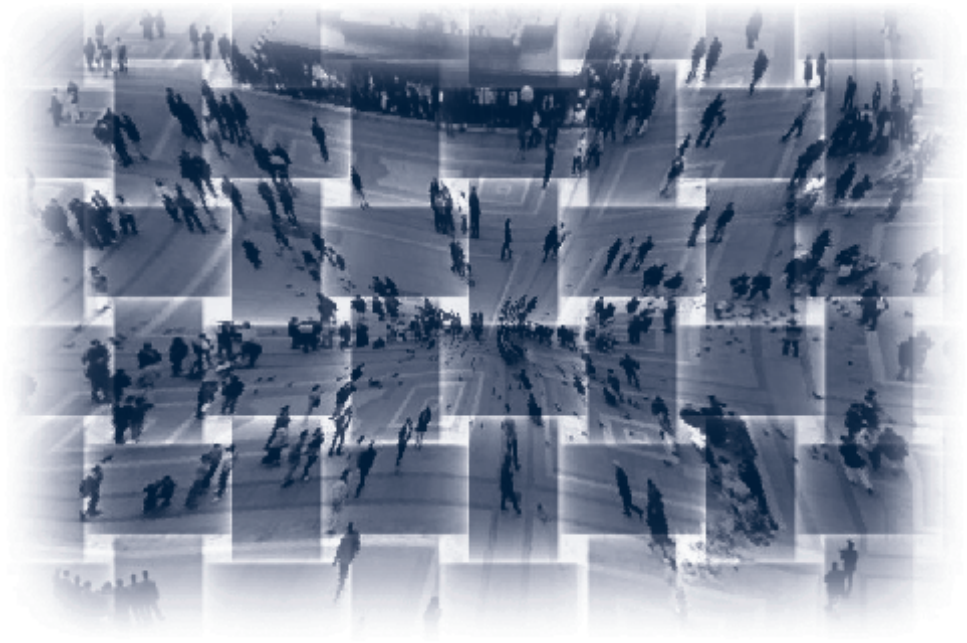
STUDIA UNIVERSITATIS
BABEŞ-BOLYAI



SOCIOLOGIA

1/2022

STUDIA
UNIVERSITATIS BABEŞ-BOLYAI
SOCIOLOGIA

Volume 67, Issue 1,
June 2022

Sociologia

Editors:

STUDIA UNIVERSITATIS
BABEŞ-BOLYAI

www.studiasociologia.ro
http://www.studia.ubbcluj.ro/
studiasociologia@socasis.ubbcluj.ro

Studia Sociologia is the peer-reviewed journal of the **Faculty of Sociology and Social Work**, published bi-annually (June and December) as part of the Studia Series of the **"Babeș-Bolyai" University**.

The journal is oriented towards research articles, discussion papers, essays and book reviews which address challenging topics from the fields of Sociology, Anthropology, Social Work and Social Policy.

Academic papers grounded in empirical research or focused on the social realities of Central and Eastern Europe are particularly welcomed.

YEAR **Volume 67 (LXVII) 2022**
MONTH **JUNE**
ISSUE **1**

S T U D I A
UNIVERSITATIS BABEŞ–BOLYAI
SOCIOLOGIA

1

CONTENTS

STUDIA UBB SOCIOLOGIA, 67 (LXVII), 1, 2022, pp. 5-36
DOI: 10.2478/subbs-2022-0001

AFFORDABILITY CRISIS AND GENTRIFICATION IN FDI EXPORT-LED ECONOMIES: PRICES IN THE DEMAND-DRIVEN HOUSING MARKET OF CLUJ-NAPOCA

NORBERT PETROVICI[1], VLAD BEJINARIU[2], DIANA MARȚIȘ[3], VLAD ALUAȘ[4]

Article history: Received 1st June 2022; Revised 12 June 2022; Accepted 25 June 2022; Available online 10 August 2022; Available print 30 September 2022.

ABSTRACT[5]. This paper examines the rapid increase of prices in the residential sector of Cluj-Napoca in the context of the housing affordability crisis (Wetzstein, 2017). By using insight from the Growth Regimes literature, we look at the internal demand as a main driver of rapid price rise. As Kohl and Spielau (2018) argue, the monetary conditions needed for export-led growth regimes are restricting the outputs of the construction sector, creating under-supplied, demand-driven housing markets. We propose three alternative hypotheses regarding the major agent driving the prices within the city as major source of demand: the employees in knowledge-intensive services, the diffuse regional savings of employees in search for some yields, the specialized real estate investors. We use OLS and spatial regression (lag and error) to model the price per square meter using the social composition of the neighbourhoods, the within

1 Associate Professor at Babeș-Bolyai University; norbert.petrovici@ubbcluj.ro
2 MA Student at Babeș-Bolyai University; vlad.bejinariu@stud.ubbcluj.ro
3 MA Student at Babeș-Bolyai University; diana.martis@stud.ubbcluj.ro
4 Data engineer and independent researcher; vlad.aluas@gmail.com
5 **FUNDING.** The research was supported by the *Cluj-Napoca City Hall* and *Cluj Cultural Center*, co-managers of the project *Future of Work*, under the provisions of the *European Union* funding, through the *Urban Innovative Actions* program. The text does not reflect the two institutions position. The paper is an independent original analysis that was not the object of the services agreement.
ACKNOWLEDGEMENTS. The research has been prepared under the guidance of Ovidiu Cîmpean and Adrian Chircă, as well as Ștefan Teișanu and Rarița Zranca. The authors are grateful for the kind input of Madălina Coman. We are grateful for the data sharing and processing provided by Julia Szabo, Titus Man and Marcel Ielcean. Ciprian Moldovan assisted us in geocoding the real estate transactions.

and out-of-town origin of investors, and the source of money (bank loans vs. cash payment) to demonstrate that the existing crisis is driven by the middle class's savings that also benefits from gentrification, while speculative investments in the housing markets are rather limited.

Keywords: housing demand, housing affordability, growth regimes, knowledge-intensive services, KIS employees.

Introduction

The treatment of urban land, housing and urban properties as investment vehicles has contributed to a "global affordability crisis" (Wetzstein, 2017), even for those middle classes who previously benefited from the "planetary rent gap" (Slater, 2017). While recent literature has highlighted the complex relation between gentrification and financialization (Ward, 2022), we suggest that financialization does not exhausts the whole range of effective demand that produces gentrification. Specifically, the diminishing stock of affordable housing can be linked to middle class savings, still benefiting from gentrification in economies driven by outsourced non-manual jobs (Peck, 2018). Our case study models the prices of apartments from Cluj-Napoca, the most expensive real estate market in Romania, to show that the city-wide gentrification processes are the product of employees working in foreign direct investment companies specialized in knowledge-intensive services. Apartment prices are rising as people who work in the city look to buy housing close to where they work.

The rich literature of Varieties of Capitalism (VoC) shows that residential housing, housing finance systems and welfare regimes are intertwined with domestic institutions and local cultures that produce „varieties of residential capitalism" (Schwartz & Seabrooke, 2009), deeply tied to transnational financial flows. Or it shows that the lack of housing affordability is structured by profitable tenure conversions, foreign capital mediated gentrification, deregulation of housing finance stimulated by "mobile policies" (Montero & Baiocchi, 2022) that mutate across socio-temporal contexts, creating "variegated residential capitalism" (Brenner, Peck, & Theodore, 2010), with institutional variations across geographical scales (Brenner, 2019).

However, the increasing corpus of Growth Regimes (GR) literature (Baccaro, Blyth, & Pontusson, 2022), while acknowledging the institutional complementarities at work in housing finance and its (de)regulation across scales, is interested in

construction in gross fixed capital formation (Christophers, 2018; Kohl & Spielau, 2018). As Kohl and Spielau (2018) argue, the growth regime of a country, be it led by its internal demand or by export, has important consequences for the housing market. The macroeconomic conditions tend to be opposite for demand-led growth and export-led growth (Baccaro et al., 2022). Housing construction is driven by internal demand, financialized or not, and has monetary conditions (such as exchange rates, unit labour costs, inflation rate) often in stark contrast to the need of export-oriented manufacturing companies. Central and Eastern European countries benefit from on FDI-led growth, based on labour-intensive activities and low capitalization costs, becoming key enablers of the cost competitiveness of global value chains centred in Western countries, relative to their global rivals (Ban & Adăscăliței, 2022).

In this paper we put in conversation the housing literature steaming from the VoC tradition with the GR emphasis on the source of aggregate demand to pinpoint the ongoing housing affordability crisis. Our argument is threefold. First, the "affordability crisis" in economies driven by outsourced non-manual labour emerges from the middle class's savings, that also benefits from gentrification. The FDI export-led growth has relatively modest housing outputs, while the internal demand formed by the emerging middle class puts pressure on the existing housing stock outcompeting possible rivals.

Second, the real estate markets from large cities in the outsourced economies are capitalizing on the excessive regional savings of the emerging middle class. The FDI export-led growth keeps internal consumption at depressed levels, leaving little room for consumption outlets. Real estate becomes a means for savings, generally channelled into the largest regional city. A regional class segment of employees manages to buy real estate as a form of saving and investment, which in turns strengthens their class position and at the same time raises the price of real estate. Effectively, this functions as a form of gentrification of the city by the middle classes from the region.

Third, the speculative investments in the housing market are limited in export-led economies, given the difficulties of sustaining the expansion of a domestic construction sector and, conversely, there are little incentives for the financialization of real estate. However, there is enough room for the domestic capital to invest in urban properties, to store values and speculate from the excessive valuation of the demand driven real estate market.

We use the case of Cluj-Napoca to test these three contentions using an OLS and spatial regression (lag and error) to model the price per squared meter using the social composition of the neighbourhoods, the within and out-of-town origin of buyers, and the financial source (bank loans vs. cash payment). Our case is particularly well suited to engage with both the affordability as well as

with the growth regimes literature since it is a case in point for an FDI export-led regime with increasing internal demand. On the one hand Romania is one of the Central and Eastern European countries with a consistent economic growth based on exports, while maintaining a consistent wage growth after the 2008 economic crisis. On the other hand, Cluj-Napoca is a powerhouse of Romanian service exports, with 70% of IT&C exports originating from this city (Pierre Audoin Consultants, 2016). Currently, Cluj-Napoca is the city and Cluj is the region with the highest average net wage in the country. This creates a strong internal and local demand, including the demand for housing, reflected in the highest housing prices in Romania.

The paper is organized in four sections. In the first section we discuss the literature addressing the ambiguous role of housing both as a means of social reproduction and as a store of wealth. In the second we present the local institutional context, our main hypothesis and the data used. In the third section we present the univariate, bivariate and multivariate results of our analysis and a discussion of the tested hypothesis. The final section we conclude by addressing the major issues opened by our case.

Literature review

Harvey (1985:16) argues that the realization of profit requires not only investment in production but also in the built environment that provides the physical infrastructure for production. The built environment for the realization of profit includes beside production infrastructure, the buildings where workers live, the state agencies that regulate production, and the proper transportation and storage systems that facilitate the distribution and consumption of goods. Harvey's (1985, 2006) thesis is that when over-accumulation affects production, investment "switches" from the sphere of production to the built environment. This appears to have been verified in the four decades since Harvey's initial proposed his speculative formulation: capital switching overbuilds the environment, but it does not to prevent crises of over-accumulation, but to postpones them. "As this built environment is largely and increasingly urban, periods of intensified urbanization can therefore be linked in some cases to incipient trends of economic crisis", as Christophers (2011:1348) shows, when he empirically tests this thesis, by simultaneously tracking housing markets and production volumes in the UK and the US.

Housing, along with other type of infrastructure, are both a means of social reproduction of the workers (Arundel & Ronald, 2020) and act as a store of wealth for the local or transnational capital (Ley, 2020). However, work in

Harvey's capital-switching tradition has struggled to mitigate between the role of housing as a social reproduction means for the workers and the role of housing as asset mobilised as pure financial resource (Fernandez, 2016), particularly the ambiguous role of middle classes gentrification both as a social reproduction and a capitalization strategy (Aalbers, 2019; Fernandez, Hofman, & Aalbers, 2016; Lees, 2012). In this section, we overview this literature and argue that the ambiguous role of housing should be placed in a larger institutional architecture that accounts for the aggregate demand formation both at the national scale and at the city scale.

Affordability crisis and institutional architecture

Two approaches to conceptualising the ambiguous role of housing as social reproduction mean and financial asset have been prominent in the urban studies literature. One, exemplified by Schwartz & Seabrooke (2009), ties Harvey's predicament of housing as a social reproduction tool employed by capital in search for continuous supply of labour, to the rich literature on VoC, by developing a model which accounts for the degree of homeownership and the mortgage system, in the context of the struggles over the distribution of welfare. Their analysis deepens our understanding of the embedded character of the varieties of house financing systems within the larger national institutional framework, with their particular type of capitalist flavour (liberal vs. coordinated).

A second strand of the literature follows Aalbers and Christophers (2014) to argue for the centrality of the housing system for economic growth, building on Harvey's thesis of the fluidity of property in absorbing excess capital (Fernandez et al., 2016). Their assessment connects housing to the three "modalities" of capital: as circulation, as social relationship and as ideology, to show that the real estate is a way to encourage consumption, especially at the time when investments in the productive sector tend to have diminishing returns (Christophers, 2018), as well as is the case of globalizing cities, residential real estate can functions as a 'safe deposit box' to storing excess capital in lack of alternatives for productive investments (Fernandez et al., 2016).

Both strands of literature entered in dialogue, in the last decade, by mobilizing the conceptual tool of affordability. While the question of housing availability was a field of inquiry in housing studies (Ezennia & Hoskara, 2019), the theme of affordability was developed as a methodological tool to assess urban poverty in the context of increasing financialization of housing financing systems (Haffner & Hulse, 2019). The Global Financial Crisis of 2008 triggered

by the subprime market collapse and the current escalation of prices in the larger global cities, has brought forth the idea that cities are passing through an "affordability crisis". In Wetzstein (2017:3160) formulation the "term reflects the accelerating trend of housing-related household expenses rising faster than salary and wage increases in many urban centres around the world".

The consequences can range from diminishing disposable income for daily reproduction, to overcrowded or badly maintained apartments, dislocation or evictions produced by pricing out of the poor households. Seen as a global phenomenon, this trend has been approached critically through two vantage points. On the one hand, from the perspective of land financialization of particular importance in the VoC literature (Fernandez, 2016), and, on the other hand, through the perspective of gentrification of particular interests for the fluidity of property literature (Aalbers, 2019). The two theoretical standpoints should not be distinctly considered since they overlap in the ongoing process of housing provision (Ward, 2022).

Demand for housing and growth regimes

Though Schwartz & Seabrooke (2009) argument is deeply connected to the supply-side orientation of the VoC Literature, Aalbers and Christophers (2014) follows more closely the Harvey (1985, 2006), to understanding the housing sector as a refuge of capital in the face of over-accumulation crisis. While we are deeply sympathetic to Aalbers and Christophers (2014) conceptual effort, their approach loses the edge that the VoC literature had in terms of rooting housing in national institutional complementarities. In this section we argue that the role of housing as social reproduction means or as a safe deposit box for wealth can be better understood if placed in a larger multi-scalar picture where the city and the transnational are embedded in the national.

The shortcoming of diching VoC institutionalist approach can be overcome by mobilizing Baccaro, Blyth, and Pontusson (2022) typology of the effective aggregate demand in a national context driving economic growth as either internal demand led or export-led. Recently, Schwartz (2022) and Schwartz & Blyth (2022) switched from the VoC paradigm to argue for the need to put aggregate macro demand at the heart of analysis, being one of the GR architects.

As Kohl and Spielau (2018) argue, the capital requirements, the site-specific character of developments, the large number of professionals and trades at work, the number of employees that are project specific, the long-life cycle of the building products, makes the sector highly sensitive to monetary, financial and

regulatory changes, which in turn has important macroeconomic repercussions. Conducive macroeconomic and monetary conditions are needed, such as domestic capital availability and lower capital costs, and effective demand for constructions. However, such conditions are quite the opposite of macroeconomic needs for competitive exports, facilitated by low labour cost, low inflation rate and under-valuation of effective real exchange-rates (Baccaro et al., 2022). Or, in the concise formulation of Kohl and Spielau (2018:101): "construction companies benefit from the opposite monetary conditions than export-oriented manufacturing firms."

Therefore, the growth regime of a country, demand-led or export-led, has important consequences for the housing market. The role of housing in such a line of thought is embedded in the national institutional framework. Internal demand can be either the main driver of final consumption, therefore real estate can be used as supply-driven sectors for fuelling growth, or, on the contrary, real estates are demand-driven sectors since the economic institutional framework favours exports and is not conductive for the development of a sizable construction sector. Central Europe and Romania are rather export-led economies.

The expansion of globalization over the last decade was enabled by the relocation of corporations' secondary processes to new areas specialized in operations (Edvardsson & Durst, 2014; Oshri, Kotlarsky, & Willcocks, 2015). Peck (2018) shows that the recent round of outsourcing is driven by labour arbitrage and involves a skilled and highly qualified labour force, unlike the outsourcing of industrial work that preceded it. In Europe, most of the Western European outsourcing is capitalized in Eastern and Central Europe (Ban & Adăscăliței, 2022). After 2008, the Romanian European Integration came under the guise of outsourcing and large foreign investments (Ban, 2019; Castellani, Marin, Montresor, & Zanfei, 2022), and it boosted the sluggish economy, thanks to a market-dependent model (Bohle & Greskovits, 2012).

In terms of macro-economic policies this meant strong governmental support for an export-orientated regulatory framework and appropriate monetary conditions. Nonetheless, from 2008 up until the 2020s, the number of employees in non-manual services grew, more specifically, professionals in business services grew by 35%, of which 61% in the top ten cities in Romania (Petrovici, Mare, & Moldovan, 2021). Cluj registered the highest growth rate, namely 66%. If we also consider the public sector, half of the employees in the city work as professionals and managers (Petrovici et al., 2021). The internal demand of this new class of professionals is deemed by Ban & Adăscăliței (2022) a marker of a "mixed regime of growth": one that is heavily geared toward FDI-organized exports, yet with a growing internal demand, field by wage growth.

Cluj-Napoca is particularly well-suited as a case study for the affordability crisis since the average price per square meter was €1338 in 2020, while the average monthly income was € 775. In 2020 the average bought apartment had 58 m^2 for the price of € 80 000. For the average worker that would mean 103 salaries (8 years' worth of work), while for the IT&C worker it would mean 50 salaries (4 years' worth of work). However, a scenario of 100% savings is implausible. The maximum legal requirement set by the National Bank of Romania for accessing a mortgage is 40% indebtedness from monthly earnings. For the average salary that would mean a 30-year mortgage, with a € 365 monthly rate, and an initial down-payment of € 22 000 euros to qualify for the rest of the loan. Even if legally possible, for such a mortgage, the banks in fact require a monthly income € 1 800, that is 2,3 times higher than the average income and above the average IT&C income of € 1 600. For many families with average income that the down-payment is out of hand. Nonetheless, Cluj had from 2020 to 2022 an increase with 22% of the average salary, the largest in country, suggesting an increase in the number of well-paid jobs and a filtering out effect of the low earners.

We explore these dynamics through Cluj-Napoca's city-wide gentrification and housing affordability crisis, arising from its high demand, in the context of a small supply of new housing units, given the larger macroeconomic national context to which the city contributes by being the main exporter of IT&C services.

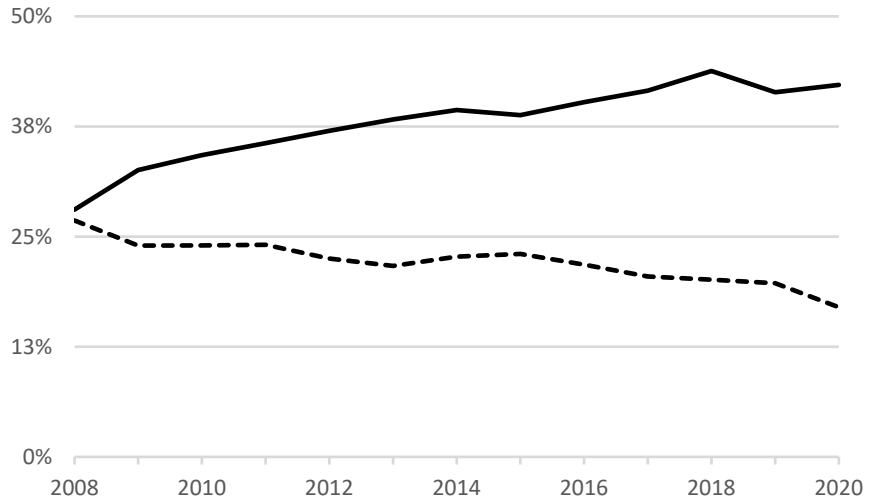
Institutional setting and empirical approach

Institutional context

To understand the overall transformation of the Cluj-Napoca and the newness of its class-based forms of exclusion a brief recourse to history is necessary. In Romania, the ITC sector as well as the business support sector have expanded since the 2008 crisis, due to their development in several major urban poles: Cluj-Napoca, Timişoara, Iaşi and especially Bucharest. The IT&C is the second contributor to the growth of the GDP (with 16%), after manufacturing (36%). IT&C is the second most important service export of Romania, 70% of IT&C exports originating in Cluj-Napoca (Pierre Audoin Consultants, 2016).

Figure 1.

Business services and manufacturing workers in the city of Cluj out of all employees, 2008-2020



Date source: author's calculations based on Companies' Balance Sheets 2008-2020.

In the Cluj metropolitan area, not only did the IT&C and business services sectors grow faster than at national level, but so did the health and social welfare and the hospitality sectors (Petrovici et al., 2021). The hospitality sector caters to local employees in IT&C globalized sectors, business services and financial services, as well as those attending the urban events generated by the booming cultural industries. In 2020, one in three employees was working in companies owned by foreign capital in the Cluj Metropolitan Area, compared to one in five at national level (Petrovici et al., 2021). While financial services have contracted throughout Romania, they have expanded in Cluj-Napoca. Alongside Bucharest, Cluj is the only city to host the headquarters of a bank, and in this case, a local one (Banca Transilvania), the largest in the country.

Since 2008, industrial work has been relocated to the metropolitan outskirts, while the city usually hosts the highly educated population working in technological development, finance, business operations and creative industries. The number of professionals in the city rose steadily from 27% in 2008 to 42% in 2020, while the number of employees in manufacturing decreased from 27% to 17% in 2020. Metropolitan localities registered an increase from 24% of employees working in manufacturing in 2008 to 35%. The expansion was

possible due to state sponsored greenfield industrial parks that host multinational companies in need of manual workers. Between 2008 and 2020, the entire labour force grew by 7% in the city, and by 60% in metropolitan localities (Petrovici et al., 2021).

Most apartments in Cluj-Napoca are owned (95%) and only 4% change their owner each year. On average, annually since 2008, the new apartments add another 1% to the existing housing stock. Given the high demand, the supply of new apartments is not enough. The effect was a significant change in the city's composition. In 1992, only 16% of city residents had a college degree, but according to the 2011 census, 34% of residents had a college degree. In 2020, 40% of the active age population were employed on positions requiring a college-diploma. The entire city is undergoing gentrification, not just in specific urban areas, while the working class is being pushed towards the metropolitan area. The changing class composition of the city also changed the materiality of the city and the city centre, by incorporating specific stylistic features.

Hypothesis

We propose three contending hypotheses regarding the major agent driving the prices within the city as major source of demand: the employees in knowledge-intensive services (KIS), the diffuse regional savings of employees in search for some yields, the specialized real estate investors (speculators).

The first hypothesis sets the employees from knowledge-intensive services (Eurostat, 2020) in the outsourced economy as the major source of demand for housing. We use KIS employees as a marker of outsourced non-manual work in the FDI export led economy. We expect a rise of housing prices both with an increase in the number of KIS employees working in a neighbourhood and with an increase in the number of residents employed in KIS jobs. As the literature on pandemic teleworking suggest (Florida, Rodríguez-Pose, & Storper, 2021), we also expect an increase in prices in 2020. The KIS employees were more prone to be teleworking and were in dire need for housing space with new home-office facilities.

The second hypothesis is that of diffuse regional savings. The economic growth of the region, due to FDIs, as well as restricted mobility during the pandemic, came with excess savings that sought to be leveraged in various ways, with the real estate market in Cluj-Napoca being a major outlet. The main actors of this hypothesis are the employees that benefit from the wages of the outsourcing economy within the region**.** If this hypothesis would be correct, the amount of out-of-town capital would have increased over the years, and even

more so in 2020. A corollary of this hypothesis is that the housing market would not follow the geography of knowledge-intensive service offices or the place of residence of those employed in these services.

The third hypothesis is that prices are driven by specialized agents focusing on investment rather than finding the right home to live in. It is not about diffuse investment (as in the previous formulation), but real estate market-based capitalization may have a new agent: players who specialized in multiple transactions, regardless of their residence (the city or the region). If this hypothesis is correct, over time, the number of transactions by owners with multiple real estate properties in Cluj-Napoca should have increased and a tendency of acceleration of the trend could be observed in 2020, with the outbreak of the pandemic.

Data and measures

This study uses three types of administrative data: Cluj-Napoca's real estate transactions, the company's accounting balance sheet and census data. The administrative data on real estate transactions was provided by Cluj-Napoca City Hall. This information represents taxes on a time-series about real estate transactions recorded by the tax office of Cluj-Napoca City Hall between 2017 and 2020. It contains details about transaction prices for all of Cluj-Napoca real estate (apartments, homes, buildings, land), surfaces (ground, built, usable and annexes), data about payment sources (bank or cash), unique buyers' identification codes, as well as their locality of residence. To be able to analyse the data, we geocoded all the transactions.

Using the Romanian company's balance sheet, available in chronological order (2008-2020) on the government's data portal (data.gov.ro), we geocoded all the addresses of the companies from Cluj-Napoca. Based on NACE code we selected the companies that activated in knowledge-intensive services using Eurostat classification (Eurostat, 2020). There is an important limitation to this strategy. The companies in this data set are listed based on their headquarters. For larger companies, often the headquarters are in Bucharest. However, this was not the case for the companies in the KIS sector, with some notable exceptions, which were handled on a case-by-case manner. The sector and occupation of the employees based on their residence is available only at the 2011 census. The data is available on census track, but for this analysis was aggregate at neighbourhood level. Only employees in KIS jobs were selected.

Table 1.

Variables used in analysis

Acronym	Description	Data source
DEPENDENT VARIABLE		
Euro per m^2		CJ-N City Hall
FACTORS		
A. Neighbourhood level		
KIS Employees in Offices	Employees in knowledge-intensive services by company headquarters, each year between 2017-2020	Balance Sheets
KIS Employees in Neighbourhood	Employees in knowledge-intensive service companies by domicile, the same value each ear as at census in 2011.	Census 2011
% Speculative Transitions	Real Estate Equity: Neighbourhood-wide proportion of transactions made by owners of 5+ properties	CJ-N City Hall
B. Type of transaction		
Non-Cluj	The transaction is carried out by a person domiciled outside the city of Cluj-Napoca	CJ-N City Hall
Bank	The transaction is financed by a bank loan	CJ-N City Hall
Non-Cluj * Bank	The transaction is financed by a bank loan and carried out by a person residing outside the city of Cluj-Napoca	CJ-N City Hall
Construction Year	Year of construction	CJ-N City Hall
Speculative	Real Estate: Transaction made by owners of at least 5 properties	CJ-N City Hall
C. Time & location		
Transaction Year	The year of the transaction	CJ-N City Hall
East-West Distance	The distance in m from the city centre (Piața Unirii) on the East-West axis	CJ-N City Hall
North-South Distance	The distance in m from the city centre (Piața Unirii) on the North-South axis	CJ-N City Hall

Acronym	Description	Data source
South	South quadrant of the city if the cartesian system in placed in the city center (Piaţa Unirii)	CJ-N City Hall
East	East quadrant of the city if the cartesian system in placed in the city center (Piaţa Unirii)	CJ-N City Hall
Est * Year	Interaction factor between east quadrant and the year of the transaction	CJ-N City Hall

Date source: authors' calculations.

Table 2.

Descriptive statistics

	Mean	St. Dev.	Min.	Max.
DEPENDENT VARIABLE				
Price/m²	1252	439	100	2990
FACTORS				
A. Neighbourhood level				
KIS Employees in Offices	1413	1880	0	7854
KIS Employees in Neighbourhood	960	984	0	3309
% Speculative Transitions	0.036	0.022	0	0.090
B. Type of transaction				
Non-Cluj	0.408	0.492	0	1
Bank	0.848	0.359	0	1
Non-Cluj * Bank	0.350	0.477	0	1
Construction Year	1999	28	0	2020
Speculative	0.072	0.259	0	1
C. Time & location				
Transaction Year	1.5	1.1	0	3

	Mean	St. Dev.	Min.	Max.
East-West Distance	2455	1520	2	8389
North-South Distance	1265	790	2	6416
South	0.553	0.497	0	1
East	0.688	0.463	0	1
East * Year	1.035	1.145	0	3

Date source: authors' calculations.

In addition, above five property transactions owners must pay different taxes (based on the 2022 Fiscal Code, art. 111-113). We classified a transaction as speculative if it has an owner who made at least other five real estate transaction in the last four years. We aggregated also at neighbourhood level the number of speculative transactions and divided to the total number of transactions in that neighbourhood in that year.

The independent variable used in this analysis is prices of the apartment per square meters. All transactions were converted in euro and deflated (with the World Bank PPP to GDP deflator) to make them comparable across the four years. Our analysis focuses exclusively on apartments. A new index was formed by dividing the price in euro of the transaction with the usable surface of the apartment. To avoid any skewness due to outliers, we trimmed the distribution of the prices per m^2 to exclude the first 1% and the last 99% percentile, that is values below 100 euro/m^2 and above 3000 euro/m^2.

We used three types of factors: neighbourhood level data, transaction level data, and time and location data. Based on the balanced sheets we aggregated at neighbourhood level the number of KIS employees for each year. Based on the census data we aggregated at neighbourhood level the number of residences that were KIS employees in 2011.

The real estate market can be used for multiple or consecutive investments to take advantage of price increases. In fact, it can be inferred that multiple investments can even cause price increases. Most landlords own a small number of properties in Cluj-Napoca, but some own multiple properties. The threshold above which we considered an owner to have multiple properties (land, apartments, houses, buildings) is five, included. We chose this threshold because above this figure the number of owners drops sharply and at the same time the number of properties grows exponentially.

The transaction level data records whether a transaction is done by someone with the residence outside of Cluj-Napoca, using a bank loan, the interaction between non-Cluj residence and bank loan, the construction year of the building where the apartment is located and if the transaction is speculative (in the above specified definition).

The time and location level data uses the year of construction variable coded as 0 for 2017 and increments for each year up until 2020. The Piața Unirii was used as the city centre. Each transaction was placed in a cartesian system along the East-West and respectively North-South axis to compute a distance from the city centre. To record the quadrant of the transaction two dummy variables were used, one for East and one for South. An interaction factor between East and the year of transaction test whether the Eastern part of the city became pricier.

Model

We inspect the spatial distribution of the dependent variable and the factors using Tableau. All visualizations are centred in the mean, and the maps are dual layered representing a lower-level scales and a higher geographical scale. To model the relations, we start by inspecting the bivariate relations. The correlation matrix was regrouped using a block algorithm, with *sjPlot* R package (Daniel Lüdecke et al., 2021), to make more relations visible. The analytical strategy consists of estimates of three different statistical models. The first model is the classical predictive least squares (OLS) model.

Statistical tests show that the residuals of the least squares' regression model are not evenly distributed in space, so the second and third explain the possibility of spatial dependence, but spatial autocorrelation is rather suggested. Moreover, the Moran's I statistics suggest a medium spatial autocorrelation of 0.348 (significant $p<0.001$, for 9999 permutations). Model 2 considers the spatial proximity of real estate transactions and tests whether there is a spatial lag or, conversely, whether proximity is an explanatory factor.

Model 3 considers prediction errors and controls the potential impact of proximity errors. As several variables may be connected or are used as proxies for the same aspect, we estimated the multicollinearity condition number (Belsley, Kuh, & Welsch, 2004). There are no intercorrelation problems between the independent variables, as the value is not surpassing the threshold (30). The spatial diagnosis tests (the Moran's I for residuals and the group of Lagrange Multipliers) reveal significant autoregressive and moving average spatial processes, along with substantial spatial autocorrelation in the residual values.

Figure 1.

Dependent variable: euro per m² in Cluj-Napoca 2017-2020

Date source: authors' calculations. The underling map: © 2022 OpenStreetMap

To treat the spatial processes the models were estimated by means of a generalized spatial two stage least squares for spatial processes (Kelejian & Prucha, 2010) originated in Cliff and Ord (1981) developments, using maximum likelihood estimations with seemingly unrelated regressions. The equation for the second model is with spatial lags:

$$y_{tg} = \rho_g W y_{tg} + X_{tg}\beta + \varepsilon_{tg}$$

The third model is with spatial errors:

$$y_{tg} = X_{tg}\beta_g + u_{tg}$$
$$utg = ,gWu_{tg} + \varepsilon_{tg}$$

Where the vector of regressor is y_{tg} and X_{tg} is the matrix of regressors. The spatial autoregressive coefficient is λ_g, while the coefficient of the spatial autoregressive component of the residuals is ρ_g, both assumed heteroskedastic of an unknown form, but with $\varepsilon \sim N(0, \sigma_i^2)$. W is spatial weighting matrix (n*n) of the spatially lagged dependent variable, the price per m², and *Wu* is the spatial lag of the errors.

The distance weight matrix was computed based on the twenty nearest neighbours for each point of the 24903 (Figure 1). In the second model the spatial autocorrelated errors *u* are respecified based on their spatial lag. In the third model the final error term of the model ε is obtained after the error correction process; the final error is normally distributed, of $E(\varepsilon) = 0$ and $E(\varepsilon\varepsilon') = \sigma^2 I$. The models were estimated with R package *spsur* (Angulo, Fernando, Minguez, & Jesús, 2021).

Results

Univariate analysis

From 2017 to 2020, Cluj-Napoca's annual transactions averaged 6746 units (of which on average 6250 units, the rest being houses)[6]. The share of trading apartments from the housing stock is very small, with an annual average of 4.6%. The prices on the real estate market from Cluj-Napoca are demand driven. The number of transactions in 2020 decreased by about 1,000 units compared to the previous year. Between 2016 and 2019, an average of 3,500 new apartments were built and put on sale in Cluj-Napoca. In 2020, there were only 2608 new units, a decrease of 1000 units (according to INS Tempo LOC10B). This would suggest that the supply side contracted in the pandemic year.

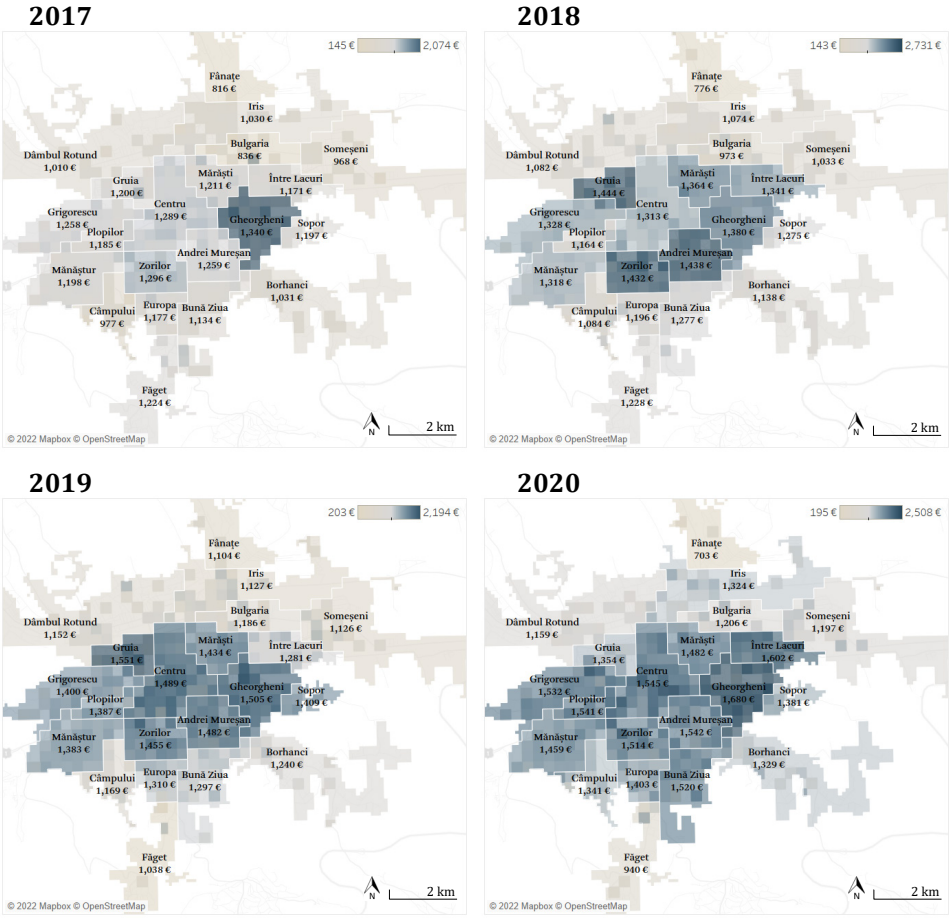
On average, between 2017 and 2020, annually, the price per square meter of the apartments increased by 81 euro (that is with 7.2%). Given the contraction of the supply in 2020, a higher price increase would have been expected. However, it is reasonable to expect a proportional decrease in demand, given the lockdowns of 2020. Nonetheless, the need for extra rooms for home-offices by 2021, bounced back the demand. The local newspaper headlines of 2021 and 2022 stay witness to the increase in demand and prices. The maps of the prices per m^2 (Figure 2) suggest the existence of a gradient from the city centre towards the periphery of the city, a model specific for the European cities (Kazepov, 2005). Also the age of the buildings gradient, the news at the fringe, is specific to the same European model (Kazepov, 2005). However, the South-Eastern part of the city became increasingly more expensive, which seems to confirm the first hypothesis that housing prices are determined by the number of KIS employees. Most of the class A office buildings

[6] We did not analyse the number of houses sold. However, approximatively 500 houses are sold each year in Cluj-Napoca, and the number of transactions are similar in 2020.

are built in the South-East area of Cluj-Napoca. Nonetheless, the city centre is the daily destination for most of the KIS employees between 2017 and 2020, while the large socialist era neighbourhoods were the preferred choice for the same employees in 2011 (Figure 3).

Figure 2.

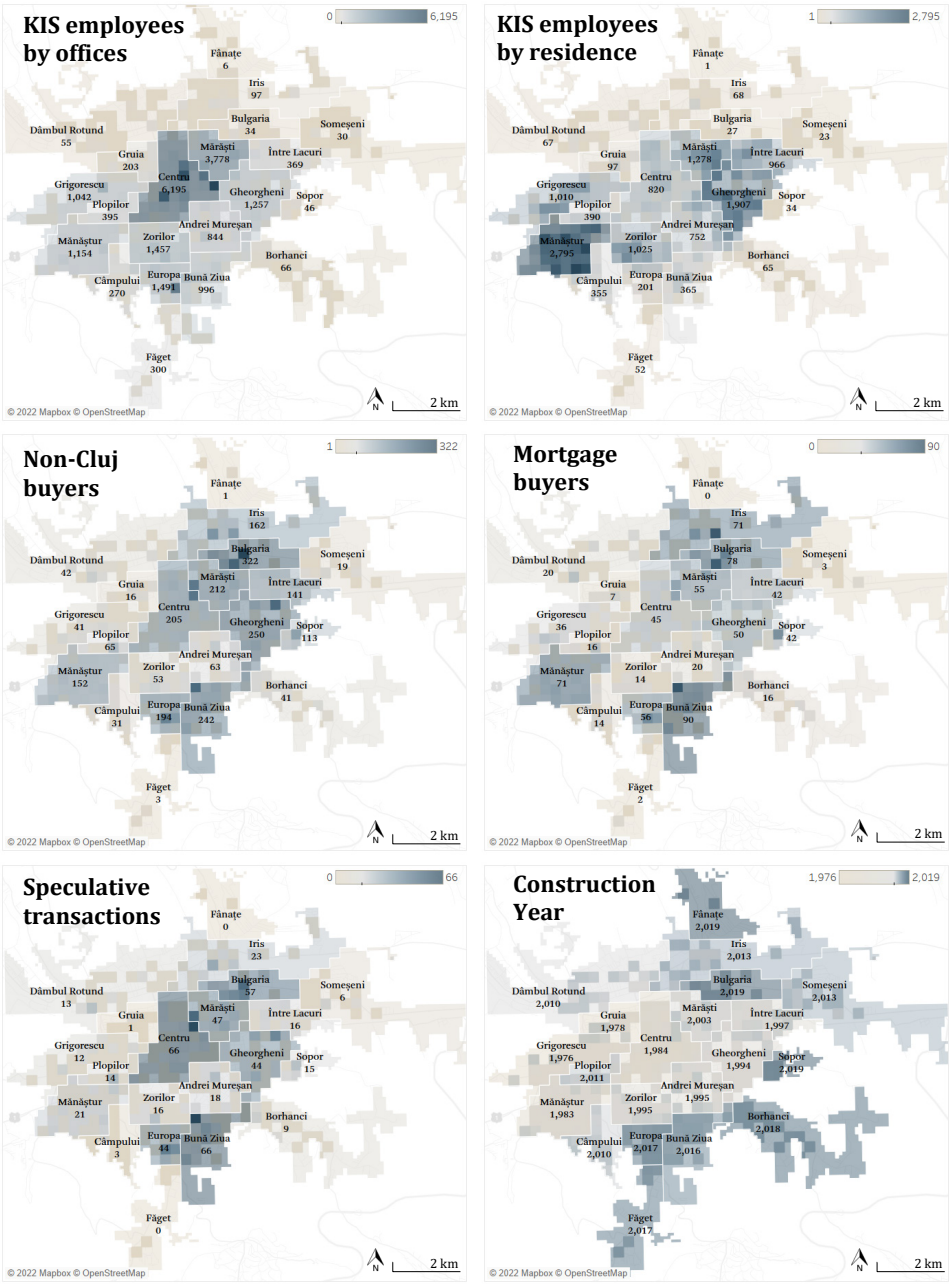
Dependent variable: euro per m² in Cluj-Napoca 2017-2020



Date source: author's calculations based on CJ-N City Hall 2017-2020.

Figure 3.

Univariate distribution of the factors – averages 2017-2020



Date source: authors' calculations.

The geography housing transaction in Figure 3 shows an overlap between the non-resident buyers, buyers relying on bank loans and speculative transactions (generally done in cash). As the univariate distributions in Table 2 shows, the out of town represented, on average, 40,8% of all transaction and 35% were out-of-town transaction based on a bank loan.

On the one hand, this partially refutes the diffuse regional capital hypothesis since it seems that non-residents prefer mortgages and not cash transfers – pointing that the buyers are middle class employees qualifying for a loan. On the other hand, this partially confirms the hypothesis of the prices driven by real estate investors, since their investment patters seem to follow the geography of demand and they buy properties where non-residents also do – the hotspots of real transactions in the city. The speculative transactions, on average, amounts to 7%, that is quite small. At the neighbourhood levels they amount to 4% on average, even smaller.

Bivariate analysis

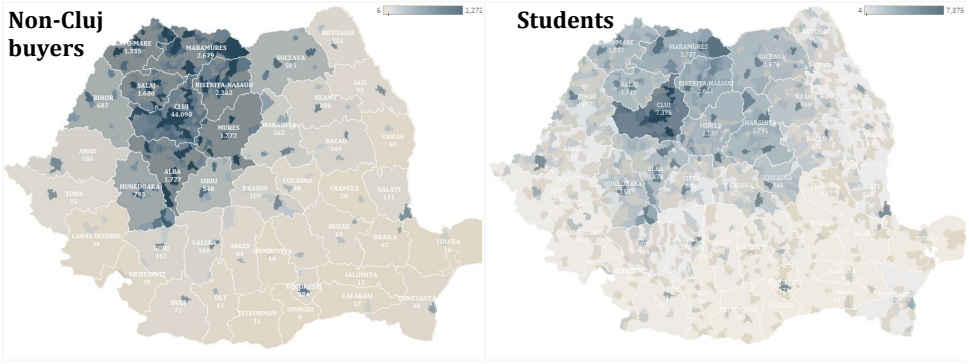
Figure 4 represents both the geography of non-residents who bought property in the city and the geography of BA students enrolled at "Babeș-Bolyai" University. The place of origin of students from" Babeș-Bolyai" University, the largest university in the city and in the country, gives us a clue about the social processes that structure the real estate market in Cluj-Napoca. There is a very high correlation between the origin of students at the university and the origin of owners – the correlation is 76% between the two logarithmic series, significant at $p<0.001$; and the partial correlation, controlling for the size of the locality, is 73%, also significant at the same level. The distribution of out-of-town owners follows the distribution of student origin.

This correlation lends weight to the hypothesis of diffused investment from the region into Cluj-Napoca. Most of the non-resident owners are living in the North-West and Center Development Regions. They also come from western Moldavia, more precisely from the counties of Suceava, Neamț and Bacău. This distribution of ownership shows that some of the capital from Transylvania and Moldova that has not been used for productive investment is absorbed into the Cluj-Napoca real estate market. The key vehicle would be the students' parents, which would be the owners of the newly bought properties.

However, the bivariate correlations in Table 3 paint an alternative explanation. The overlap between the two series, the origin of non-resident owners and the origin of students, is due to a confounding factor. Namely, both maps in Figure 4 draw the recruitment area of the higher education workforce in Cluj-Napoca. There are several arguments for such an interpretation.

Figure 4.

The locality and county of origin of non-Cluj-Napoca property buyers and of the students enrolled at the BA level at "Babeş-Bolyai" University, 2017-2020



Date source: authors' calculations based on CJ-N City Hall data and UBB student records.

There is no correlation between the year of transaction and the number of out-of-town transactions, which represent around one third of all transactions. That is, even if 2020 was a lockdown year with no students coming into the city. If parents with savings would be expected to invest in the apartments of their children enrolled in various BA programs, some negative correlations would be expected. However, that is not the case. These dynamics show that other social processes are most likely behind a high percentage of diffuse real estate investment. Second, as argued in the previous section, Cluj-Napoca's knowledge-intensive sector has grown the fastest in the last decade at the locality level, both in terms of profit rate and aggregate wages.

It is reasonable to expect that employees in this sector constitute a social category that represents par excellence the solvent demand for housing and succeed in shaping the housing market according to their spatial preferences. The neighbourhood-level correlation between the median price per square meter and the number of employees in knowledge-intensive services per company location is 35% (significant $p<0.001$), including a partial correlation that controls the time factor.

Third, at the 2011 census, there is a significant overlap of 33% between the geography of employees by firm location and the geography of where they live. The geography of these employees' homes in 2011 tracks the geography of firms' headquarters in advanced services from 2017 to 2020, but the correlation decreases over time - it is stronger in 2017 compared to 2020. This partly explains why there is no significant correlation between the median price per square meter and home in the census, or at least without other controls.

Table 3.

Correlation matrix

Variabiles	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Price per m^2	1	0.204	0.144	0.119	0.101	0.090	0.076	0.054	0.023	0.003	-0.011	-0.034	-0.065	-0.138	-0.182
2. Trans-action Year	0.204	1	0.687	0.003	-0.097	-0.058	0.009	0.019	-0.064	0.055	-0.030	0.020	0.044	0.092	0.035
3. Est * Year	0.144	0.687	1	0.004	-0.245	0.124	0.063	0.057	-0.219	0.609	-0.027	0.020	0.023	0.209	-0.019
4. KIS Emp. in Offices	0.119	0.003	0.004	1	0.176	0.609	-0.022	0.007	-0.179	-0.042	-0.478	0.077	0.082	-0.314	-0.257
5. KIS Emp. in Neighbourhoo	0.101	-0.097	-0.245	0.176	1	0.222	-0.061	-0.026	0.117	-0.338	0.227	0.001	0.064	-0.348	-0.265
6. % Speculative	0.090	-0.058	0.124	0.609	0.222	1	0.048	0.069	-0.128	0.196	-0.295	0.084	0.089	-0.168	-0.254
7. Non-Cluj	0.076	0.009	0.063	-0.022	-0.061	0.048	1	0.884	-0.001	0.091	-0.015	-0.075	0.024	0.122	0.011
8. Non-Cluj * Bank	0.054	0.019	0.057	0.007	-0.026	0.069	0.884	1	-0.016	0.070	-0.022	-0.050	0.311	0.095	-0.010
9. South	0.023	-0.064	-0.219	-0.179	0.117	-0.128	-0.001	-0.016	1	-0.288	-0.002	-0.015	-0.042	0.014	0.040
10. East	0.003	0.055	0.609	-0.042	-0.338	0.196	0.091	0.070	-0.288	1	-0.012	0.004	-0.019	0.241	-0.053
11. East-West Dist	-0.011	-0.030	-0.027	-0.478	0.227	-0.295	-0.015	-0.022	-0.002	-0.012	1	-0.066	-0.041	0.047	-0.334
12. Speculative	-0.034	0.020	0.020	0.077	0.001	0.084	-0.075	-0.050	-0.015	0.004	-0.066	1	0.077	-0.043	-0.040
13. Bank	-0.065	0.044	0.023	0.082	0.064	0.089	0.024	0.311	-0.042	-0.019	-0.041	0.077	1	-0.050	-0.063
14. Construc-tion Year	-0.138	0.092	0.209	-0.314	-0.348	-0.168	0.122	0.095	0.014	0.241	0.047	-0.043	-0.050	1	0.264
15. North-South Dist.	-0.182	0.035	-0.019	-0.257	-0.265	-0.254	0.011	-0.010	0.040	-0.053	-0.334	-0.040	-0.063	0.264	1

Date source: author's calculations.

The geography of the location of employees in knowledge-intensive services is dependent on their position in the city in 2011, but it is on the move as it is following the location of the offices of the companies where they work. All these suggest that the high percentage of buyers from outside Cluj-Napoca seems to be related to the recruitment area of Cluj employees with the highest salaries who are looking for housing in the city rather close to the offices where they work. However, for such an argument a multivariate analysis is needed

Multivariate analysis

We estimate the price in Euros per square meter of the apartments sold between 2017 and 2020 in Cluj-Napoca using three models: a classical optimal least square model, a spatial lag model and a spatial error model. We use three categories of explanatory factors: (a) neighbourhood occupational structure, (b) transaction type, (c) time and location.

Of the three models, the spatial error model has the highest explanatory power (19% of the price variance), as shown in Table 4. The spatial lag model has similar performance (explains 18% of the price variance). Given that all models do not consider the layout and structure of the apartment, but only location, their explanatory power is quite high. The information criterion diagnostics based on the log-likelihood, AIC and BIC, suggest a hierarchy among models: the spatial error with lowest values on both indexes is the best, followed by spatial lag, and the last is the OLS (with the highest scores). Not surprisingly, model three, the spatial error model, has the highest predictive power, as prices only consider spatial aspects, not attributes that describe the design and structure of dwellings.

Table 4.

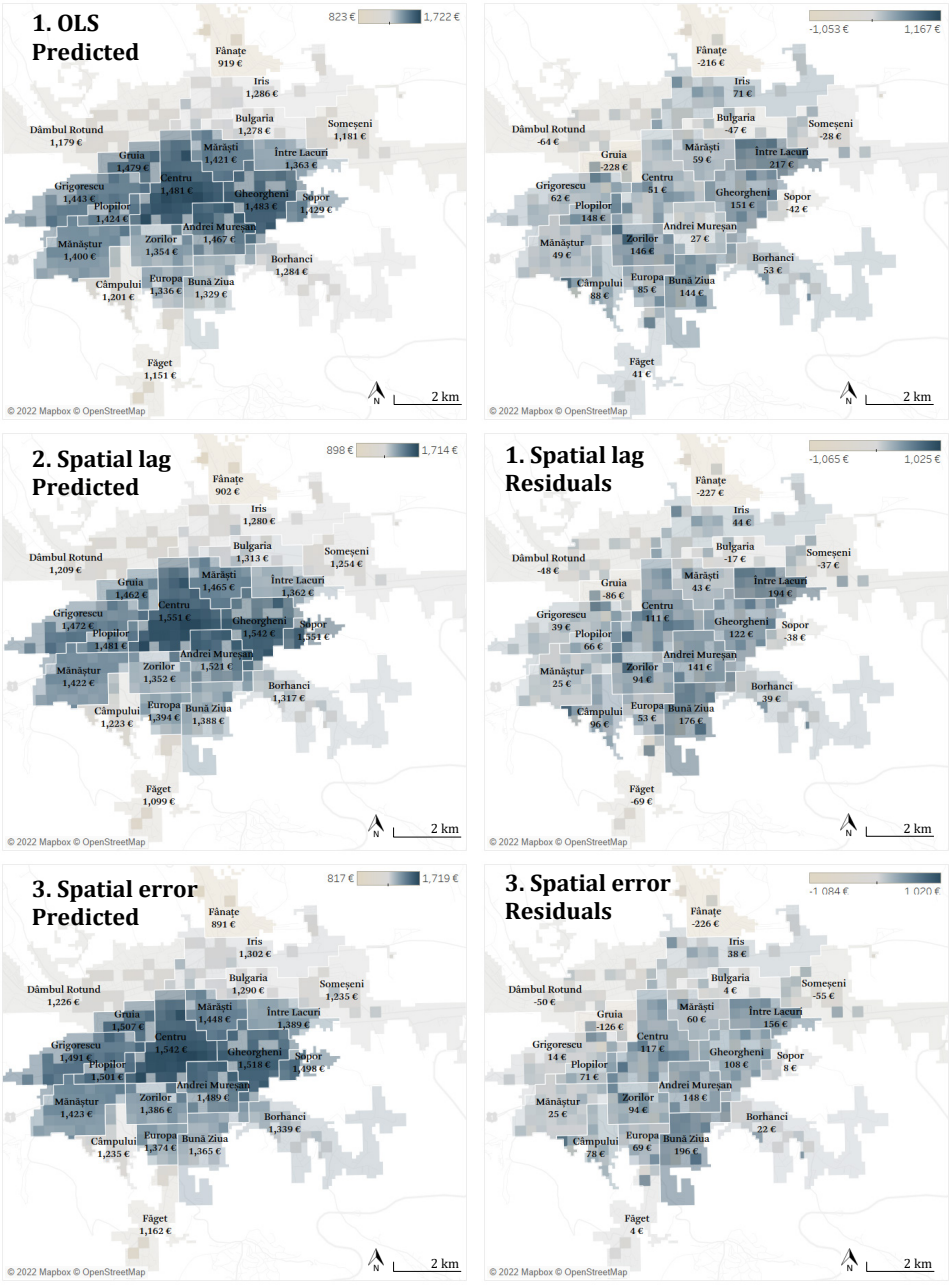
Regression models diagnostics

Diagnostic model	1. OLS	2. Spatial Lag	3. Spatial Error
R^2	12,1%	17,7%	18,5%
Log-likelihood	-185228	-184783	- 184725
AIC	370494	369606	369489
BIC	370649	369768	369643
N	24903	24903	24903

Date source: authors' calculations.

Figure 5.

Predicted and residual values for each model, 2020



Date source: author's calculations.

Table 5.

Predicted models of the median price in euros per m² in Cluj-Napoca, 2017-2020

	1. OLS	2. Spatial Lag	3. Spatial Error
A. Neighbourhood level			
KIS Employees in Offices	0.006* (0.003)	0.009*** (0.002)	0.011** (0.004)
KIS Employees in Neighbourhood	0,035*** (0,005)	0.016*** (0.003)	0.027*** (0.006)
% Speculative Transitions	0.203 (0.156)	-0.003 (0.157)	0.085 (0.215)
B. Type of transaction			
Non-Cluj	35.180*** (9.243)	33.617* (13.341)	35.353** (13.537)
Bank	- 135.154*** (5.430)	-133.412*** (9.019)	-139.185*** (9.182)
Non-Cluj * Bank	48.480*** (10.902)	42.805** (14.431)	40.581** (14.629)
Construction Year	-1.658** (0.605)	-0.906*** (0.105)	-0.711*** (0.133)
Speculative	-69.779*** (12.006)	-68.376*** (9.847)	-69.786*** (10.060)
C. Time & location			
Transaction Year	81.409*** (4.500)	79.154*** (3.444)	100.758*** (4.001)
East-West Distance	-0.014*** (0.003)	-0.003 (0.003)	-0.010* (0.005)
North-South Distance	-0.108*** (0.007)	-0.062*** (0.005)	-0.128*** (0.009)
South	49.561*** (6.427)	29.476*** (9.141)	66.090*** (13.843)
East	17.818** (8.104)	27.101*** (6.800)	43.291*** (12.731)
Est * Year	14.802* (5.659)	7.722 (4.644)	0.054 (5.336)
ρ		0.466*** (0.014)	
λ			0.505*** (0.015)

*** $p \leq 0.001$; ** $p \leq 0.010$; * $p \leq 0.050$. The errors enclosed in parentheses are robust HC3.

Date source: author's calculations.

The spatial error models the autocorrelation between the residuals, addressing a major assumption of the regression, that of the independence of the cases and, implicitly, of the residuals. If there are unaccounted variables that have spatial patterns, they show up inadvertently in the error structure. In this case, it is reasonable to assume that there are unused factors with their own urban geography that could have a significant effect on prices: that is those attributes related to the quality of an apartment. These factors are spatially clustered given the history of the architectural styles and urbanistic regulations. In the rest of the paper when not stated explicitly, we refer to the spatial error model in our interpretations.

Figure 5 represents for all three models the median predicted prices per square meter, both at grid level (300 m^2) and at neighbourhood level, across all years. In addition, the residuals between the actual values and the predicted values are represented at both scales, across years. All three models have similar performance in terms of predictive capacities when inspected geographically, with maps that are almost identical. However, given the R^2, the smallest residuals, visible also in Figure 5, are those of model 3, of the spatial error. In all models, the residuals are not evenly distributed spatially but are systematically higher in the southern and south-eastern part of the city.

The errors are stronger for 2020. The model underperforms even more in the South-Eastern area of the city and for 2020. The inaccuracy may be due to some key variables, as residence of KIS employees, are available only for 2011. We expect that the KIS employees have changed their residence preferences, gravitating more towards the city's South-East, as the survey data point (Petrovici et al., 2022).

The regression coefficients of all models as shown in Table 5 support the first hypothesis, that is KIS employees are key drivers of the price formation. There is a significant relationship between the number of employees in knowledge-intensive services and the price per square meter at neighbourhood level either in offices or in apartments.

The mechanism of apartment price formation is that KIS employees prefer apartments in the surrounding area of their offices. The transaction related coefficients do not support the second hypothesis of the diffuse regional savings. The transactions of out-of-town buyers are on average more expensive (about € 35, holding other factors constant). However, bank loan transactions are on average cheaper (about € 139) than cash transactions. Banks, through the valuation system carried out by specialists, finance more conservatively and therefore select houses that are cheaper. However, the two elements work together. A transaction will be on average more expensive (about €41) if the person who is transacting does not reside in Cluj and is doing so using a bank loan. All these

suggest that it is hardly the case that the savings from the region are put to use in real estate rents in Cluj-Napoca, the largest city in the Transylvanian region. These are not really investments, they are mortgages.

The coefficients suggest an alternative interpretation, on the lines opened-up by the bivariate correlations. The transactions made by out-of-town buyers are in fact employees in the city recruited from the whole region. People from Transylvania and western Moldova investing in Cluj-Napoca's real estate market are in fact looking for lodging in a home ownership market.

The region is the labour pool from where the city recruits its employees. While there are no administrative data referring to the educational attainment of the buyers, contextual data, as provided by high correlation between the spatial distribution of the residence of students enrolled in the largest university in the city and the spatial distribution of the residence of out-of-town buyers, suggest that the regional recruitment of labour within the city targets university degrees employees.

The third hypothesis of the prices driven by speculative investments is refuted. Those who have at least five properties in Cluj, when they purchase a dwelling, they do so at a lower price (on average by € 70). Moreover, the coefficient of the proportion of speculative transaction at the neighbourhood is not significant. This shows that speculative transactions have no effect on prices by reducing the dwellings available for purchase.

In terms of location, prices in the city follow a gradient from the centre to the periphery. The regression coefficients of distance show that prices fall as housing moves further from Union Square. Geographical axes are not equal, the coefficients are different. Price fluctuations are greater on the north-south axis than on the east-west axis. In addition, prices are higher in the east and south. Over the last four years, prices have risen not only eastward (Mărăști, Între Lacuri, Gheorgheni and Sopor), but also southward (Bună Ziua). There are exceptions to these space price dynamics. The exceptions are the apartments in Valea Chintăului, Iris and Gruia, where prices are on average high. On average, home prices in Cluj are rising each year (by € 81 per square meter).

Discussion

The three predictive models indicate that the housing needs of the KIS employee have restructured Cluj-Napoca's real estate market, causing the increases in housing prices in the city in the last four years. In 2020, the spatial pattern and the average price growth was sustained, despite the lockdowns, owing much to the newfound needs for space and home-offices of telework.

While the data does not support the hypothesis of diffuse regional savings being redirected into the local real estate, this interpretation should not necessarily be discarded. Given the role of the region as a labour pool for students and educated employees for the city, it is well plausible that the savings of the parents could be channelled into down-payments as their children find careers in the city. However, our models point to the local labour market as a key factor in sustaining a consistent local demand for housing. This upholds Wetzstein (2017) observation that the housing affordability crisis affects growing cities, in particular employment hubs and student cities. This is certainly the case of Cluj-Napoca, a growing city, a hub of the new outsourced non-manual employment industry.

Given the lack of time series data about the employment of residents, we cannot definitively argue that prices grow because KIS employees buy houses near their offices. An alternative explanation would be that land value in a neighbourhood grows as offices move in. However, the regression uses as factor the number of KIS employees in a neighbourhood, not the number of offices. The prices increase significantly with the number of employees in offices. Most probably this is the mechanism driving up the prices.

A corollary would be, in 2020, that the geography of teleworkers seems to follow the geography of offices**.** This geography is not pandemic-specific. On the contrary, we can see it pre-dates the pandemic and as the knowledge-intensive services sector has grown so has the geography of employees in this sector changed. However, 2020 highlighted key trends in building an urban geography around the housing needs of these workers. Models show that the digitalization of work incorporates housing inequalities. Employees of knowledge-intensive services represent demand with financial resources that exceed the city's average wage income. The housing needs of these employees have more structuring power than those of other employees, for reasons of differential purchasing power. The spatial distribution of the residuals was tilted towards the south-eastern part of the city, especially for 2020, the area where most of the offices are located.

While the data does also not support the hypothesis of speculative investments as key price driver, this interpretation should not necessarily be discarded. The urban geography of KIS employees in offices may generate a first wave of housing demand, which could be a signal to real estate capital to start a new wave of purchases of cheap apartments to be resold after refurbishment. Housing price growth can emerge simultaneously with the needs of KIS employees and the speculative investment in new units or by buying under-priced old units nearby offices. This process may create a spiral of price increases. However, the main driver of demand here are the KIS employees, and speculative investors are rather following the demand by offering adequate supply.

Conclusion

First, this article contributes to the growing body of literature regarding the crisis of affordability (Wetzstein, 2017) by addressing the issue from a different theoretical standpoint: that of Growth Regimes (Baccaro et al., 2022). Looking at the case of Cluj-Napoca and the growing prices in the city's residential sector, we demonstrate that this tendency, in the context of a rather limited supply, is the outcome of the development of an internal demand for housing from local knowledge-intensive services employees (Eurostat, 2020) in the outsourced economy. The three predictive models have shown that the housing requirements of KIS employees have restructured Cluj-Napoca's real estate market, and the 2020 pandemic hasn't stopped either the changing spatial patterns nor the increase of prices.

Secondly, by assessing the issue of affordable housing from a GR conceptual background, we responded to Aalbers and Christophers (2014) call for repositioning housing at the core of the political economy of contemporary capitalism. Shifting away from the VoC supply-side argument of Schwartz & Seabrooke (2009) of "varieties or residential capitalism" towards the aggregate demand-side of Schwartz (2022) and Schwartz & Blyth (2022) of GR, we use the case of Cluj-Napoca to assess the structure of domestic housing demand. As industrial work has been relocated to the metropolitan outskirts since 2008, the number of college-educated employees working in technological development, finance, business operations and creative industries grew rapidly, from 27% in 2008 to 42% in 2020. These are usually employees in the new outsourced companies which have a higher income than the average workers. Consequently, the entire city has undergone a process of gentrification, where people working in the manufacturing sector have been pushed to the surrounding localities along the new greenfield industrial plants, while the emerging middle class is outcompeting the older inner-city residents on the housing market.

Third, the city landscape changes with the gentrification driven by KIS employees. The average prices per square meter increases annually with € 81, especially in the neighbourhoods with new housing stocks, in the South-East of the city in the proximity of the new class A offices and the largest mall in the city. Not only the employees of the outsourced economy buy new housing in a demand-drive market, outcompeting other classes and class fractions, but these categories change the city after their own taste and needs.

Forth, we assess the impact of investment capital and savings on the formation of domestic demand in an export-led economy. We show that the players that buy multiple properties in Cluj-Napoca are certainly important actors – on average they control 7% of the housing transactions annually. Nonetheless, in terms of price formation, they play the role of developers and resellers on a demand-driven real estate market, unmatched by supply. In addition, out-of-town

buyers, while quite important, representing 40% of annal transactions, are rather, as the multivariate analysis shows, employees recruited from the region (probably initially as students) to work in the cities' labour market. The importance of regional saving driven into the city's real estate market cannot be discarded, yet; most probably, it is mediated by kinship ties with the relocating employees working in the knowledge intensive sector.

However, as Christophers argues, urbanization as a form of capital switching (Harvey, 1985, 2006) is essentially a thesis about the manifestation of over-accumulation, which works when indirect investment instruments are at hand, namely tradable shares of real estate companies or mortgage-backed securities. Real estate markets in Eastern and Central Europe are not yet intensely financialized, so these instruments have not generated increased volatility in real estate transactions (Pobłocki, 2021). However, the savings of service workers in advanced sectors of the Eastern European economy constitute an effective demand to create a real estate bubble and housing affordability crisis, especially in major cities that specialize in advanced services such as Cluj-Napoca.

The context of the COVID-19 pandemic pushed housing demand even more. The lockdowns created an urgent need for extra rooms and teleworkers in the advanced service sector were in dire need for home-offices. The COVID-19 pandemic, in the case of teleworkers, has come with a drastic reduction in consumption due to the elimination of commuting and associated costs (transportation, food, clothing). This was reflected also in the excess liquidity reported by commercial banks in 2021 and the inflation in 2022, among other factors. The expectation was that excess saving would be redirected into the housing market, while investment funds, in the context of declining returns on office building, were expected to switch to the housing market (Florida et al., 2021). As our case, the investments funds did not yet move into the housing markets and no signs were shown for the Eastern European markets – properties are not liquid as needed for capital switching. However, new research is needed to assess the dynamics of the aggregate demand on the FDI export-led economies as teleworking entered into the phase of the new normality of 2022.

REFERENCES

Aalbers, M. B. (2019). From Third To Fifth-Wave Gentrification. *Tijdschrift Voor Economische En Sociale Geografie*, *110*.1: 1–11.

Aalbers, M. B., and Christophers, B. (2014). Centring Housing in Political Economy. *Housing, Theory and Society*, *31*.4: 373–394.

Angulo, A., Fernando, L., Minguez, R., and Jesús, M. (2021, December). spsur: Spatial Seemingly Unrelated Regression Models, ver. 1.0.2.0, R package.

Arundel, R., & Ronald, R. (2020). The false promise of homeownership: Homeowner societies in an era of declining access and rising inequality: *Urban Studies*, *58*.6, 1120–1140.

Baccaro, L., Blyth, M., and Pontusson, J. (2022). Rethinking comparative capitalism. In L. Baccaro, M. Blyth, and J. Pontusson (Eds.): *Diminishing Returns: The New Politics of Growth and Stagnation*, pp. 1–51. New York: Oxford University Press.

Ban, C. (2019). Dependent development at a crossroads? Romanian capitalism and its contradictions. *West European Politics*, *42*.5: 1041–1068.

Ban, C., and Adăscăliței, D. (2022). The FDI-led Growth Models of the East-Central and South-Eastern European Periphery. In L. Baccaro, M. Blyth, and J. Pontusson (Eds.): *Diminishing Returns: The New Politics of Growth and Stagnation*, pp. 189–211. New York: Oxford University Press.

Belsley, D. A., Kuh, E., and Welsch, R. E. (2004). *Regression Diagnostics: Identifying Influential Data and Dources of Collinearity*. 292.

Bohle, D., and Greskovits, B. (2012). *Capitalist Diversity on Europe's Periphery*. Itacha and London: Cornell University Press.

Brenner, N. (2019). *New Urban Spaces: Urban Theory and the Scale Question*. New York, NY: Oxford University Press.

Brenner, N., Peck, J., and Theodore, N. (2010). Variegated neoliberalization: geographies, modalities, pathways. *Global Networks*, *10*.2: 182–222.

Castellani, D., Marin, G., Montresor, S., and Zanfei, A. (2022). Greenfield foreign direct investments and regional environmental technologies. *Research Policy*, *51*.1: 104405.

Christophers, B. (2011). Revisiting the urbanization of capital. *Annals of the Association of American Geographers*, *101*.6: 1348–1364. Retrieved from

Christophers, B. (2018). *The New Enclosure: The Appropriation of Public Land in Neoliberal Britain - Brett Chistophers - Google Books*. London and New York: Verso.

Cliff, A. D., and Ord, J. K. (1981). *Spatial Processes: Models and Applications*. London: Pion.

Lüdecke, D. Bartel, A., Schwemmer, C., Powell, C., Djalovski, A. and Johannes Titz. (2021). sjPlot: Data Visualization for Statistics in Social Science, ver. 2.8., *R package*.

Edvardsson, I. R., and Durst, S. (2014). Outsourcing of knowledge processes: A literature review. *Journal of Knowledge Management*, *18*.4: 795–811.

Eurostat. (2020). High-tech industry and knowledge-intensive services. In *Euro SDMX Metadata Structure*.

Fernandez, R. (2016). Financialization and housing: Between globalization and Varieties of Capitalism. In M. B. Aalbers (Ed.), *The Financialization of Housing: A Political Economy Approach*, pp. 81–100. London: Routledge.

Fernandez, R., Hofman, A., and Aalbers, M. B. (2016). London and New York as a safe deposit box for the transnational wealth elite: *Environment and Planning A: Economy and Space*, *48*.12: 2443–2461.

Florida, R. L., and Feldman, M. M. A. (1988). Housing in US Fordism. *International Journal of Urban and Regional Research*, *12*.2: 187–210.

Florida, R., Rodríguez-Pose, A., and Storper, M. (2021). Cities in a post-COVID world. *Urban Studies*, 10.1177/00420980211018072.

Harvey, D. (1985). The urban process under capitalism: aframework for analysis. In *The Urbanization of Capital*, pp. 1–31). Baltimore: Johns Hopkins University Press.

Harvey, D. (2006). *The Limits to Capital*. New ed.). London and New York: Verso.

Kazepov, Y. (Ed.). (2005). *Cities of Europe: Changing Contexts, Local Arrangements, and the Challenge to Urban Cohesion*. London and New York: Wiley-Blackwell.

Kelejian, H. H., and Prucha, I. R. (2010). Specification and estimation of spatial autoregressive models with autoregressive and heteroskedastic disturbances. *Journal of Econometrics*, *157*.1: 53–67.

Kohl, S., and Spielau, A. (2018). Worlds apart: The divergence of Southern-European housing-construction economies and Northern-European export economies. In C. Joerges and J. Hien (Eds.): *Responses of European Economic Cultures to Europe's Crisis Politics: The Example of German-Italian Discrepancies*, pp. 99–107. Florence: European University Institute.

Ley, D. (2020). A regional growth ecology, a great wall of capital and a metropolitan housing market: *Urban Studies*, *58*(2), 297–315.

Lees, L. (2012). The Geography of Gentrification. *Progress in Human Geography*, *36*.2: 155–171.

Montero, S., and Baiocchi, G. (2022). A posteriori comparisons, repeated instances and urban policy mobilities: What 'best practices 'leave behind: *Urban Studies*, *59*.8: 1536–1555.

Oshri, I., Kotlarsky, J., and Willcocks, L. (2015). *The Handbook of Global Outsourcing and Offshoring: The Definitive Guide to Strategy and Operations* .3. ed.). Basingstoke: Palgrave Macmillan.

Peck, J. (2018). *Offshore. Exploring the worlds of global outsourcing*. Oxford: Oxford University Press.

Petrovici, N., Mare, C., and Moldovan, D. (2021). *The Economy of Cluj: The Development of the Local Economy in the 2008-2018 Decade*. Cluj-Napoca: Cluj University Press.

Pierre Audoin Consultants (2016). *Software and IT Services in Romania 2016*. Bucuresti: ANIS.

Schwartz, H. M. (2022). From Fordism to Franchise: Intellectual Propoerty and Growth Models in the Knowledge Economy. In L. Baccaro, M. Blyth, and J. Pontusson (Eds.): *Diminishing Returns: The New Politics of Growth and Stagnation*, pp. 189–211. New York: Oxford University Press.

Schwartz, H. M., and Blyth, M. (2022). Four Galtons and a Minsky: Growth Models from an IPE Perspective. In L. Baccaro, M. Blyth, and J. Pontusson (Eds.): *Diminishing Returns: The New Politics of Growth and Stagnation*, pp. 99–115. New York: Oxford University Press.

Schwartz, H. M., and Seabrooke, L. (2009). Varieties of residential capitalism in the International Political Economy: Old welfare states and the new politics of housing. In H. M. Schwartz and L. Seabrooke (Eds.): *The Politics of Housing Booms and Busts*, pp. 1–27. London: Palgrave MacMillan.

Slater, T. (2017). Planetary rent gaps. *Antipode*, 4.S1: 114–137.

Ward, C. (2022). Land financialisation, planning informalisation and gentrification as statecraft in Antwerp: *Urban Studies*, *59*.9: 1837–1854.

Wetzstein, S. (2017). The global urban housing affordability crisis. *Urban Studies*, *54*.14: 3159–3177.

STUDIA UBB SOCIOLOGIA, 67 (LXVII), 1, 2022, pp. 37-68
DOI: 10.2478/subbs-2022-0002

COUNTERING ILLEGIBILITY: A BRIEF HISTORY OF FORCED EVICTIONS IN POSTSOCIALIST ROMANIA

GEORGE IULIAN ZAMFIR[1]

Article history: Received 1 June 2022; Revised 15 June 2022; Accepted 18 June 2022; Available online 10 August 2022; Available print 30 September 2022.

ABSTRACT. Forced evictions have been recognised as a relevant process in Romanian post-socialist urban transformations. Housing privatization, including restitutions, represents the key driver. Some attempts in grasping the scale of the process have already been made. This article brings extensive quantitative data stemming from national and local levels, which can support improved estimations of the scale: reports of the National Union of Bailiffs and answers to public information requests from multiple municipalities; archival data, local press monitoring and accounts of the process in the city of Cluj-Napoca. At least 100 thousand forced evictions are estimated to have taken place at national level between 1990-2017, comprising several hundred thousand individuals, the Roma population being disproportionately affected. Qualitative data produced through activist research complements the picture. The findings contribute to the debate regarding postsocialist urban transformations, indicating that the role of the state in the production of the housing market through forced evictions-based gentrification has been insufficiently acknowledged. The results are relevant to policy debates, as well as to housing activist practices[2].

Keywords: forced evictions, postsocialist urban transformations, housing policy, Eastern Europe.

Introduction

In 2022, the municipality of Cluj-Napoca, had its appeal rejected by the court in a case where it sought to recover rent arrears from a family living in public housing. The case is remarkable from two perspectives. One would be

1 Babeș-Bolyai University, george7zamfir@gamil.com
2 Special thanks to colleagues at the Cluj-based Căși Sociale ACUM! and at the Blocul pentru Locuire network.

the loss in itself, as juridical pathways to evictions are nearly impossible to block. The second concerns the institutional determination to punish debtors, even in a case where minors with disabilities enjoy the legal rights of exemption from rent payments. What the mayor's office legal team argued was that the contract holder did not duly announce the presence of a disabled minor in the household for the period when it did not pay the rent; although the municipal social assistance service actually performed the required social investigation prior to the granting of the certificate of disability by a different institution. The court upheld the initial decision that, regardless of the rental contract provisions, the legal right of the disabled person surpasses those terms. More than exemplifying an abhorrent practice, the case displays the naturalization of a bureaucratic repudiation of public housing, and with it, of its tenants. Through administrative decentralization, municipalities gained increased punitive powers, which are thoroughly employed in social cleansing.

Contrary to mainstream portrayals of the practice, evictions are multidimensional processes. An eviction does not start and stop when the police come and go. The process cuts through the social fabric, individual biographies, politics, infrastructure, and institutional construction and practice. Evictions bear traces of wider processes, or, conversely, they are some of the wider processes at play. However, with a few notable exceptions, until recently they have not raised extensive academic interest. Generally noted down in literature as a phenomenon taking place in the background of the alleged transition from communism to democracy, its scale has not been acknowledged. From a housing policy perspective, descriptions of Romania usually rely on its characterization as a "super homeownership" society. While on particular comparative grounds, it is accurate, the label brings a number of issues to the table, as it conflates more than it reveals about the housing situation. More precisely, it supports the naturalization of homeownership as the favored policy standpoint, one which disparages the rights of tenants in privately and publicly owned housing.

As the figures presented here will show, the postsocialist transformation of the property structure, and along with it, of the housing system, was based on the elimination of housing security for hundreds of thousands of people. Their displacement from restituted buildings that were initially allocated as housing units was legitimized as the alleged required post-communist social healing. In the early 2000s, there were approximately 110,000 leasing contracts in nationalized houses, of which 35,000 in Bucharest (Chelcea 2003:718). While other types of housing have been the target of the practice, one commonality is that the Roma population has been disproportionately hit by the eviction tsunamis. Historically without access to property, most Roma had no claims on their side during the restitution, which was thus conceived as an intrinsic racial project. Although there are no clear numbers on the matter, it is indisputable:

countless accounts point to its racial character. Most pre-2008 crisis reports on housing conditions and evictions in Romania have been compiled by NGOs dealing with the infringement of Roma rights as human rights. A report by Zoon and Templeton (2001) on behalf of Open Society Foundations mentions numerous housing rights infringements, including a case of group eviction in Cluj-Napoca. Romani Criss (2004) had co-edited a manual on "Protection of the right to housing for Roma from Romania" which underscored the perilous housing situation and the institutionalized forms of discrimination, later on contributing with various legal actions and reports on the matter.

Austerity measures, the key effects of the 2008 financial crisis, have deeply reverberated in housing policies and eviction practices. Moreover, the milestone is relevant to the Romanian context, because it slightly overlaps with the state's accession to the European Union, signaled as the end of the transition period. Thus, from a housing policy debate and practice focused on decommunization and market production, it leaped straight to one concerned with the protection and support of private market actors, particularly financial institutions and real estate developers. The post-2008 global intensification of forced evictions triggered ample responses from multiple actors, such as NGOs, activists, and academics, who all brought deeper insights into the process, including its unfolding in the Romanian context.

Looking back at some pre-2008 crisis accounts on the housing transformations, we notice that some focused on restitution as a required social healing process. To illustrate, even though Stan's (2006) article acknowledges the precarious situation of tenants in nationalized buildings, it deplores the lack of justice to previous owners because „justice delayed is justice denied". There are no mentions of ethnic differences when it comes to the effects of restitution on tenants. Moreover, the author concludes, restitution "is simple, [it] brings emotional satisfaction to those receiving the actual confiscated property" (id, p. 202). Others, such as the insightful radiography of the socio-political conditions of transition by Pasti mentions only "persons without property" (Pasti 2006:73) among a series of social groups driven towards social exceptionality by the newly proposed social system.

On the other hand, Chelcea (2003) underlined the tensions between tenants and restitution claimants, while Rughiniș (2004) pointed out evictions as the main housing insecurity problem in the case of Roma. Later on, Petrovici (2012) signals key trends in Cluj's urban geography, particularly the nationalistic reappropriation of the city by the Romanian working class, a description where evictions are hinted at, yet not accounted for. Vincze (2013) outlines the wider process of intersectional injustice to which Roma are subjected, placing evictions at the core. Chelcea, Popescu, and Cristea (2015:120) estimate that the wave of evictions related to restituted housing rose in 2005, after the 10-year ban on

selling the obtained houses expired, at the same time as the housing market bubble was growing bigger. They connect postsocialist gentrification with the property regime change. Vincze and Zamfir (2019) describe the process of racialized housing unevenness through a case study on forced evictions and subsequent housing trajectories in the Cluj-Napoca. Through a deep story of the role of restitutions in racial housing politics, Popovici (2020) describes the social conflict whose results, primarily forced evictions, are still ongoing.

This article aims to clarify the scale of forced evictions in post-1989 Romania, as well as to signal that evictions have contributed significantly to urban social re-stratification following the regime change, even more so than previously acknowledged. This is relevant not only historically, but also with an eye to organization against housing dispossession and to the fights to come. In this direction, it presents data produced through various methods by the author and the housing activist collectives of which he is a member of: a research project conducted in 2018 by the activist network Blocul pentru Locuire / Block for Housing at a national scale, data stemming from activist research undertaken by Căși Sociale ACUM! / Social Housing NOW group in Cluj-Napoca in the 2015-2022 period, as well as other data produced during his PhD research. Some of the data covers various types of tenures, but the majority deals with public housing or formerly publicly owned real estate. Besides, here, the focus is on urban, not rural areas, where other types of displacements took place.

Forced evictions - studying and conceptualizing the process

Evictions, one of the under-discussed realities of new forms of capital accumulation, represent an increasingly clearly structured and streamlined practice. The study of evictions is constantly expanding, both by drawing global connections (Soederberg 2018), as well as focused on cases in Romania (see Lancione 2019; Vincze and Zamfir 2019; Zamfirescu and Chelcea 2020; Popovici 2020). Judicially based evictions have exploded in recent times (Bhan 2009; Soederberg 2018; Nelson 2019) particularly after the 2008 crisis, the preference for these practices reflecting the legal erosion of the right to housing. In fact, the crisis has led to the solidification of economic inequalities through widespread implementation of austerity measures, which have further reduced the strength of states to help correct them. These general post-Keynesian changes from welfare to neoliberal policies, particularly in Western states, have included rapid housing privatization and increasing commodification. Commodification led to financialization - the transformation of housing in financial assets increasingly traded on markets and through financial instruments (Aalbers and Christophers, 2014).

Recently, we witnessed a wave of publications on evictions dissecting the networks and assemblages (Zamfirescu and Chelcea (2020), going from micro to macro interpretations (Baker 2017), using affects as (anti)eviction tool (Wilde 2020), as well as organized opposition to evicting practices, ideologies and ensuing personhoods (Lancione 2019, Popovici 2020).

Structurally, evictions became one of the standard tools of regulating property relations. They are strongly determined by economic status, often resulting from inability to pay rent or utilities. Thus, it is not just a simple consequence of breach of contract, but a form of poverty punishment. On this point, in a systematic case study in Sweden, von Otter et al. (2017) found that a large part of the evictees suffer from severe social marginalization, more than two thirds among them receiving forms of social assistance. Seymour and Akers (2019) showed that cheaply purchased housing following the foreclosures in Detroit around the crisis came to be the spaces from which many evictions are carried out, the determinant being the interest to make a quick profit from the investors in the detriment of new occupants. So, moving forward from the legalistic definitions, evictions are instrumental and generative for both social classes and spatial uneven development, where real estate is constantly reevaluated. Promoting housing as a financialized asset, along with reducing funding public services are turning evictions into a "new urban frontier," Patton and Cooper (2016) argue, indicating that the role of gentrification previously noted by Neil Smith has changed and the state is the origin of this new vision. In other words, we must see "the state as a stratifying and classifying agent" (Wacquant 2019: 39). The authors extend the analysis, proposing accumulation through repossession as the interpretation that places evictions in the recent political economy (Cooper and Paton 2019). The process describes how "profit is not only generated by land rent and marketing, but these sites of capital accumulation increase poverty and evictions "(id., p. 3). Together they develop an eviction industry, a dispossession market that is intrinsically profitable, not just a contributing element. Evictions are a state policy of class production through destitution, on the one hand on the one hand, and the production of social ladders, on the other, by supporting the privatization of housing, the accumulation of property and speculation on the market, as well as by withdrawing from the provision of social services.

Van Baar proposes the term "evictability" as a radical approach that goes beyond methodological nationalism, because the creation of borders can take place at different scales through dislocation practices. Securitization is the framework in which the alteration of the Roma transforms them into evictable populations (van Baar 2016). Securitization practices do not lead to a safer world, but only to more insecurity (van Baar et al. 2019: 2). The authors give

the example of how mobility of Eastern European Roma in Europe came to be described as a situation of "migrants", thus as an altered social body. These practices, they conclude, end up being enshrined in the national legislation, which ends up working against the Roma. In a culturalist approach, they are often described as populations with a history of nomadism, which applies even to non-nomadic Roma (id).

For a contextual understanding of the role of eviction, the type must be directly linked to property and post-socialist housing policies. Privatization of property took place through both through direct purchase, in the case of tenants of state-owned apartments, as well as by restitution. Regarding public housing purchased by tenants following legislation initiated immediately after the change of the socialist regime, the pace was fast. The combination with the withdrawal of the state from housing production has led to a current percentage of public housing below two percent. The present high overcrowding rate, which places Romania at the top of the EU ranking, indicates the acute need for new housing. Given the state policy of unequal territorial development - the concentration of economic production and the allocation of resources predominantly in several large cities, and the de-development of the rest of the territory - the need for housing is, hypothetically, similarly concentrated.

But even so, racial housing marginalization remains a problem in many localities in Romania (Vincze 2013, Swinkels 2014). Following one of the highest restitution rates in nature, compared to the neighboring states, the Romanian state granted the claimants a significant amount of real estate. The restitution process is not over, as more than half of the claims are still pending (Popovici 2020:6). Estimates of financial compensation for all the claims amount to 16 billion Euros, of which 2.7 billion only for residential buildings (id.). Following market support policies as a demand and supply management tool, private housing development has become the main source of growth for housing. Attracting real estate investment has become one of the main coordinates of inter-urban competition, and the ranking of the average price per square meter of housing becomes a mirror of the value of urban brand, an economic good that sets the next potential investment waves. The housing crisis, i.e. what from a market perspective is a mismatch between supply and demand, is reclassified as a measure of success.

Many studies use the analytical lens of the legal system. But a narrow legalistic look at evictions risks missing those cases in which the owners resort to informal methods, such as changing door locks or verbal pressure to leave (Hartman and Robinson, 2003). Watt also points out that such possibilities increase the level of "displacement anxiety" (Watt, 2018). However, the functioning of the legal system is instrumental in understanding the social process.

For example, in an analysis of urban policies around the Commonwealth Games in Delhi, Bhan (2009: 141) concludes that urban policy is in motion and that it is outlined by the courts, becoming essential in governance and planning. The presence of law enforcement, the call for law enforcement and the implementation of the law through a sentence transforms the conflicts in the cases of eviction in simple routine acts, as if there were "a threshold above which the implementation of the eviction happens 'after' politics has taken place, where it is a mere technical feature of wider process" (Baker, 2020: 4).

At the structural level, evictions are rendered illegible. Low legibility of the magnitude of the phenomenon can be correlated with its political prioritization. In the absence of other recording systems, judicial ecosystems are the main sources of information. Almost 20 years ago, Hartman and Robinson (2003) pointed out that evictions in the USA are a hidden housing problem, systematic data being unavailable. In the meantime, the situation has changed, but not substantially. Researchers in the US who have addressed the issue (Porton et al. 2020) have found that many court records either contain ambiguous information about how a case was resolved or are false tenant eviction history. Moreover, the American states record the information in different manners: based on the study of eviction files from 12 states, the authors (id.) draw attention to discrepancies and lack of confidence in the data, no matter how accurate they may be.

Similar to our effort (Blocul pentru Locuire, 2019), von Otter et al. (2017) obtained a database of evictions from the Swedish bailiff's association. The Swedish data is more detailed, including all eviction initiatives, as well as their resolution, not just completed cases. Instead, Gerull (2014) comparatively analyzes evictions due to arrears in 14 European countries by resorting to local experts, concluding not only that the procedures are different, but that a common feature is the complexity of the procedures and their incomprehensibility to tenants. The Anti-Eviction Mapping Project conducted in California is an example of activist knowledge of evictions: through collecting quantitative data and interviews, the approach has contributed to the creation and solidification of links between evictees or people at risk of eviction (Maharawal and McElroy 2017).

A previous attempt at quantifying the number of evictions in Romania, as part of a study on homelessness, took place in the early 2000s. The Quality of Life Research Institute conducted a study on evictions from social housing in the years 2001-2004 (Dan 2018). That study produced data from 227 cities (Table 1), except Bucharest and other significant cities, and revealed an upward trend in evictions, both due to utility debt and foreclosures. Results indicated 2,791 evictions for the reported period. Other data from the same research (Dan and Dan, 2005:114) summed up 633 evictions registered just in the year 2003

from municipalities in roughly half of the counties. All in all, these are examples of attempts to systematize the data, on which this article builds upon. Dan (2018) asserts that the lack of aggregated data on the overall number of eviction stems from the lack of institutional interest and capacity. However, as the data presented in this article will show, it appears that the state actively dedocuments evictions, in the vein of Vrăbiescu's (2017) concept of dedocumenting citizenship.

Table 1.

Evictions reported by municipalities, part of a study led by the Institute of Research Institute for Quality of Life in 2004

	2001	2002	2003	Jan.-March 2004
due to non-payment of utilities bill	149	357	470	54
due to retrocession of nationalized housing	340	546	602	273

Data source: Presented in Dan (2018:24)

Methodology

The data presented in this article stems from several sources. Shortly after starting my Phd studies in 2014, I joined the group later named Căşi Sociale ACUM / Social Housing NOW. Among other activities, together with colleagues, we started supporting evicted people living in the Pata Rât area in Cluj-Napoca to apply for social housing, a recurring activity for the next seven years. Preparing applications requires deep understanding of biographies, which were translated into claims for the increase of the social housing stock, as well as fairer allocation criteria. Our efforts later expanded to include various housing policy analyses, at local and national level.

Together with housing activist groups from Bucharest and Timişoara, we formed Blocul pentru Locuire / Bloc for Housing in 2017, a network which served as the basis for launching extended projects. The first project we undertook together was a research on forced evictions at national level (Blocul pentru Locuire, 2019). Together with Ştefania Vintilă, I carried out the empirical phase and we drafted the report with other colleagues. Initially, we aimed for a comprehensive media analysis for the 2008-2017 period through ziare.com portal, coupled with a synthesis of previous reports on the matter. Subsequently we expanded our efforts by sending requests for public information to every urban administration. Finally, we managed to obtain quantitative data spanning the 2001-2018 period from the Romanian National Union of Bailiffs. While the union did not respond directly to our request, the Ministry of Justice did so, as

the ministry oversees the union's activities. The union was founded in 2001, when the profession was legally liberalized. Prior, bailiffs were a part of the court system. However, for three counties out of 40 we received data including the 1990-2001 period. In late 2020, I undertook another project. Using the official portal of court cases of the Ministry of Justice, portal.just.ro, I searched for eviction cases initiated by local authorities in Romania. As a follow-up, I contacted by phone the municipalities where a high number of cases were present.

Lastly, when I was finalizing my thesis in 2021, I analyzed early 1990's archival data of the Local Council of Cluj-Napoca municipality, including the Decisions of the Executive Committee, the institutional body inherited from the socialist administrative organization, as well as local council decisions regarding the management of public housing, along with relevant local council decisions of other Romanian municipalities. Moreover, I conducted interviews with legal professionals, including bailiffs. To provide an answer to the lack of data conveying the magnitude of the process, next the article presents data covering the national scale, and the city of Cluj-Napoca. First, some clarifications on the juridical types of evictions.

Juridical approaches to evictions and administrative evictions: municipalities bypassing the law

According to several consulted legal professionals, including bailiffs, the legitimate forced eviction procedure relies on contracting a bailiff to carry out the court order. That is, only the bailiff is granted the legal power to summon law enforcement representatives such as the police or gendarmerie to physically remove inhabitants. Prior to 1990, as one bailiff active at the time recalls, evictions practically meant relocations. According to a Communist Party directive, when an eviction court order arrived on the bailiff's table, he wrote to the municipality to inform them on the matter, in order to find a relocation solution, to which they obliged. However, the method is not entirely clarified, as the municipal housing agency also initiated the procedure titled "evacuare pe cale administrativă" (en. *administrative eviction*).

According to socialist legislation carried over after the regime change, administrative evictions represented one of the options. That law provided that

> in a completely exceptional situation, namely when a housing surface is occupied without a lease contract, but only if that surface is part of the state housing fund under the management of specialized enterprises subordinated to the executive committees (offices) of the people's councils or of other state enterprises, the eviction can take place administratively (art. 23 of Law 5/1973) (Comănescu et. al., 1985:72)

The executive committee made the decision, the eviction being carried out by the companies that managed the housing fund. The Miliţia could have been summoned in case of opposition. The procedure could not be applied to housing built and managed by enterprises and other state organizations from their own funds. So it could be applied only in the case of the state housing fund subordinated to the executive committees and only if the house was occupied without a rental contract. Instead of the administrative way, the committees could also resort to the court. In any case, the evicted person could challenge the decision in court (idem, p. 73). It should also be mentioned here that, with regard to company housing, in the event of the death of the contract holder, the eviction of the family was carried out only after the allocation of another suitable housing space (idem, p. 121).

Administrative evictions were realized in different ways after 1990. One reason is that, following administrative decentralization, the public housing fund is managed in different ways by municipalities. For example, in Cluj-Napoca, the municipality's Patrimonial Directorate and Property Records is the managing authority; in Ploieşti - the Administration of Community Social Services; in Piatra Neamţ - S.C. Locativserv S.R.L.; and in Călăraşi - the Legal Department and Local Administration.

Administrative eviction regulations are the result of local council decisions. Presumably, these applied until Government Decision 457/2017, which repealed the articles that stipulated that "the company that manages the housing fund" will evict people who no longer meet the legal requirements to occupy the space. It is unclear whether some municipalities still use this method. For example, the Municipality of Ploieşti has such a regulation instituted through LCD 106/2013 and maintained in force through LCD 587/2018 regarding the social housing administration regulation. This regulation applies in cases where the maintenance expenses have not been paid for three consecutive months, the tenant's behavior makes it impossible to live with the neighbors, the net income increases by more than 20 percent for two consecutive years, other people who do not appear in the contract occupies the space, or the tenant acquires a home. According to the departmental specialized report, the motivation for the

need for such a regulation emerges from three reasonings: requests for social housing must be resolved, eviction processes are lengthy, and forced execution is expensive. The combination of the three signals that the stock of social housing is reduced compared to the demand, and the solution is to increase the speed of movement of the occupants, if they do not follow the rules. So, preventing these evictions would oppose the first reasoning, as long as the social housing fund is not increased.

Considering the fact that in the case of the Ploieşti regulation as well as the Oradea[3] one, the buildings must be vacated within a maximum of 30 days from the notification, which would be sent within a few days from the publication of the LCD; probably in both situations there was already a considerable number of tenants in this situation. The difference between the two regulations is that, in Oradea, the Housing Department issues eviction notifications, resorting to the bailiff only to communicate the contents of the local council decision, and during evictions representatives of the town hall and the municipal police participate. In Ploieşti, the mayor issues an order to be implemented by an eviction committee, and the participation of law enforcement is not specified. In the case of S.C. Locativserv S.R.L. from Piatra Neamţ, the entity that administers the local council's housing, the articles of Government Decision 1275/2001 are invoked. The mayor's order is not invoked in this case, the procedure being at the discretion of the Housing Fund Department.

In some identified regulations, for example those of Cluj-Napoca[4] and Dărmăneşti[5], the phrase "abusive persons" appears, being defined as "natural or legal persons who occupy the home without a title". Continuing the definition, non-compliance with Law 114/1996 is claimed, but not in the same way. In Cluj they refer to articles 21 and 27, meanwhile repealed, and in Dărmăneşti it is less specific. Definitions, by which the action is not cataloged, but the people themselves, should also be noted. Thus, the message is that behavior does not represent the object of analysis and diagnosis, but the person in its entirety. In Cluj, the regulation voted on March 30, 2010, at the beginning of the year in which the eviction of the 74 families from Coastei Street was carried out, is still present on the city hall's website. From the response of the Caransebeş town hall in the research carried out by Blocul pentru Locuire, we note that a choice can be made regarding the method of eviction: legal action is

[3] Oradea Local Council Decision 697/2008

[4] Cluj-Napoca Local Council regulation on administrative evictions: https://primariaclujnapoca.ro/informatii-publice/regulament-local/regulament-privind-reglementarea-cadrului-general-de-evacuare-persoanelor-fizice-sau-juridice-care-ocupa-mod-abuziv-locuintele-aflate-patrimoniul-municipiului-cluj-napoca/ (accessed in June 2022)

[5] Dărmăneşti Local Council Decision 62/2016

taken in case of breach of contractual provisions; the administrative route is used if there is no contractual relationship with the tenants.

Another type of eviction which initially starts as a legal procedure represents a conflation of two situations: municipalities initiate demolitions without acknowledging the presence of inhabitants. Any opposition to the practice requires legal battles. The activist readings of the practice conclude that municipalities often initiate evictions through various types of pressure, a form of abuse meant to avoid protracted legal actions, which are seen as a cost to be avoided. Thus, in terms of approaches when dealing with evictable tenants, there is more commonality than difference between new private owners who acquired property through restitution, and public institutions managing housing.

National Bailiff Association and municipalities' answers to public inquiries: a first step in estimating the scale

Bailiffs are organized in the 15 Chambers of Bailiffs territorially circumscribed to the 15 Courts of Appeal and are legally required to fill in an activity register; the data is available even at county level. According to the partial information provided by the Ministry of Justice, between 2001-2017 (for Argeș, Vaslui and Iași counties, since 1990), 24,373 forced evictions were reported. This number refers to all types of housing, both public, as well as private. The motivations are not present, so how many occurred, for example, following divorces, is unknown. In the case of the Bucharest CoB, which also covers the Ilfov, Ialomița, Călărași, Giurgiu and Teleorman counties, only about a quarter of the bailiffs reported data, i.e. 53 out of 195. By extrapolation, we can estimate that the actual number of evictions in this area was not 4492, but approximately 16,500, the total per country thus reaching over 36,000. Considering the increased number of restitution claims in Bucharest, the estimates are rather a statistical exercise. Even so, if we extrapolate the national average of more than 2100 evictions over the 2001-2017 period for the whole 1990-2017 period, the number would exceed 57,000. To conclude the extrapolation, a conservative estimate of the number of evictions may actually exceed 100,000, including other legal or informal methods. The data covering the situation in Cluj adds support to the numbers. Moreover, administrative evictions are not counted in, because, as described earlier, bailiffs are not an integral part of the method. It is worth mentioning here that, as media monitoring and other data showed, numerous families experienced successive evictions. Regarding reservations in

extrapolation, for example, in Spain approximately 350 thousand families were evicted after the 2008 crisis, according to an analysis published just six years later (Álvarez de Andres et al., 2014).

Table 2.

Estimated number of evictions in Romania 1990-2017

Source	**Period**	**Number of evictions**
Ministry of Justice, Bailiffs' Association data	2001-2017	24.373*
Estimated to fill in missing BA data	2001-2017	36.000**
Estimated of total number of bailiff led evictions	1990-2017	57.000***
Estimated total number of evictions	1990-2017	100.000****

Data source: author's calculations

* In the period 1990-2000, data only for: Argeş County = 259, Iaşi County = 31, Vaslui = 9
** Extrapolation of data from the Chamber of Bailiffs attached to the Bucharest Court of Appeal, the data being transmitted only from 53 out of 195 bailiffs.
*** The average of approximately 2100 evictions carried out annually between 2001-2017 extrapolated to the period 1990-2017
**** The number includes a conservative estimate by including other modes of eviction, such as administrative or informal

Regarding the territorial distribution of evictions reported by the Ministry of Justice, the North-Western counties show the highest numbers, Cluj, Bihor and Maramureş each exceeding 1000 cases. Constanţa, the county topping the ranking with 1666 cases is followed by Brăila with 1033, Braşov with 918, and the area of Bucharest and neighboring counties with the partially reported 4492. This distribution is difficult to interpret in the absence of correlative data, but some leads could be followed, such as the ratio between the number of nationalized and restituted buildings or the inclination of owners, be they public or private, to employ bailiffs in lieu of other instruments. In addition, it must be specified that this data does not give us effective access to the numerical difference between evictions initiated by public and private owners. Considering the reduced formal rights of tenants in Romania, as well as the generalized practice of non-contract lease or non-registration of contracts, informal forced evictions from privately owned housing may even be the main form of operation.

We also learned from the information provided by the MoJ that the number of evictions through bailiffs slightly and gradually decreased until 2009, reaching approximately 800 per year, subsequently ascending to about 1300 in 2017. From the same source we also learn that the vast majority of actions were carried out in the presence of law enforcement, thus supporting the hypothesis that inhabitants occupied the house until the last moment, due to the lack of alternatives.

Media monitoring brought several types of information. On the one hand, we identified cases that did not emerge from the reports of the public authorities. On the other hand, it sometimes added information regarding the housing situation, the risks of eviction, as well as how the procedure was carried out and the subsequent fate of the inhabitants. Monitoring also shows that there are frequent fires and degradations of social housing blocks. Evictions from vacant land or abandoned buildings are also mentioned by the press. From the accounts it appears that social assistance departments are often not present, the actions being led by the municipal police and the local police. In such cases, alternative housing solutions are rooted in the absence of any contractual relationships. Many families who were evicted from such locations had already experienced an eviction. The municipality of Piatra Neamț reports a high number of evictions (201) and the press information completes the data: in 2012, 500 people were evicted from Muncii street and were displaced in the Văleni 2 area, 7 km from the center, across the deindustrialized area and a river. If the spaces from which the people were evicted were not under the administration of S.C. Locativserv S.R.L, the company delegated by the local council with this task, then they did not enter the count.

The role of the media in othering and racializing people at risk of eviction cannot be sufficiently emphasized. In many accounts, the act is transformed into a grotesque spectacle of the punishment of the "horde" or "șatra", derogatory terms meant to support alterization through allusions to a Roma nomadic lifestyle. Their contribution to the production of an atmosphere of evictability is certain. Media selection of cases in this sense is obvious, the situations in which the procedure is carried out without conflict and/or without targeting "problem" populations being rather an unattractive banality for reporting in the press. We can presume that the intense racialization of tenants occupying nationalized housing, including through the media, served as catalyst for informally led evictions, because many tenants felt that their legal and social rights to housing would not be defended when pressure for restitution was overwhelming.

For the 2008-2017 period, almost 1700 evictions attended by representatives of municipalities were reported to us by the top 20 of the 184 cities and municipalities that responded to the requests of information from the

existing 320. At the top is Galaţi with 590 evictions, followed by Piatra Neamţ with 201, Bacău with 156, Brăila with 151 and Alba Iulia with 71. Bucharest City Hall did not transmit the data, but we received responses from 36 out of 41 county residences.

In some localities, the number of cases reported by the press was higher than the one transmitted by local administrations. For example, around 100 families were evicted between 2011-2015, from the neighborhood of workers' barracks built by Antrepriza de Construcţii Hidrotehnice in Târgu Jiu in 1985, yet the local administration did not mention them. And in Satu Mare, the social assistance service mentioned the case of only one person in 2016, while the press described two group evictions from informal housing in 2010-2011 from the Ostrov area, in the presence of representatives of the municipality.

Table 3.

Evictions reported by Romanian municipalities between 2008-2017

Rank	City	Number of reported evictions between 2008-2017
1	Galaţi	590
2	Piatra-Neamţ	201
3	Bacău	156
4	Brăila	151
5	Alba Iulia	71
6	Orăştie	64
7	Deva	59
8	Focsani	55
9	Bistriţa	50
10	Râmnicu Vâlcea	45
11	Călăraşi	41
12	Ploiesti	38
13	Topliţa	33

Rank	City	Number of reported evictions between 2008-2017
14	Târgu Mureș	27
15	Moinești	20
16	Oradea	19
17	Drobeta T-S	17
18	Pitești	17
19	Alexandria	14
20	Giurgiu	14
Total		**1682**

Data source: Public administrations 'answers to public information requests

Lastly, some other data covering the national scale focusing on the recent period indicates that evictions are the modus operandi when managing debtors. Evictions were suspended during the state of emergency, between March 15 and May 15, 2020. In November 2020, I discovered through the official just.ro portal that between March and November, the initiation of evictions was interrupted neither by public, nor private owners. Focusing on the public ones, I identified more than 50 court actions of the Public Utility Service for the Administration of Housing Funds and Cemeteries in Brăila, a city that was already in the top of the reported evictions. The service explained over the phone that this is a strategy aimed at pressing debtors to pay. In Piatra Neamț, S.C. Locativserv S.R.L. had over 70 lawsuits filed, confirmed by phone. In Eforie there were more than 30 cases, without confirmation, and in Bucharest approximately 50 cases, but in the last case it was unclear how many of these were from homes and how many from spaces with another destination. The Common Front for the Right to Housing signalled in the fall of 2020 the preparation by the Bucharest administration of several eviction actions. In Orșova, the Social Assistance Directorate itself was the initiator of the procedure for several homes. The court action was also present in Călărași, where 25 homes were targeted, and it was mentioned on the phone that it was an atypical situation, because the effect of an allocation decision by the local council had been annulled by the court.

Evictions in Cluj-Napoca

To reveal the scale of the evictions in the city, we have put together several sources of information. A concrete number is impossible to find out, due to the lack of organized recording. In addition, some sources are based on eviction decisions, so it is unclear how many of them were carried out, while others are based on the recording of those carried out. In addition to these, there are numerous testimonies of evictions reported by displaced persons. Here the section focuses on the experiences of the Roma who came to live in the Pata Rât area after successive displacements.

When asked for public information, the direction of social assistance Cluj-Napoca did not communicate the number of evictions in which representatives of the department participated, focusing on the presentation of solutions offered to the evictees. Thus, the quantitative data comes from two sources. According to Bailiffs Union reports to the Ministry of Justice, 1051 forced evictions were carried out in Cluj County between 2001 and 2018. The number of evictions carried out by bailiffs puts Cluj county in the 5th place out of the 37 responses by county in the country. Of these, 802 were carried out with the support of law enforcement, so just over three quarters of the total. In the archive of the Cluj-Napoca Local Council, we have identified approximately 800 eviction decisions in the period 1990-1993, presented in detail below.

Data obtained from discussions with interviewees come from several sources. Most of them emerged from discussions with residents of the Pata Rât area, during the preparation of social housing applications. The residential history was relevant because certain situations could bring additional points if supporting documents could be produced, but they were also part of the memoranda attached to the applications, in order to request points for force majeure. Towards the end of the research period, I had in depth discussions with fellow activists with histories of eviction, in order to clarify both personal routes and possible housing trends before and after 1989. Other complementary data come from the book Pata (Dohotaru et al 2015) and the Dislocations[6] project of the Desire Foundation. The corroboration of all the data will lead to the outline of a periodization of evictions.

Roma displacement and evictions before 1990 in Cluj-Napoca

The testimonies start their narratives in the 1950s. For example, Ernest Creta, evicted from Costei Street in 2010, describes his series of displacements:

[6] https://antievictionmap.maps.arcgis.com/apps/MapJournal/index.html?appid=94df7dbac98649ff97e3e5729dd2be3e (accessed in June 2022)

> I was born on the seventh of February 1951. I was born here in Cluj, on Bufniței Street, in Iris. From there, they moved us from Iris in 1963, on the third of May. 360 families were there. We were a very large Roma neighborhood and when they moved us from there, they moved us to several locations. We went through Valea Seacă, then on Dâmbul Rotund, on Busuiocului, on Popești street, they also moved us to Timișului street, in Someșeni, they moved us between Bârc, also in Someșeni, and then they moved us to Borhanci. And from there to Între Lacuri, and next to the CUG enterprise. Now it's gone, the houses from the old days where they moved us are nowhere (Dohotaru et al, 2016:168)

Later, Creta received allocation in Mănăștur district, but sold the apartment to pay for the child's medical treatment (id. 169). The case is not singular, and several other people who ended up living on Coastei street lived before 1989 in the Mănăștur neighborhood in their parents' apartments, who were tenants in public housing. In another case, a person's father lost his apartment to a loan shark scam. And other people lost their apartments as a result of the early 1990s Caritas Ponzi scheme.

Linda, the colleague from Căși Sociale ACUM, who shares some of the experiences of Creta, tells the story of her family's journey through the city, starting in 1979, just three years before she was born.

Table 4.

Housing trajectory of Linda in Cluj

Year	**Area**	**Reason / type of movement**
1979	Dâmbu Rotund	
1983	Paul Chinezu	Abusive entrance in unoccupied housing
1984	Byron	Abusive entrance in unoccupied housing
1985	Aurel Vlaicu	Allocation of state fund housing
1992	Coastei	Sale of Vlaicu apartment - impossibility of utility payment
2010	Modulare - Pata Rât	Eviction
2017	Apartment in the city through the Pata Cluj project	Allocation of housing for Pata Rât inhabitants through a Norwegian state backed project

Data source: personal account of Linda Greta Sziga

Occupying empty houses was a common practice, according to Linda and other evicted people. After identifying a house suitable for occupations and settling in, within a few months, the new tenants were given a calculation sheet by the municipal housing company, implying a degree of formalization. Later, if they were employed, the calculation sheet was renewed every six months or even a contract was signed. On this point, there are two accounts on the matter, as the interviewed bailiff insisted that the calculation sheet was the first step towards eviction. Nevertheless, according to multiple accounts, the practice selectively continued in the first part of the 1990s. It is certain that this method remained alive in the memory of those who came to live in Pata Rât after being evicted. Most of the employees in Pata Rât work in the field of public cleaning, thus getting to know the city in detail, including the buildings that are unoccupied. They often expressed interest in obtaining a direct allocation of an abandoned home. During interviews, both the aforementioned bailiff, and the last director of Grupul Întreprinderilor de Gospodărie Comunală și Locativă Cluj (en. the Group of Enterprises for Communal and Housing Management Cluj) indicated that most families who reached the final phase of eviction-cum-relocation were Roma families with numerous children, who encountered difficulties in paying housing expenses.

Normalization of forced evictions in the early 1990s

The quantitative description of evictions since the early 1990s comes from two sources. After consulting the archive of the Cluj-Napoca Local Council, I obtained access to almost 9000 of the Decisions of the Executive Committee between January 1990 and August 1993. Most of them have as their object the allocation of land for the inhabitants, probably those who only owned the houses, not the land under the building. The second source is the activity report of the RAAIFL - Regia Autonomă de Administrare și Întreținere a Fondului Locativ (en. Autonomous Agency for the Administration and Maintenance of Housing Fund) to the Local Council attached to Local Council Decision from June 27, 1992. After presenting the current housing stock and activities, the report indicates the existence of a housing need, which is unsatisfied :

> In this field of activity, the lack of living spaces, and their high value on the market, pushes the population to all kinds of maneuvers by which they can occupy a state-funded home.

The described effects are: occupation of homes without legal forms, sometimes with the concurrence of block administrators; non-compliance with the legal provisions regarding the housing norm, followed by the rejection of the documents by the agency; unapproved apartment exchanges to obtain material benefits; abandoning the apartment by moving abroad or to other localities for more than six months without informing the agency. The situations resulted in court action, but some lawsuits were lost by the agency because the block administrators modified their statements; and in other cases the experts who carried out severance of joint tenancy favored individuals. Moreover, between 1990-1991, there were situations where an apartment was allocated to two or more families, which resulted in complaints and contract cancellations. All this led the agency to initiate a general inspection of the situations of each apartment, through field visits, starting on March 20, 1992. In just two months, they had checked almost 20 thousand apartments.

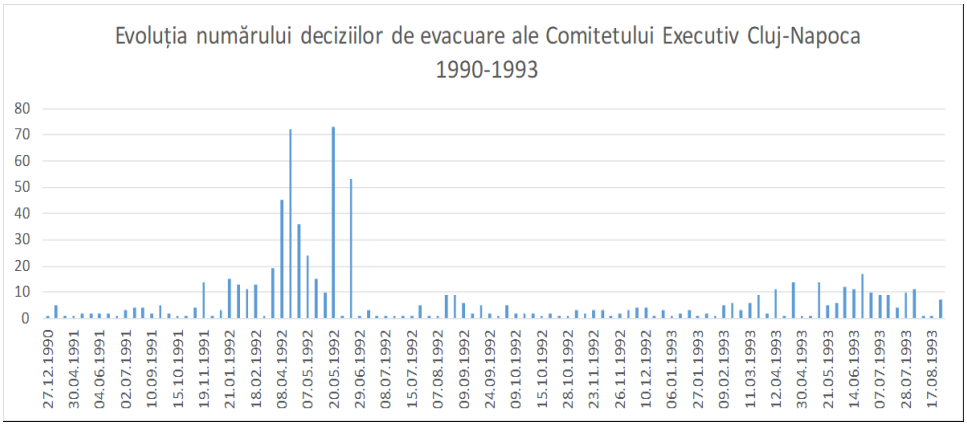
Following the inspection, the agency discovered 430 cases of "abusives" for which administrative eviction was initiated. The discovery of the cases was achieved not only by checking the contracts, but also following the citizens' hearings at the mayor's office, local council and directorate, as well as notifications from citizens and tenants' associations. The report indicates 436 administrative eviction decisions, of which 156 had already been carried out. To cope with the workload, the number of bailiffs was doubled from two to four, but the pace was slow, with evictions averaging four a day. The relation between administrative evictions and bailiffs is not detailed. Other reported problems are:

> the lack of storage spaces for the goods of the evictees, the assault of our staff by the evictees, the recovery of the expenses caused by the eviction (approx. 10,000 lei/eviction), which we can only do through the courts

The decisions of the Executive Committee of Cluj-Napoca appear to contain each of these situations. For the period 1990-1993 there are a number of 799 decisions, not including here the situations where reference was made to evacuation of property following a tenant's death. As of July 14, 1992, evictions are referred to as "administrative evictions,". They are cataloged as belonging to Biroul Spaţiu Locativ (en. the Housing Space Bureau)

Table 5.

Evolution of the number of eviction decisions by the Executive Committee of Cluj-Napoca 1990-1993



Data source: consultation of public records of Cluj-Napoca City Administration

The first mentioned case was decided at the very end of 1990, on December 27. In 1991, 57 evictions were decided. In some days, between 1-5 evictions occured, until November 19, when 14 were listed. The intensification of the procedure appears in that month, then continues in the first half of 1992, with a maximum of 74 on April 14. The increase coincides with the installation of the first Local Council and the mayor Gheorghe Funar. More than 400 decisions were taken in those first six months, after which 95 decisions appeared over the course of the second half of the year. Between July 1992 and the beginning of April 1993, a total of over 130 decisions on the topic appeared, so that in the next five months, until August 1993, the procedure will intensify again, with over 150 decisions. The chronology of these decisions confirms the situation in the RAAIFL report: after the initiation of the general inspection by the agency on March 20, 1992, a steep increase followed, accumulating 329 decisions between April 8 and June 22.

The decisions indicate in almost all cases the name of the holders as well as the addresses. Thus, they reveal how some areas in the city have become the focus of the administration's attention. The center, Mănăștur, Gheorgheni, Între Lacuri, and Iris districts contain the most buildings for which decisions were made. The initial hypothesis was that, in the context in which restitution claims were already being formulated, they would have been the main consideration for evictions. However, the decisions of the Executive Committee indicate the existence of other large areas of interest, including socialist districts. The Mănăștur

neighborhood, finalized in the 1980s, had the following streets targeted: Bucegi, Grigore Alexandrescu, Mehedinţi, Parâng, Aleea Peana; then the outer limit of the Gheorgheni district: Alverna, Lăcrămioarelor, Albac, Răşinari, Muncitorilor; and the Expo Transilvania area: Dâmboviței, Cojocnei, Răsăritului streets. At first glance, in addition to the old buildings in the central areas, the scope of which is not clearly connected with the restitution process, the buildings of low comfort blocks, including workers hostels, seem to represent a high proportion of the total. A more precise understanding of the situation of the buildings and the tenants who were the target of the decisions requires in itself another research approach that explores the types of allocations to enterprises and the situation of these units in the first years after 1989.

Table 6.

Streets with the highest numbers of eviction decisions by the Cluj-Napoca Executive Committee between 1990 - august 1993

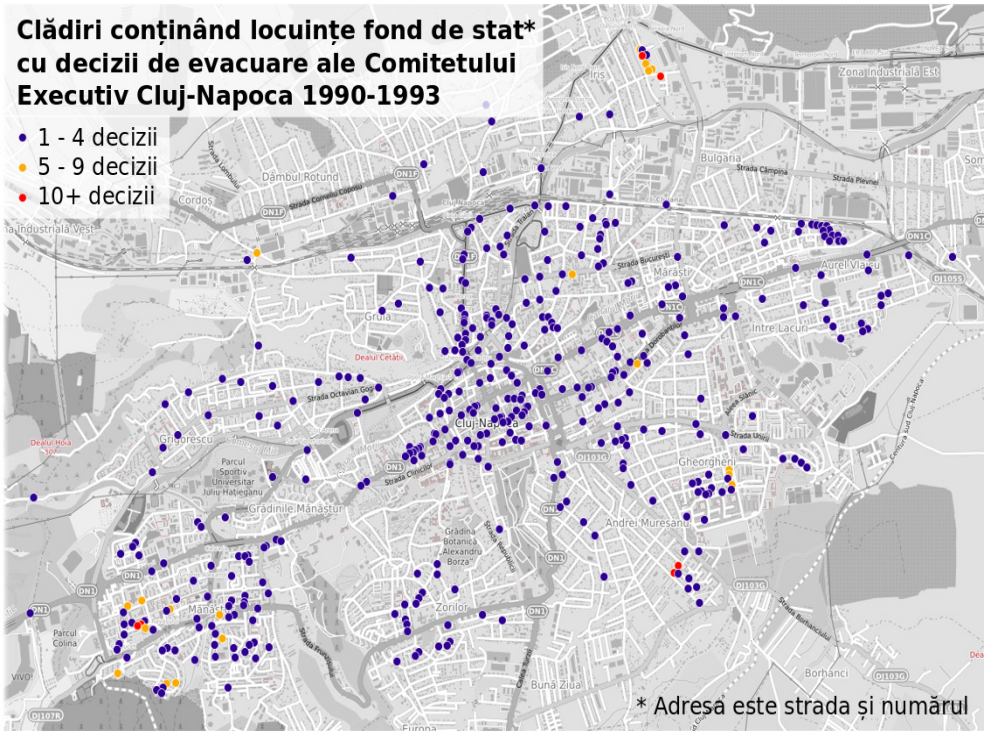
Nr. crt.	Street	Neighborhood	No. of eviction decisions
1	Gîrbău	Mănăştur	47
2	G. G. Byron	Iris	42
3	Lăcrămioarelor	Gheorgheni	29
4	Calea Moților	Centru	29
5	Horea	Centru	27
6	Calea Dorobanţilor	Centru	23
7	21 Decembrie	Centru	19
8	Albac	Gheorgheni	17
9	Bd Eroilor	Centru	17
10	Mehedinţi	Mănăştur	16
11	Peana	Mănăştur	14
12	Bucegi	Mănăştur	13
13	Răsăritului	Între Lacuri	13
14	Parâng	Mănăştur	11

Nr. crt.	Street	Neighborhood	No. of eviction decisions
15	Sobarilor	Iris	11
16	Traian	Centru	11
17	Alverna	Gheorgheni	10
18	Cojocnei	Între Lacuri	10
19	Dostoievski	Gheorgheni	10
20	Liviu Rebreanu	Gheorgheni	9

Data source: author's calculations

Figure 1.

Map of buildings containing public housing with eviction decisions issued by the Cluj-Napoca Executive Committee between 1990 - august 1993



Map source: map realized together with Bence Schneider.

Although the numbers discussed above already paint a clear picture of the process, the scale seems to have been even larger. When confronted with the data, a bailiff who was in charge in the late 1980s with compiling data on empty apartments, stated that the number was much higher, as there were approximately three thousand empty apartments in the city in 1989 who were soon taken over by people. Most post-1989 evictions, he asserted, had been carried out without meeting the legal requirements.

Phases of Roma evictions in Cluj after 1990

Numerous people were pushed into a cycle of evictions beginning in the early 1990s. What we know to a greater extent is the situation of the Roma who arrived, often following successive evictions, in the Pata Rât area, an informal housing area next to the landfill, inhabited by 1,500 people. For example, tenants on Byron street, who can be found in the Decisions of the Executive Committee for the year 1992. In some cases, restitutions and the lack of provision of alternatives by the state determined their trajectory to Pata Rât. In others, the lack of possibilities to pay utility costs. Some people also describe how the Caritas Ponzi scheme drew them into a debt spiral culminating in losing their home. These situations apply to those who had a home in their possession. But the following generations, deprived of this advantage, had no other solution available than to informally extend their parents' home, where possible. Thus, both them and their parents, as contract holders, were at risk of eviction. The risk materialized in some cases, but not in all. If for those who had a lease contract for a state-owned home, the risk was major, for homeowners it is considerably reduced, even if not eliminated. Linda tells that at the beginning of the 1990s, more than 20 Roma families lived in the new blocks on Aurel Vlaicu Street; only one family lives there today. Numerous other Roma families who owned apartments in "Groapă", the Molnar Piuariu - Expo Transilvania area, were gradually evicted.

In the **first phase**, the evictions seem to be aimed at holders of contracts expired before 1990 or at post-1989 illegal occupants of empty apartments. Ethnic differentiation is less pronounced, according to sources, as well as in comparison with the later periods. In 1995, the local council enacts[7] a form of municipality compensation in the case of abusive occupation of homes, premises and land. The normalization of the situation took place in order to "stop and remove this phenomenon of illegal occupation of state-owned buildings", the eviction being the next step established by the action. The motivation came:

[7] LCD 231/1995

> as a result of the acute crisis of spaces for carrying out some production activities, commercial but especially as living spaces, lately they are increasingly frequently occupied by different people who have not been assigned and do not meet the legal conditions of occupation.

In the **second phase**, group evictions occur, many of them following the initial loss of housing. In the series of seven interviews "Dislocations", conducted by a Desire Foundation team in 2016[8], residents of the Cantonului area of Pata Rât recount their journeys of living in the city and how they were evicted. The routes pass through several points in the city, including block bunkers in Mănăştur neighborhood or vacant lots, under the guidance of the local administration, with the contribution of other actors who own real estate.

The case of Maria's family, a colleague from Căşi Sociale ACUM, is another example of an eviction route. Her family was evicted from Moţilor Street in 1998, together with other families. Mayor Gheorghe Funar hastened the evictions, telling them that day that "What the mayor's office failed to do in 10 years, I did in 24 hours!". The motivation was that the respective homes were eliminated from the housing stock because they were falling apart, but the family says that they did not have a problem from this point of view during the five years they lived there.

> With us in the house, he took down the walls. We only had the fişa de calcul (en. housing calculation sheet). We woke up with them one morning that they were evicting. I said we don't have time. Just one available day. There had been no previous threat, notice, summons. During that time people were waiting for the contract to be made. They only came with the demolition team and representatives from the town hall, there was no police.

The mayor sent them to submit social housing applications, but when they went to the city hall, they were not received or excuses were found for not supporting the initiative. Some evictees from the Moţilor area ended up living on Cantonului Street, and others in the Dallas or Meşterul Manole Street. Maria's mother tells that "Funar completed the plan that others did. For him it was a victory," concluding that he carried out most of the evictions. Others were started nearby, in the area of Între Ape and Ilie Măcelaru Street.

[8] https://www.desire-ro.eu/?cat=119 (accessed in June 2022)

Maria's family later moved to Sobarilor Street, in the block that later came into the possession of the Prison Fellowship Foundation, becoming an accommodation center for marginalized people. After staying in that block, they built makeshift homes 20 meters away with six other families. Furthermore, they lived for a month near the Colectiviştilor bridge, in the vicinity of the current headquarters of the Emerson company, and were then moved by the city hall to Cantonului street, on the land where the current headquarters of the Romanian Post is located. Maria underlines that following the evictions, many people became seriously ill, depression and alcoholism appeared, or families were split up, including because the child protection service took away children of the evicted families, if they ended up begging with them, accusing parents from child abuse. In addition, families with more children were better seen by the municipality, and they received increased support. Thus, if the service took the children, the level of obligations towards the families also decreased.

I will briefly mention other cases of group eviction. The OPID block in Someşeni, located at the intersection of Orăştiei and Cornului streets, was almost empty and was partially occupied by families, having been evicted in 1999 by the mayor's office. Other families built makeshift homes on Kővári Street near the train station, on railroad company land, where they lived for a few years until they were evicted by the mayor's office in 2006. Another mass eviction took place on Taberei 4 street in Mănăştur district, where 40 families occupied in the fall of 1998 a worker hostel belonging to the former county Constructions Trust. In the following spring, the police and special forces were present at the action, according to the bailiff who conducted the action. The same bailiff recounted other two mass evictions from worker hostels later turned into hotels, such as the Onyx Hotel on Septimiu Albini street. On Calea Turzii no. 14, close to Cipariu Square, there were some old houses where several families moved in, later evicted by the municipality. Some of them moved to Casa Călăului, a building on Avram Iancu street, also abandoned, from where they were again evicted and led by the authorities to Cantonului street in Pata Rât, following a fire in 2002. In the area of Avram Iancu street 32-34 three families who "worked the brooms all their lives", with formal lease and no arrears suffered the same fate, after the building was left in disrepair.

NATO block on Albac street no. 21, converted into a social housing block in 2012, was another target of group eviction in 2001 involving dozens of families. A person who lived there recounted that his recently divorced mother and him moved in in 1993. At that time, the block was in good condition, and the tenants had contracts with the town hall. They moved into a vacant studio apartment, paying a direct contribution to the block administrator. Gradually, because of neglect, the block deteriorated, the water pipes broke, and later the

access to electricity was cut off. Those who had contracts left, meanwhile other unhoused people moved in. The city hall limited their occupation to the 1st floor, installing iron grills to block access to the other floors, but gradually other homeless people occupied the other floors. The family was moved by the city hall to the "Mănăștur bunkers" on Grigore Alexandrescu str., then to Cantonului str. in 2004.

The last notable eviction from the second phase is of the 74 families on Coastei Street in December 2010. Legally, there were two buildings with 16 leased apartments on the site. The third module was a car workshop that was dismantled in 1991, having several rooms that the residents later converted into housing. A complaint[9] made by the neighbors of the residents on Coastei street, filed at the Local Council, describes the fires that have occurred in the area, which endanger their homes, as well as that "late in the evening these individuals also hang around on Inău street, hoping to complete their already questionable revenues through the theft of some goods from our yards". Recalling a similar address sent in 2003, the group explicitly and pointedly demands that the residents of the area be subjected to a "much more rigorous new control", also describing the steps of legalization and verification of contracts, explicitly demanding that those living illegally be evicted. In a statement, the mayor Apostu argued that:

> the eviction from Coastei street was done due to the fact that the way of life caused extremely many controversies for the residents of the area and for the companies in the area and for everything that meant the city[10].

In the **third phase**, starting in 2011, the evictions from the state housing fund continue, but they have a refined legal format and target distinct apartments. The case of Meșterul Manole 2 of 2018 is suggestive in this sense, because among the families occupying the 12 apartments, most were at risk of eviction, but only one family had then reached this phase. Probably, on the one hand, the protest actions of the local activist groups, initiated on the occasion of the 2010 Coastei eviction, intensified later and complemented by the advocacy to ensure the right to housing, had an impact in this direction. On the other hand, the ambitions of the European magnet city of the local administration have led

[9] City Hall registration number 106108/3/13.06.2008

[10] https://gazetadecluj.ro/teologii-se-muta-pe-coastei-mai-aproape-de-inima-consilierilor/ (accessed in July 2022)

to increased attention to the topic, to avoid accusations of human rights violations. The city's application for the title of European Capital of Culture 2021, prepared in 2016, is telling in this regard. It promised community reconciliation and the rediscovery of a European route, the main concept, "East of West", being also declared to be inclusive (Cluj-Napoca Association 2021, 2016). In an analysis of the context of the candidacy, I argued that a tentative solution was declared to offer cultural justice to social injustice (Zamfir, 2016). The structure of the candidacy contained significant elements of cultural recognition of the Roma from the Pata Rât area. So new eviction initiatives would have come in apparent contradiction, the mass-media already exerting considerable pressure on the role of these elements. In addition, the number of evictions has naturally reduced, as the informal settlement areas in the central spaces of the city have already been reduced previously. The pressure was concentrated on those areas of high interest for real estate developers, such as Piața Abator.

Simultaneously, the evictability of people displaced in the Cantonului - Pata Rât area continued. In the case of modular homes where a part of the Coastei families were improperly rehoused in 2010, some received eviction decisions in 2021. And in the Cantonului area, the fear of eviction dominates, initially materialized by the lawsuit opened by the National Railroad Company against them in 2011 for occupying unused tracks, later on continuing with the 2020 plans to prepare the area for the metropolitan train. And regarding the evictions from the new social housing, a tenant describes in 2021 that *"there are no more gypsies here in the blocks of Timișului Blajului, only in a block on the edge. They probably didn't pay."*

Concluding remarks

Privatization has been pointed out as a major determinant of increased housing insecurity, yet evictions have enjoyed only limited attention as a tool of reshaping urban populations. The actual magnitude of the practice can only be approximated, because the nature of the process renders part of it illegible. Informal and illegal types are reported at best by the media or researchers. Crucially, the extent of administrative evictions, a favored municipal eviction tool, is as elusive as it is legally questionable. While forced evictions have been present in public discourse and academic literature, it can paradoxically be regarded as a hidden phenomenon of postsocialism: structured data had been scarce at best.

Following several research projects and ongoing housing activist work, this article presented data on the scale of forced evictions. Based on the data supplied by the Ministry of Justice, corroborated with archival data focused on the city of Cluj-Napoca, and answers from multiple municipalities to public requests of information, the number of forced evictions in the 1990-2020 can be estimated at least 100 thousand. It also presented data on a case study, the city of Cluj-Napoca, which supports the estimation. Moreover, the data on early 1990s Cluj indicates a rapid naturalization of evictions as the normal postsocialist housing management instrument. The scale of the process indicates that postsocialist gentrification has been actively induced through brute force.

Evictions in the 1980s in many cases actually represented relocation. Thus, it was a means of subjecting inhabitants, mostly Roma families, to a dramatic episode, in order to pressure them to acquiesce to the dual system of housing-employment. After 1989, evictions turned into a means of expulsion from a reassembled social body, which further supported a systemic deranking in both housing and employment terms. As an intrinsic racial project, property restitution fueled post-socialist Roma subordination, generally contributing to other types of housing displacement throughout the assembling of the capitalist real estate market.

REFERENCES

Aalbers, Manuel B. and Brett, Christophers (2014). "Centering housing in political economy". *Housing, theory and society,* Vol 31(4):373-394

Álvarez de Andrés, Eva; María José Zapata Campos; Patrik Zapata (2014). "Stop the evictions! The diffusion of networked social movements and the emergence of a hybrid space: The case of the Spanish Mortgage Victims Group". *Habitat International*, Vol 46:252-259

Baker, Alexander G. (2017). "Bailiffs at the door: work, power, and resistance in eviction enforcement". In Brickell, Katherine, Melissa Fernández Arrigoitia şi Alex Vasudevan (eds.) *Geographies of Forced Eviction: Dispossession, Violence, Resistance*. London: Palgrave Macmillan UK

Baker, Alexander (2020). "From Eviction to Evicting: Rethinking the Technologies, Lives and Power Sustaining Displacement." *Progress in Human Geography* (online first)

Bhan, Gautam (2009). "This is no longer the city I once knew". Evictions, the urban poor and the right to the city in millennial Delhi". *Environment & Urbanization,* Vol 21(1): 127–142

Blocul pentru Locuire (2019). *Raport asupra evacuărilor forţate din România petrecute în perioada 2008-2017*. (en. Report on forced evictions in Romania in the 2008-2017 period). Available at: https://bloculpentrulocuire.ro/2019/04/19/raport-asupra-evacuarilor-fortate-2008-2017/

Chelcea, Liviu (2003). "Ancestors, Domestic Groups, and the Socialist State: Housing Nationalization and Restitution in Romania." *Comparative Studies in Society and History* 45, no. 04 (2003): 714–40

Chelcea, Liviu, Raluca Popescu, and Darie Cristea (2015). "Who Are the Gentrifiers and How Do They Change Central City Neighbourhoods? Privatization, Commodification, and Gentrification in Bucharest." *Geografie* 120, no. 2: 113–33

Comănescu, Ioan; Dinu, Demetrescu, Ioan Mihuţă (1985). *Legislaţia locativă pe înţelesul tuturor.* Editura Politică

Cooper, Vickie; Kirsteen, Paton (2019). "Accumulation by Repossession: The Political Economy of Evictions under Austerity". *Urban Geography* (online first)

Dan, Adrian-Nicolae; Mariana, Dan (2004). „Persoanele fără adăpost din România - o estimare a numărului acestora". *Revista Calitatea Vieţii* 16, no. 1–2 (2004): 101–22

Dan, Adrian-Nicolae (2018). "Homelessness Prevention in the Context of Evictions in Romania." *Sociology and Social Work Review* Vol 1:6-29

Dohotaru, Adrian; Hajnalka Harbula; Enikő Vincze (eds.) (2015). Pata. Cluj-Napoca: Efes

Gerull, Susanne (2014). "Evictions Due to Rent Arrears: A Comparative Analysis of Evictions in Fourteen Countries." *Part B* Vol 8(2):19

Hartman, Chester; David, Robinson (2003). "Evictions: The Hidden Housing Problem." *Housing Policy Debate* Vol 14(4):461–501

Lancione, Michele (2019). "The politics of embodied urban precarity: Roma people and the fight for housing in Bucharest, Romania". *Geoforum* Vol 101:182-191

Maharawal, Manissa M.; Erin, McElroy (2017). "The Anti-Eviction Mapping Project: Counter Mapping and Oral History toward Bay Area Housing Justice". *Annals of the American Association of Geographers* Vol 108(2):380-389

Nelson, Kyle (2019). "The Microfoundations of Bureaucratic Outcomes: Causes and Consequences of Interpretive Disjuncture in Eviction Cases". *Social Problems* Vol 68(1):1-16

Pasti, Vladimir (2006). *Noul capitalism românesc*. Polirom: Iaşi

Paton, Kirsteen; Vickie, Cooper (2016). "It's the State, Stupid: 21st Gentrification and State-Led Evictions". *Sociological Research Online* Vol 21(3):1–7

Petrovici, Norbert (2012). "Workers and the City: Rethinking the Geographies of Power in Post-Socialist Urbanisation." *Urban Studies* 49, no. 11:2377–97

Popovici, Veda (2020). "Residences, restitutions and resistance - A radical housing movement's understanding of post-socialist property redistribution". *City - Analysis of Urban Change, Theory, Action* Vol 24(1-2):1-15

Porton, Adam; Ashley, Gromis; Matthew, Desmond (2020). "Inaccuracies in Eviction Records: Implications for Renters and Researchers." *Housing Policy Debate* (online first)

Romani Criss (2004). *Protecţia dreptului la locuinţă al romilor din România - Manual de educare privind legislaţia internaţională şi dreptul la o locuinţă adecvată*. Available at: https://tinyurl.com/6t2wub9t

Rughinis, Ana Cosima (2004). "Social Housing and Roma Residents in Romania,". Open Society Institute and Center for policy Studies, Central European University

Stan, Lavinia (2006). "The Roof over Our Heads: Property Restitution in Romania." *Journal of Communist Studies and Transition Politics* 22, no.2:180–205

Seymour, Eric; Joshua, Akers (2021). "Building the Eviction Economy: Speculation, Precarity, and Eviction in Detroit". *Urban Affairs Review* Vol 57(1):35–69

Soederberg, Susanne (2018). "Evictions: A Global Capitalist Phenomenon". *Development and Change* Vol 49(2):286-301

Swinkels, Rob (ed.) (2014). *Atlasul zonelor urbane marginalizate din România*. Washington: Banca Mondială.

Vincze, Enikő (2013). "Socio-Spatial Marginality of Roma as Form of Intersectional Injustice". *Studia Universitatis Babes-Bolyai Sociologia* Vol 58(2):217-242

Vincze, Enikő; George Iulian, Zamfir (2019). "Racialized housing unevenness in Cluj-Napoca under capitalist redevelopment". *City - Analysis of Urban Change, Theory, Action* Vol 23(4-5):2-22

van Baar, Huub. (2016). "Evictability and the Biopolitical Bordering of Europe". *Antipode* Vol 49(1):212-230

van Baar, Huub; Ana Ivasiuc, Regina Kreide (2019). "The European Roma and their securitization: Contexts, junctures, challenges". În van Baar, Huub; Ana Ivasiuc, Regina Kreide (eds) *The Securitization of the Roma in Europe*. Palgrave Macmillan, Cham

von Otter, Cecilia; Olof, Bäckman; Sten-Åke, Stenberg; Carin, Qvarfordt Eisenstein (2017). "Dynamics of Evictions: Results from a Swedish Database". *European Journal of Homelessness*. Vol 11(1):1-23

Vrăbiescu, Ioana (2017). "Non- and Dedocumenting Citizens in Romania." Focaal 2017(77):22–35

Wacquant, Loïc (2019). "Class, Ethnicity and State in the Making of Urban Marginality". In John Flint and Ryan Powell (eds.) *Class, Ethnicity and State in the Polarized Metropolis Putting Wacquant to Work*. Palgrave MacMillan, Cham

Watt, Paul (2018). " 'This Pain of Moving, Moving, Moving:' Evictions, Displacement and Logics of Expulsion in London." *L'Année Sociologique* Vol 68(1):67

Zamfir, George Iulian (2016). „Cluj Capitală Culturală sau justiţie culturală ca răspuns la injustiţii sociale?". Gazeta de Artă Politică. Available at: http://artapolitica.ro/2016/11/13/clujcapitala-culturala-sau-justitie-culturala-ca-solutie-la-injustitii-sociale/

Zamfirescu, Irina; Liviu, Chelcea (2020). "Evictions as infrastructural events". *Urban Geography* (online first)

Zoon, Ina, and Mark Norman Templeton (2001). *On the Margins: Roma and Public Services in Romania, Bulgaria, and Macedonia: With a Supplement on Housing in the Czech Republic*. New York: Open Society Institute

sciendo

STUDIA UBB SOCIOLOGIA, 67 (LXVII), 1, 2022, pp. 69-84
DOI: 10.2478/subbs-2022-0003

FURTHERING SOCIAL JUSTICE FOR DISABLED PEOPLE. A FRAMEWORK BASED ON AMARTYA SEN'S CAPABILITY APPROACH

ZOLTÁN BAJMÓCY[1], BARBARA MIHÓK[2], JUDIT GÉBERT[3]

Article history: Received 9 April 2021; Revised 12 May 2022; Accepted 1 June 2022; Available online 10 August 2022; Available print 30 September 2022.

ABSTRACT. Understanding disability as a social phenomenon opened up the way for disability studies and social justice theories to mutually benefit from each other. One of the most significant recent advancements in the field of social justice has been the capability approach (CA) of Amartya Sen. The present paper builds on the CA to analyse disability form a social justice perspective. We argue that the CA provides several advantages when conceptualizing disability and furthering justice for disabled people. The objective of the paper is to develop a framework for analysis on the basis of the CA and to apply it through the case of D/deaf and hard-of-hearing children and their carers in Szeged, Hungary. We demonstrate that the advancement of justice occurs through the scrutiny and comparison of feasible alternatives instead of arguing for principles or institutional guarantees of perfectly just societies.

Keywords: disability, social justice, capability approach, D/deaf and hard-of-hearing.

Introduction[4]

Disability is understood today as a social phenomenon, instead of being an individual characteristic. It emerges from the mismatch between certain

[1] University of Szeged, Faculty of Economics and Business Administration Research Centre, Hungary; bajmocyz@eco.u-szeged.hu
[2] University of Szeged, Faculty of Economics and Business Administration Research Centre, Hungary; barbaramihok@gmail.com
[3] University of Szeged, Faculty of Economics and Business Administration Research Centre, Hungary; gebert.judit@eco.u-szeged.hu
[4] **FUNDING**: This work was supported by the European Union funded Hungarian Grant EFOP-3.6.1-16-2016-00008. **ACKNOWLEDGEMENTS**: The authors are grateful to Méreiné Berki Boglárka and Komáromi Katalin for their useful suggestions, and all the interviewees who shared their knowledge, experience, stories and emotions with us.

individual traits and the environment, which often takes the "average" as granted both in the physical design, and in the mind-sets.

Embracing the social aspects of disability opened up the ways for understanding disability in terms of social barriers, minority, culture or the relation between impairment and the environment (Oliver 1996, Goodley 2017). This naturally linked disability to the issue of social justice. It is widely argued and also statistically underpinned[5] that disabled citizens may not receive a fair share from the results of development, and have inadequate access to services or functions provided by the cities, towns and villages (e.g. jobs, education, healthcare, leisure time activities). Disabled citizens suffer from a dual disadvantage (Sen 2009): they have limited access to resources, and at the same time, they would often require more resources than the non-disabled people to be able to reach the same quality of life.

Arguments with regard to disability and social justice are not confined to distributional aspects. Disabled citizens may have limited ability to shape social choices. In addition, they experience various aspects of oppression: from exploitation and marginalization, through powerlessness, to cultural imperialism and even verbal and physical violence (Young, 1990; Imrie, 1996).

These forms of injustices are very often encoded into the design of the social institutions, the built environment or the technologies we use (e.g. Feenberg 1999; Sen 2009, Goodley 2017). Kitchin (1998) demonstrated that physical spaces are organized to keep disabled people 'in their place'. As Butler (1994: 368) formulated 'the blind live in a world built by and for the sighted'. Similarly, in connection with D/deaf[6] and hard-of-hearing people, Harold (2013: 846) argued that 'urban spaces were designed according to the needs of an assumed homogenous hearing public'.

The *capability approach* (CA) of the Nobel-laureate Amartya Sen (1999, 2009) and Martha Nussbaum (2000, 2006) is one of the most discussed advancements recently in the philosophy of justice. The original arguments of the CA are centred around human well-being and social choices. Their formulation in the CA is indispensable from the issue of social justice. This naturally led Sen to formulate his "Idea of Justice" (Sen 2009). This hallmarked the revival of the comparative tradition in the theories of justice, where the focus is on furthering justice (eliminating injustice) instead of depicting the rules of a perfectly just society.

[5] For example, the disability statistics of the Eurostat provide ample evidence for the disadvantages of disabled people in terms of employment, education, income situation, etc.

[6] D/deaf written in this way indicates the different understandings of deafness. Deaf (with capital D) refers to a linguistic and cultural minority group, while deaf (with lower case d) refers to a health condition (see e.g. Valentine and Skelton, 2003).

The present paper builds on the advancements the CA brought to the theories of social justice. We use the CA to understand how to further justice for disabled people, how to improve the lives disabled people can actually live. The objective of the paper is to develop a framework for analysis on the basis of the CA and to apply it through the case of D/deaf and hard-of-hearing children and their carers in Szeged, Hungary.

In Section 2. the paper explores the theoretical contributions of the CA to the idea of justice and to the conceptualization of disability. In Section 3. we describe the case and our methodology. Section 4. provides our results regarding the case of D/deaf and hard-of-hearing children and their carers. In Section 5. provides discussion and conclusions. We discuss how our empirical case highlighted certain advantages of the CA when studying disability compared to other theories of justice and other possible concepts of disability.

Disability and the capability approach

The *capability approach* is a 'broad normative framework for the evaluation and assessment of individual well-being and social arrangements, the design of policies, and proposals about social change in society' (Robeyns, 2005: 94). In contrast to other social studies that use multidimensional frameworks, the CA "offers the underpinnings of a multidimensional empirical analysis, and stresses to a far greater extent the need to integrate theory and practice, and to pay due attention to the philosophical foundations" (Robeyns, 2006: 371).

Hence, the CA provides a firm theoretical ground for the analysis of social justice, while putting direct attention on how well a life is going, and how could justice be practically advanced. The aim of Sen (2009: ix) in his '*Idea of justice*' is 'judging how to reduce injustice and advance justice, rather than aiming at the characterization of perfectly just societies'. Instead of the description of institutional settings, he is concerned with *actual social realizations*.

In the following, we demonstrate why it is important to focus on actual social realizations when examining justice and disability and what is the main added value of the CA in this respect. First, we focus on the contributions of the CA to the issue of social justice, then to the conceptualisation of disability.

Comparing actual social realizations

According to Sen (2009: 8), many of the contemporary theorists of justice (including Rawls, Dworkin, Gauthier and Nozik) "share the common aim of identifying just rules and institutions even though their identifications of these arrangements come in very different forms". Sen calls this approach *transcendental institutionalism*.

Instead of searching for perfect justice, Sen follows the tradition of *comparative approaches*. This approach also dates back to the age of Enlightenment. In the last century it was revived by Kenneth Arrow (1951) in the form of the social choice theory, which was followed by Sen's (1977, 1979, 1982) substantial contributions.

Sen (2009: 15) claims "if a theory of justice is to guide reasoned choice of policies, strategies or institutions, then the identification of fully just social arrangements is neither necessary nor sufficient". In his view the transcendental approach has both a feasibility problem (different arguments can be impartial and survive critical scrutiny and still lead to conflicting resolutions); and a redundancy problem (the identification of the best alternative is neither necessary nor sufficient for comparing feasible alternatives). So Sen argues for an approach that is based on *realization-focused comparison*. He does not state that institutions or rules would not be important. What he states is that it is *not enough* to confine attention to them when trying to advance justice (Sen 2009: 18):

> The need for an accomplishment-based understanding of justice is linked with the argument that justice cannot be indifferent to the lives that people can actually live. The importance of human lives, experiences and realizations cannot be supplanted by information about institutions that exist and the rules that operate.

This reverberates the call of Iris Young (1990: 15), who argues that "while distributive issues are crucial to a satisfactory conception of justice, it is a mistake to reduce social justice to distribution". In Sen's view oppression and domination may be institutionalised, but it is not enough to create just institutions to eliminate them. The presence of remediable injustice may be connected with behavioural transgressions and other factors rather than with institutional shortcomings (Sen, 2009).

The CA makes an important analytical distinction between means and ends, and provides a way to link means (e.g. institutions, rights, distribution) to actual social realizations. In the CA, when assessing how well a life is going, and comparing citizens in this respect, the attention is focused on people's *capabilities* (Sen, 1993, 1999). The capabilities are the valuable options people may choose to do or be. In other words, they are valuable 'doings and beings'[7] one has the freedom to achieve. Sen (1999) argues that people may have good reasons to value options they do not choose. The freedom to make decisions, to

[7] Valuable 'doings and beings' are called *functionings* in the capability approach (Sen, 1999). However, in present paper we do not use this term, since in disability studies it bears a different meaning (see WHO, 2001).

act as an agent is not just instrumentally important for well-being, but it is an element of well-being.

Suffering from injustice is associated with *capability deprivation*. When the set of capabilities shrinks, the person will be deprived of the freedom to achieve the valuable 'doings and beings' she aspires for. Capability deprivation technically means a decrease in the size of the capability set. But for the purpose of analysis and policy making, it is worth introduce the concept of *opportunity gaps* when thinking about capability deprivation (Biggeri and Ferrannini, 2014). Opportunity gaps are the 'doings and beings' someone values but unable to achieve.

In order to achieve their goals, people utilize various means (income, wealth, goods and services, rights, artefacts etc.). The concept of means in the CA is similar to Rawls' (1982) concept of primary goods. However, the CA does not focus on the fair distribution of means, but on people's ability to convert means into capabilities. Sen (1999) emphasises the diversity of people and contexts in this respect. The same set of means may lead to different levels of freedom for leading a valuable life, depending on personal and environmental factors.

This argument is conceptualised in the form of *conversion factors*. These factors are the links from means and institutional settings to ends and actual social realizations. They can be (Sen, 1999; Robeyns, 2005): personal (metabolism, impairment, illness, age, etc.); social (norms, accessibility and quality of public services, differences in relational perspectives, power relations, distribution within the family etc.); and environmental (how much resources one needs for heating, clothing, or for defence against natural disasters, etc.).

From disability to capabilities and opportunity gaps

Sen (1999, 2009) paved the way for understanding disability as capability deprivation, which provided a new impetus for the social conceptualization of disability. Yet, he did not theorize explicitly on disability. Another salient theorist of the CA, Martha Nussbaum (2006, 2009), has been much more active in this field. She argued that the capability approach performs better when addressing disability than other theories of justice (including Ralws' theory).

The CA appreciates several merits of former disability models, but argues they are *not sufficient* when trying to understand disability or designing policies in this field. By today, the study of disability has largely moved away from the traditional *medical model*. Here disability is a physical condition that is intrinsic to the individual and the result of the deviation from the 'normal' (Dubois and Trani, 2009). Contrary to this, in the *social model*, disability is not the attribute of the individual, but created by the social environment (Mitra, 2006). Here, society needs to be redesigned to include 'differently abled' people (Oliver, 1996).

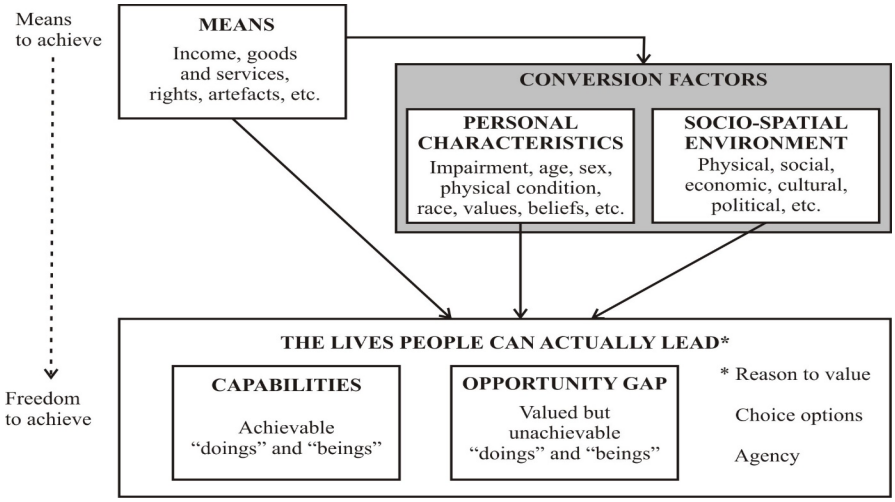
A further influential approach to disability was put forth by the World Health Organization as part of the International Classification of Functioning, Disability and Health *(ICF model)* (WHO 2001). In the ICF model, disability is a result of various individual and societal factors. Disability is an umbrella term here, which refers to impairments (problems with the structural and functional integrity of the body), limitations of activities (e.g. speaking, walking, driving, cooking) and restrictions in participating life situations (e.g. forming relationships, taking part in education, having a job). Disability is induced by health conditions; barriers imposed by the physical or the social environmental; and personal factors (e.g. age, gender, lifestyle, profession).

First attempts to highlight the added value of CA in the conceptualization of disability have already appeared in the literature (Mitra, 2006; Dubois and Trani, 2009; Trani et al., 2011). The CA is capable of encompassing several arguments of the social and the ICF models through the concept of the conversion factors. And it also shares the endeavour to focus attention on the lives people live. However, the CA is not primarily interested in the actual achievements of people, but their actual freedom to achieve. Having options to choose from, and thus having the freedom to act as agents and *lead* a life one has a reason to value, is vital for the CA.

Compared to other models of disability the CA calls for widening our attention and embrace further factors that are relevant for an analysis of social justice. We summarized the logic of a CA-based inquiry in Figure 1. by extending and rearranging the model put forth by Mitra (2006: 240).

Figure 1.

A framework for understanding (dis)ability in the capability approach



Data source: An extension and rearrangement of Mitra's (2006: 240) model

First, the CA takes the freedom to lead a valuable life as a point of departure. The lives of disabled people are assessed in terms of their *capabilities*. This embraces the freedom to achieve valuable 'doings and beings'; the freedom to choose from options and to act as an agent. This allows us to make a distinction between achievements and the freedom to achieve. Mitra (2006) referred to this distinction as actual versus potential disability. The identification of *opportunity gaps* helps to visualize the deprivation in capabilities.

In the CA, we must pay attention to what people actually value. People have different aspirations, and these aspirations interact with each other (for example the aspirations of disabled children and the aspirations of their parents). The focus on the opportunities and the importance of individual decision making are distinctive features of a CA-based conceptualisation of disability (Mitra, 2006; Trani et al., 2011).

Second, the CA urges us to assess the lives of people not with reference to their impairments, but their freedom to lead a life they have a reason to value. The former would over-emphasize opportunity gaps. For example, a hard-of-hearing child is probably deprived of several capabilities. But she may also be characterized by the fact that she likes building model airplanes or cooking or hiking. Furthermore, people without impairments may also suffer from capability deprivation that is associated to disability. For example, the single mother of an autistic or D/deaf child is quite likely to be deprived of capabilities, even though she cannot be characterized by any impairments.

As Mitra (2006: 242) points out, "there is a considerable interpersonal variation in the link between the given impairment and disability resulting from a variety of factors". It may be due to certain *personal characteristics*. For example, a constant severe pain may cause significant deprivation of capabilities (irrespective of any other social factors or the amount of possessed means). It can also be caused directly by the *socio-spatial environment*. For example, the negative attitude of the community may result in the loss of employment or friendships. And the *lack of means* also directly leads to capability deprivation. For example, the lack of a hearing aid for a hard-of-hearing person may certainly cause capability deprivation.

Third, the CA draws attention to the fact that access to the means does not necessarily imply the ability to achieve the aspired 'doings and beings'. Personal characteristics and the socio-spatial environment act as *conversion factors*, which may inhibit the person from utilizing his or her means. For example, the same amount of income may lead to huge differences in achievable 'doings and beings', if one is healthy, while the other must spend for medicines, treatments and therapies. Or the extent to which hearing impairment affects capabilities depends on several social factors (e.g. attitude towards D/deaf people, availability of financial support for assistive technologies, prevalence of sign language).

This implies that in order to eliminate capability deprivation, we need to understand and consider the peculiar interactions between the means, the conversion factors and the aspirations of a person; and we need to be aware of the diversity of people and contexts.

Case description and methodology

In the following we apply the capability approach-based framework (depicted in Figure 1.) to demonstrate the potential merits of a CA-based analysis in connection with justice and disability. We illustrate our arguments through the case of D/deaf and hard-of-hearing children and their carers in a middle-sized city of Hungary.

In the beginning of 2018, we established cooperation with a special school in Szeged, Hungary. The school is specialised in the education of D/deaf and hard-of-hearing children, but it also accepts children with various further forms of special needs. It provides education on three levels: kindergarten, primary school and vocational training (for children aged 3 to 23)[8]. It operates both in residential (boarding) and non-residential forms.

We carried out a multi-step qualitative analysis also containing participatory elements during a 16 months' period. In the first step, we carried out 16 semi-structured interviews with teachers and parents of children attending the special school. We had 11 female and 7 male interviewees (in two cases both parents were present). In the second step, we summarized the main results of the interviews in the form of a concise accessible report and a poster. We distributed them amongst the teachers of the school and the parents, exhibited the poster in the school, and asked for feedbacks. In the third step, we organized three workshops with teachers in order to validate our results and gain new insights. Participants were asked to work in groups alongside topics they identified as the most important challenges. All together 26 teachers participated these workshops (7, 8 and 11 respectively): special education teachers and carers of the residential children; primary school teachers; and teachers of the vocational training programmes.

Due to ethical considerations, we decided not to conduct interviews with the children. But one of the members of our research team took part in the life of the school as a mental hygiene expert. In cooperation with the class teachers, she conducted sessions for the children. This enriched our research process in various ways. Beside gaining additional information, this also allowed us to increase the usefulness of our process for the group we worked with and for.

[8] In Hungary, the school leaving age for special needs students can be raised up to 23.

Results

We demonstrate our results in line with our CA-based framework. We focus on the three areas, which we identified as central for a CA-based perspective: the diversity of aspirations (and their interdependencies); the diversity of people and contexts (the variety in the interplay of personal characteristics and environmental factors in constituting disability); and the distinction between means and actual social realizations (how conversion factors may inhibit people from taking advantage of the institutional guarantees and the services and functions provided by the city).

We found that the carers of D/deaf and hard-of-hearing children, when talking about a valuable life, mostly mentioned values (e.g. inclusion) and valuable 'doings and beings' instead of means, institutional guarantees or different forms of support. The children's ability to live a whole and independent life was central for both the parents and the teachers. They mentioned numerous components of such a life: to do valuable activities (e.g. playing, reading, sports); to gather experience (school trips, theatre plays etc.); the opportunity to develop and utilize skills (to learn, work, and have the sense of achievement); to have integrity and mental equilibrium (to have dreams, self-acceptance, self-confidence and a prospect for the future); to live independently as part of a community (having friends and romantic relationship).

When going into details, we could identify the *diversity of aspirations*. Different 'doings and beings' were mentioned in connection with different children. Characteristics of the children and the carers were also reflected. While hearing and speaking were vital capabilities for some, they were less important for others. The same is true for sign language. Parents assigned different importance to safety, communication, independence or their opportunity to work or receive help. And parents, whose children suffered from severe health conditions, valued doings and beings that may be self-evident (hence unnoticed) for other parents. For example, the fact that the child is alive, the ability to communicate or to learn.

> I'd like him to have a full time job; a work he likes and where he has company. I'd like him to be able to lead a life his brother can. '[Parent 6] My husband is also hard-of-hearing. I had a hearing boyfriend, but it's better this way. '[Parent 10] 'We were afraid that the focus will be on sign language in the school, but it's speaking. We are happy about this. [Parent 07]

The aspirations assigned to the children are not separated from the own aspirations of the carers. The ability of a child to hear or speak may also be the capability of the parents to communicate with the children. Or taking part in classes and being looked after in the school are valuable capabilities for the children. At the same time, these are also important opportunities for the parents in terms of having their children in safety, or being able to work. Receiving education that prepares for employment is valuable for a student. At the same time, it is a vital capability for teachers, who need to know that their work makes sense and makes a difference.

The aspirations are also connected to the social reality of the carers. All the actors had a good reason to attempt to equip children with skills that are useable in the labour market. But some believed that adequate job opportunities will not be available anyway and emphasized the safe environment and the community provided by the school, and their own ability to go to work while the child is looked after. In such a context a fail mark for the student provides the opportunity to stay at school for an additional year. Taking part in more than one vocational training programmes provides the same opportunity until the child gets 23.

Most of the parents and teachers are in favour of integrated education in principle. However, in reality they expect a 'make-believe integration', where the marginalization of the child will be even more severe, and they will not receive the necessary therapies and special education classes either. Such an integrated education would result in opportunity gaps also for the parents in terms of having their child in a safe environment.

We found that many of the valued 'doings and beings' are in fact opportunity gaps. The vast majority of the children, family members and teachers were deprived of certain vital capabilities. For example, many of the children lacked valuable 'beings' like self-confidence, a positive future vision, or 'doings' such as going to the theatre, playing sports or visiting other cities. Their hearing siblings sometimes experience less attention and care from their parents. Many of the parents also lack vital capabilities such as sufficient time for recreation, financial security, mental health or hope in future. And the teachers may lack appreciation for their work, or suffered from exhaustion.

However, this is only one side of the picture. The lives these people can lead cannot be characterized solely by the above (and further) deprivations. They all have capabilities that characterize them as well (or much better) than their deprivations. For example, when parents characterize their children they describe what they like, and emphasize their personal characteristics such as endurance, helpfulness more than referring to any impairments. Or some parents emphasized their activities in civil society organizations instead of their poor financial situation.

We found that capabilities / opportunity gaps are only marginally explained by the fact of being D/deaf or hard-of-hearing. The *diversity of people and contexts* needs to be considered to explain them, for example: further impairments and chronic illnesses (e.g. Down syndrome, autism spectrum disorder, type-1 diabetes, brain tumour); the type and quality of the assistive technologies they used (e.g. cochlear implant or hearing aid); their family background (e.g. having hearing parents or not, a family with a single mother or father; being in foster care; the social capital of the family, whether the parent is suffering from depression; whether the parent is unemployed); and whether they attend a day school or a residential school programme.

> It's a catastrophe in this country. Children with diabetes are like stray dogs. […] Many parents are unable to have a job just because of this. ' [Parent 03] 'Some of the children do not like to go home. At home they must work, or listen to endless fights of their parents. [Teacher 02]

For example, a pair of parents explained that type-1 diabetes of their son affects their life more significantly than the fact that he is also hard-of-hearing. Being diagnosed with diabetes decreased their school options, their job opportunities (at least one of the parents must always be available), and they even had to change their city of residence.

The capabilities and opportunity gaps of children and their carers are interconnected. Parents often lack the opportunity to devote time for themselves or to have a job. Sometimes they have to choose between avoiding severe poverty and total isolation or giving their child to the residential programme. In turn, the capability deprivation of D/deaf or hard-of-hearing children may be more linked to the marginalization of their parents than to the fact of their hearing impairment. A parent suffering from depression, or abandoning his child due to his disability, or not having enough resources to buy adequate assisting technologies, or to pay for private healthcare are all factors that immensely shrink the child's capabilities. We could detect similar mechanism with regard to the teachers.

We found that possessing or having access to means does not automatically lead to the realization of aspired 'doings and beings'. Several *conversion factors* inhibit children and their carers from utilizing the means provided by the city (in the form of services, policies, rights, support etc.).

> Parents really have to go out of their way. The system does not work automatically. '[Parent 08] 'It's absurd. The children do not have time for anything. They have 8 or 9 classes a day then preparation for the next day

> in the afternoon. And also in the dormitory, their whole day is structured, they are never alone, and they have nowhere to be alone. And no one has the time to take them outside. Some of them are residential from the age of 3 until adulthood. [Teachers 17 and 26]

We could identify personal and social conversion factors with regard to numerous means, such as healthcare, social care, education, public services, job opportunities, leisure time activities or assistive technologies. While having access to adequate means in important for the actors, it is the actual social realization and experiencing what means *do* to people that really matters.

For example, in terms of education opportunities the attitude of teachers, their expertise, whether they are motivated or close to burnout; whether the school accepts children with different chronic illnesses, whether some teachers help parents to find their way in the social care system are all important elements of the social realization. These factors depend as much on values, behaviours and attitudes and personal priorities as on rules. Or, in principle, the health care system should replace assistive devices in case of their failure. However, the replacement may still take month since hospitals cannot afford to keep devices in store, or do not have the capacity for an extra surgery in case of a cochlear implant.

The interplay of numerous factors may influence conversion. For example, mental equilibrium was identified as an important opportunity gap. In case of D/deaf children their difficulties in expressing emotions, the lack of mental health experts who know sign language and the difficulties of such therapies are evident conversion factors. However, the fact that many of the children (in the residential school) spend adolescence without time on their own, and the frustration of parents and teachers who do not have the capacity to bring change in this, are also vital factors in constituting the opportunity gap.

Discussion and conclusions

Interpreting our results through a CA-based framework offered several learning points. In the following we discuss how our empirical case highlighted certain advantages of the CA when studying disability. In line with the structure of the paper, we first argue for the advantages of CA compared to other theories of social justice. Then we argue for the advantages of CA compared to other models of disability.

Theories of justice, which are rooted in the tradition of transcendental institutionalism suggest that justice should be furthered by better rules and institutional arrangement. The *comparison of actual social realizations*, on contrary, highlight the importance of lived experience and sensitivity to the lives people can

actually live (Young 1990; Sen 2009). It is not enough to analyse the means people have or the rules and institutions in force. What matters is the possibility to convert them into valuable options for the diversity of people under various circumstances.

We found that it is not the rules and principles, but the actual social realizations that provide guidance for actors. For example, parents do not prefer integration or segregation per se. Instead, they compare the feasible alternatives (the choice options they have): opportunities provided and taken away by a given segregated school versus opportunities and deprivations associated to a given integrated school. These actual social realizations largely depend on people's behaviour, values, expertise etc.

Or parents do not decide between speaking and sign language per se. In principal they may accept that pushing speaking skills instead of sign language may even be oppressive (Valentine and Skelton, 2003; Harold, 2013). But they also consider that being a single parent, they do not have the time or the energy to learn the sign language. Thus the increasing difficulties in communication must be considered as opportunity gaps. Or they anticipate that the world will remain to be built for the hearing (oppressive as it is), or that their child will value the ability of hearing. So they may opt for a cochlear implant and speaking as a main form of communication.

Actually parents (and teachers) often find themselves in a situation where one of the options is pushing some children towards forms of communication which better suits the majority than the children. The other option is to opt for forms that may better suit the child, but which also imply the reduced communication between parents and children on the long run (because the parent does not see when she could have time and energy to improve her alternative communication skills). In such a case, making a decision alongside a principle may cause unnecessary suffering. What is needed is to identify the injustice embedded in such a situation. The resolution may be moving towards a third feasible option, where such a choice does not have to be made.

Focusing on feasible options does not mean that principles of justice would be unimportant. Supporting something in principle, and then claiming that it is not a feasible option, would be lame excuse for sustaining oppression. Our findings suggested that certain choices of the parents and teachers may have contributed to maintaining oppression towards D/deaf and hard-of-hearing people. However, reflection on majority norms or oppressive expectations was also part of their decision making. Actually, the argument of the CA is the other way round. What our argument stresses is that the advancement of justice happens alongside feasible alternatives. When scrutinizing such alternatives, drawing attention to oppression, reasoning for or against certain aspirations or considering both new capabilities and opportunity gaps are, of course, all vital.

Our case also highlighted the potential added value of the CA when *conceptualizing disability*. Focusing on people's freedom to lead valuable lives provides advantages. First, the CA-based framework showed that the way how D/deaf and hard-of-hearing children, their parents and other family members (and to a smaller degree teachers) became marginalized, was very similar. All these forms of injustice could be associated with disability, but not with impairment. This could only become clear, when the analysis takes the lives people can actually live as a starting point.

Second, the CA-based analysis draws attention to fact that the aspirations of disabled people and their carers are manifold, which cannot be met by one-size-fits-all measures, institutions or rules. Actually all endeavours are likely to bring about *both* new *capabilities and opportunity gaps*. The valuable 'doings and beings' provided or taken away must be assessed with regard to all those affected. A new capability for the parent (e.g. the ability to have a job) may be an opportunity gap for the child (can only see her mother on the weekends because she has to take part in residential education). At the same time, the new job of the mother allows her to pay for private therapy or a better hearing aid. There seem to exist no clear-cut principles by which such decisions could be judged objectively. It is rather the active participation and open deliberation among all those affected, which could further decision making (and thus justice).

Third, the CA-based analysis highlighted that the *actual achievements* of disabled people do not provide enough information on their lives. We found that people with the same achievements may be actually in very different situations. For example, choosing the residential school programme may be the only way for a parent to have a job and avoid extreme poverty. This situation may cause her bad conscience and severe suffering. While other parents may choose the residential programme without the sense of guilt.

In turn, very similar circumstances may lead to very different lives. In the difficult situation described above, some parents choose to have jobs and opt for the residential programme (however tough this decision may be); while others sacrifice their material needs and opt for the day school (however tough this decision may be). Furthermore, some may be overwhelmed by the weight of this decision and suffer from depression, while others are satisfied with their life and may even have energy for volunteering. Therefore, the outcomes can only be assessed from the perspective of possible choice options.

We can conclude that the capability approach provides a framework that allowed to examine justice and disability on the same conceptual basis. It can serve both as a framework for theoretical arguments and guidance for empirical analysis.

When assessing disability in terms of justice, the CA highlights the importance of people's aspirations, their diversity and interconnectedness.

Endeavours to improve the lives of disabled people may cause both the emergence of new opportunities and the loss of other valued life options. In order to advance justice such feasible alternatives should be scrutinized and compared. The CA also highlights that the lives of people should be assessed in terms of their freedom to achieve valuable 'doings and beings'. It is not sufficient to focus on the means (income, rights, provided institutional guarantees, available services of the city), neither on the actual achievements.

Due to the diversity of aspirations and conversion factors, understanding and choosing amongst feasible alternatives requires active participation of all those affected. Procedure and outcome is not a dichotomy in the CA. On the one hand, if actors have more room for agency they will be more likely to bring about change that is beneficial for them. On the other hand, the ability to further our own ends, to take part, to choose between option (to be agents) is itself a valued option, regardless of its instrumental value.

The CA draws attention to three possible omissions of the practical efforts in furthering justice for disabled people. First, pursuing goals that are not in line with the aspirations of those affected by disability. Second, being insensitive to the opportunity gaps (the loss of certain valued options) caused by the endeavours. This also includes the freedom of disabled people to act as agents. Third, due to the insensitivity to the conversion factors, the potential failure to realize if the endeavours only affect the means of a better life, but leave the actual choice options unchanged.

REFERNCES

Arrow K (1951). *Social choice and individual values*. Oxford: John Wiley & Sons.

Biggeri M and Ferrannini A (2014a). Opportunity gap analysis: Procedures and methods for applying the capability approach in development initiatives. *Journal of Human Development and Capabilities*, 15(1): 60–78.

Butler, RE (1994). Geography and vision-impaired and blind populations. *Transactions of the Institute of British Geographers*, 19(3): 366–368.

Dubois JL and Trani JF (2009). Extending the capability paradigm to address the complexity of disability. *ALTER: European Journal of Disability Research*, 3(3): 192–218.

Feenberg, A. (1999). *Questioning technology*. Routledge, London – New York.

Goodley, D. (2017). *Disability studies: An interdisciplinary introduction*. 2nd edition. Sage, New Delhi.

Harold G (2013). Reconsidering sound and the city: asserting the right to the Deaf-friendly city. *Environment and Planning D: Society and Space*, 31(5): 846–862.

Imrie R (1996). *Disability and the city: International perspectives*. London: Paul Chapman Publishing.

Kitchin R (1998). 'Out of Place', 'Knowing One's Place': Space, power and the exclusion of disabled people. *Disability & Society*, 13(3): 343–356.

Mitra S (2006). The capability approach and disability. *Journal of disability policy studies*, 16(4): 236–247.

Nussbaum M (2000). *Women and Human Development: The Capabilities Approach*. Cambridge: Cambridge University Press.

Nussbaum M (2006). *Frontiers of justice: Disability, nationality, species membership*. Cambridge, MA: Harvard University Press.

Nussbaum M (2009). The capabilities of people with cognitive disabilities. *Metaphilosophy*, 40(3-4): 331–351.

Oliver M (1996). *Understanding disability. From theory to practice*. New York: Macmillan Education.

Rawls J (1982). Social Unity and Primary Goods. In Sen AK and Williams B (eds) *Utilitarianism and Beyond*. Paris: Cambridge University Press.

Robeyns I (2005). The capability approach: A theoretical survey. *Journal of Human Development*, 6(1): 93–117.

Robeyns I (2006). The capability approach in practice. *The Journal of Political Philosophy*, 14(3): 351–376.

Sen AK (1977). Social choice theory: A re-examination. *Econometrica*, 45(1): 53–88.

Sen AK (1979). The Welfare Basis of Real-Income Comparisons: A Survey. *Journal of Economic Literature*, 17(1): 1–45.

Sen AK (1982). *Choice, Welfare and Measurement*. Cambridge, MA: The MIT Press.

Sen AK (1999). *Development as Freedom*. Oxford, New York: Oxford University Press.

Sen AK (2009). *The idea of justice*. Cambridge, MA: Harvard University Press.

Trani JF, Bakhshi P, Bellanca N, Biggeri M and Marchetta F (2011). Disabilities through the Capability Approach lens: Implications for public policies. *ALTER: European Journal of Disability Research*, 5(3): 143–157.

Valentine G and Skelton T (2003). Living on the edge: The marginalisation and' resistance ' of D/deaf youth. *Environment and Planning A*, 35(2): 301–321.

WHO (2001). *International classification of functioning, disability and health*. Geneva, Switzerland: World Health Organization.

Young IM (1990). *Justice and the politics of difference*. Princeton, NJ: Princeton University Press.

STUDIA UBB SOCIOLOGIA, 67 (LXVII), 1, 2022, pp. 85-100
DOI: 10.2478/subbs-2022-0004

SOCIAL POLICY REFORM IN ALBANIA STUCK IN TRANSITION

MERITA PONI[1]

Article history: Received 15 May 2022; Revised 30 May 2022; Accepted 15 June 2022; Available online 10 August 2022; Available print 30 September 2022.

ABSTRACT. This article provides an analysis of social policy regarding social protection of vulnerable groups in Albania, by screening whether the welfare state has responded to the varying needs of socially excluded citizens. The scope is to explore how the consecutive reforms of social policy have addressed the social effects of poverty and social exclusion. The analysis delves into the welfare policy official documents to discover how the vulnerable groups needs are addressed and what is the impact of policymakers, service providers, and service users on social policy shape. Social policy reforms developed after the totalitarian regime and have promoted familialism and gender regime, which have reinforced gender stereotypes of women as primary caregivers and have denied them equal access and full participation in the free labour market. During the transition period, the reforms faced conceptual barriers delaying their application. The minimalist approach of social policy offered insufficient protection to vulnerable citizens from the adversities of life. Social care services for children, elderly and people with disabilities suffer from a persistent lack of funding. The social welfare is offered through few social services provided from civil society. Due to the lack of social care services, the users of the welfare state lack the substantial means for inclusion. The welfare state policies need a reformation to offer decent economic aid and social care services.

Key words: welfare, state, poverty, inclusion, social justice.

Introduction

Social policy is at the heart of the public policy in industrialised countries. Moreover, social policy importance derives from the implementation costs to the state budget. Consequently, welfare services are significant for the

[1] University of Tirana, Faculty of Social Sciences, merita.poni@unitir.edu.al

state budget and country economy. Since last century, the implementation of a welfare state became essential to the survival of citizens in need for care, in the industrialised world, and it continues to be at the present days as confirmed by the Covid-19 pandemic (Stoesz, 2021). Although facing existential challenges such as demographics, institutional, and climate change, the welfare state provides a key part of the infrastructure of people lives and it helps support people in times of crisis, as seen in the aftermath of the 2008 financial crisis (Béland, Morgan, Obinger and Pierson, 2022).

The concept of social policy is broader than the fight against poverty and covers administration, welfare, and related expenses (Wilensky, 1975). Social policies, carried out by welfare state, target several areas such as: social insurance, health insurance, educational service, social housing and social services. Until 1970, the social policy focused on employment to avoid state intervention, but afterwards the social policy spectrum expanded to social services (Ferrera, 2021). Compared to cash transfers that target poverty, social services create opportunities for social inclusion. Social inclusion is articulated as a welfare policy component by 1990 to minimize the effects of social exclusion and since then it became the main subject of the social policy of European Union (Marlier, Atkinson, Cantillon, and Nolan, 2006). Social inclusion approach presumes that in an advancing economy, some people may lag behind, can be excluded from knowledge and skill acquisitions that are necessary for the labour market and can become vulnerable to unemployment and poverty. Therefore, social policies tackle their needs for learning new skills to reintegrate them in the paid labour market. Additionally, social inclusion policy targets even the social exclusion of vulnerable groups not benefiting from welfare delivery and having limited access to the services dedicated to them (Townsend, 1979). The objectives of the social policy aim towards redistribution, risk management and poverty reduction. Although the common scope, the social policy varies in goals, methodology and results. Social policy is only one face of societal response to the needs of population at risk, as the other one is the family and market. Public policies targeting social protection of people in need are available in all industrialised societies (Garland, 2016). With contribution from family and market, the welfare services designed by public policy compose a powerful engine of social organization in urban societies.

The welfare state shares the resources to buffer the sharp inequalities, through vertical share, and to compensate the commercialization impact of services through horizontal share. The vertical share targets poverty through access to economic support and services, while the horizontal share targets equality, such as free access to education and pension scheme. The horizontal share goes through the life cycle and it materializes via taxation of economic

activity of those who are working, gathering contribution from working people and redistributing the contribution for retirement, health, and unemployment purposes (Wilkinson, 2000). Another objective of social policy is the management of risks, caused by natural events such as childhood, aging, illness or caused by human activities, as a product of civilization, such as unemployment and impairments from work accidents (Titmuss, 1976). Additionally, in industrialised societies, the welfare state intervenes to counter the negative effects of free market commercialization and the cost of decommodification (Beck,1992).

Welfare state as expression of social justice

Social policy manages the state intervention to the benefit of citizens to achieving welfare and social inclusion (Baldock, 2007). Although the social policy aims to accomplish a higher level of social justice, this is not always the classical result. Beveridge's report about welfare state informs that social policy serves to social justice if it helps to combat negative phenomenon such as greed, ignorance, and laziness (Beveridge, 1942). Due to the high importance for social cohesion, social policy is constantly reshaped following a country's socio-economic development trends (Vickerstaff, 2012). The social policy is a composing element of the public policy serving to citizens' interests by deciding when and how should state intervene to distribute the resources. In a broad meaning of social policy, all citizens should benefit from redistribution of resources regardless economic activity, age, and health. However, social policy tackled first the most vulnerable groups of passive citizens out of labour force such as unemployed, pensioners and persons with disabilities. The human rights perspective leads the social policy towards the fulfilment of individual needs, defining social justice and welfare more in individualistic terms. It resonates with the client-centred approach which focuses on creating an enabling environment for individuals. This approach considers the individual life prone to many risks leading to economic vulnerability and dependency. The complex industrial process has increased the man-made risks such as job accidents, unemployment, and low employment rates that, in absence of the social protection, would turn the life into a lottery (Titmus, 1968). The welfare policy is taken for granted by individuals, but it is a cost for society and truly depends on collective shared values for solidarity. Social policy is an expression of the collective answer to individual needs, and a determinant factor to personal choices.

A welfare state was the best answer to the social needs in the 20th century (Hennessy, 1992). In industrialised countries the states established structures to distribute welfare, but welfare is not offered by the state only, because the

state is part of the welfare system (Wincott, 2003). Welfare states vary from one country to another because of the ideology behind the welfare, the level of citizen participation in the scheme and the regulatory frame of redistribution of welfare. Esping-Andersen outlines three models of welfare capitalism: the liberal model based on means-tested assistance, the conservative model based on traditional values and the social-democratic model promoting equality of high living standards (Esping-Andersen, 1990). Furthermore, scholars have identified two factors with strong impact for welfare state development: industrialisation and social groups' political pressure (Baldock, 2007). Industrialization gave way to new social phenomenon such as unemployment and poverty that conditioned the birth of the welfare state (Rimlinger, 1971). The political pressure from diverse social groups such as industry workers, ethnic minorities, women groups and persons with disabilities has attracted government attention on their needs, resulting in inclusion of these groups in the welfare scheme. However, it is not predictable for how long the welfare state, which is a distinctive feature of the developed countries, will continue to operate in the new set of global economy due to economic development and its impact on welfare funding. Besides economic reasons, other challenges stand in front of welfare state such as demographic change, an increase of non-working-age population which takes a considerable share of social care public expenditures in developed countries and urge for a new configuration of welfare state that encourages social justice and equality (Esping-Andersen, Gallie, Hemerijck, Myles, 2002).

State welfare targets people devoid from revenues and helps them to achieve a minimal level of welfare. There is an interest in proving social protection in respect of social and economic rights. Moreover, the societal negligence to pressing needs may lead to continued social marginalization and disintegration. Lack of solidarity contributes to a further marginalization of vulnerable population and enlarges the societal gap. Unmet survival needs create deep frustration which incites public revolt. Social unrest is often motivated more from economic factors rather than political beliefs (O'Donnell, 2002). Therefore, the social policy intervenes by providing the people in need with opportunities for self-sustainability and social integration. Social policy is the expression of solidarity translated into measures addressing both economic and social needs.

Methodology

The scope of this research is to analyse the process of social policy in Albania after the fall of communism, the correlation to social justice and the impact on a fair share of resources in society. Although welfare is considered a

primarily personal responsibility, the research considers the fact that some individuals and groups may not attain personal welfare due to the lack of opportunities or skills. Therefore, the state intervenes by providing them allowances and services to attain welfare. This research investigates whether the social policy reform has contributed to the improvement of welfare conditions of people in need. The research is based on the official text analysis of social policy, encapsulating the post-socialist period after 1990. The analyses capture the responses of social policy to the citizens' needs in transition time, which span for almost three decades. The documents of social policy inform on how the state cooperated with family and market to address the needs of population at risk, to protect them from poverty and social exclusion. The analysis further extends upon the impact of social welfare upon population segments in need for social care and protection. To better understand the social reality complexity of social welfare, the research makes use of the content analysis (Bryman, 2004) of official sources on social policy. The data collected by research state how the needs are addressed by welfare, how the regulatory framework of social policy operates to deliver welfare, and what the civil society share in the provision of welfare is. The research has analysed a wealth of official documents such as strategies and legislation on welfare, including economic assistance and social services provision to understand the rationale of social policy and its impact on social justice and provision of opportunities for welfare. To reinforce the analysis of official sources, the research has made use of the triangulation technique (Denzin, & Lincoln, 2005), by comparing official texts of social policy with statistical data on welfare redistribution and beneficiaries. The interpretation of data is embedded into the cultural context and historical background of social policy from the collapse of social regime to the present day. Looking at the policy of social welfare through cultural lenses contributes to understanding why the policy is designed the way it is and how is it perceived by the beneficiaries. The aim is to reveal whether the policy serves as an empowering engine towards social inclusion or as a contributing factor to social dependency.

Analysis

Poverty is the core subject of the social welfare policy. Poverty centrality is visible across all social care policy documents, such as in strategies and plans of actions dealing with social and economic development, integration into European Union, and social care for vulnerable groups. To provide a comprehensive answer to the needs of all vulnerable groups, the policy is constantly updated and

unified into a solid document of social protection. The poverty indicators are consumer-based rather than income-oriented. Both poverty forms: absolute and relative, are addressed by the social welfare policy, in line with similar documents from the Council of Europe. Absolute poverty is defined as an imaginary line of the minimal amount of goods and services which are insufficient to maintain the basic living standard. Relative poverty is defined as the condition of household income below median incomes. Remote rural mountain areas are the poorest because of the outdated agricultural technology and inability to create additional revenues outside of the ones found in the agricultural sector. The remittances have mitigated the consequences of absolute poverty for poor families. Absolute and relative poverty indicators feed the policy of social aid. The policy dedicates more funds to large families with many children and inactive workers. Poor families' individuals have less access in basic public services such as housing, food, education, drinkable water, communication, transport, and health. Therefore, the welfare policy talks about social care services besides financial aid.

Results

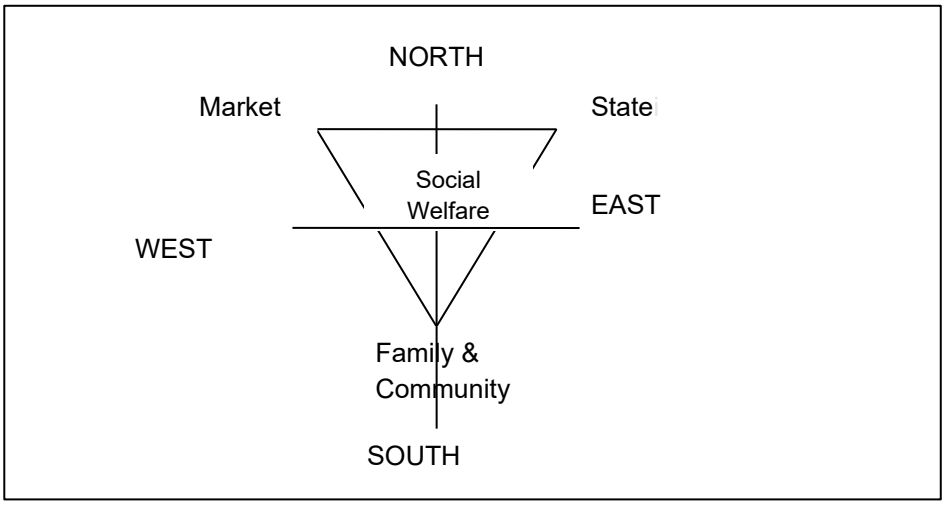
In Albania, since the collapse of the socialist regime, the social policy has known constant reformations which were conditioned by deep transformations of the post-90 economy. At the beginning of the transition, social policy aimed to adapt to the system changes and to create order within the new system brought about by economic, social, and political transformations (Xhumari, 2003). Social policy has aimed to address poverty and social exclusion. On one hand, the transition from central to market economy decreased the role of the state as a welfare provider and on the other hand increased the role of the state in controlling the distributive mechanisms of the welfare created by the free market forces. Another drive for a welfare policy reform came from the demand for human rights protection and social inclusion through provision of social services. As an answer to the needs for protection of socially vulnerable groups and European Union directives for membership, Albania has designed a contemporary welfare policy. However, the policy has not fully translated into results. The reforming process of social policy is still going on and depends on interaction of policy with social, political and economic factors that give way to new social needs, which impose new answers from policy makers and firm action from politicians. Social policy is not enacted by itself if not backed up by resources. The meaningful policy is not fully translated into measures that address poverty and social exclusion. In Albania, the decentralization and deinstitutionalization process of social services is slowly progressing due to the inability of public administration structures to manage the services at a local

level. The community-based services are not fully developed because the social policy is not embraced at a local policy level, due to the lack of capacity, inherited tradition of centralised services, lack of dedicated personnel and insufficient budget. The results are compromised by the inefficiency of the regulatory framework of the financial scheme.

As studies on welfare inform, the social policy objectives are achieved through administrative and financial regulations, containing rules about welfare delivery, including cash and services, provided by the state or the private sector, for individuals and families (Lewis, 2003). Following this logic, social policy depends on resources and not on declared aims, as not all aims are accomplished, while some may even be counterproductive. Some social policy standards such as disease control, mass education and employment which were achieved in socialist regime, proved to be difficult to attain during transition. The socialist state intervened to bridge the social inequalities gap through equalization of material wealth and resources redistribution. However, like in other industrialised economies, in the socialist regimes the economic and social inequalities persisted (Gough, 1979). Moreover, unlike other industrialized countries, the modest achievements in welfare in Albania are attributed to social policy rather than to economy growth. By referring to the map of social welfare delivery developed by Evers (1988), Albania falls in between the South and East Europe countries model. The map of the social policy design includes three actors in welfare delivery: state, market, and family.

Figure 1.

Social welfare



Data s*ource:* Evers, 1988:27

As shown in the figure, South societies are relatively poorer than Nordic and Western societies and depend on family and community for most of their welfare. Northern social-democrat regimes provide welfare which is a combination of state intervention and a free market. While in the richer western societies the market provides for the welfare base. East European post-socialist societies still depend on state support for welfare. Compared to the industrialised economies in Europe, Albania's welfare delivery position is situated in the southeast part of the map, with family as the main provider of welfare and life sources.

Discussion

Addressing poverty with cash transfers

The transformation of the economy from centralized to a free-market economy brought about freedom of entrepreneurship and opportunities for personal gain, but it was associated with high risks of failure and expensive social cost. The regime change posed a threat to family survival because of an economic collapse and loss of security. Forced to overcome the devastating impact of economy collapse, many families tried out business-like activities as a way out of social and economic instability. The remittances from emigration buffered the risk of poverty. The social economic changes have been rapid, and the social policy has tried to respond to the consequences of the transition. The setup of a functional social protection system has engaged state structures, civil society, and families in provision of social care for vulnerable groups. The main scope of social policy was provision of economic aid and social care for families and individuals in need.

The embryonic welfare state represented by a minimalist social protection system tried to mitigate the poverty effects, by covering the most vulnerable families affected by poverty and social exclusion. Cash transfers targeted families and individuals whose revenues were insufficient to live. However, the beneficiaries' situation did not improve as they remain unprotected in front of economic and social adversity. Furthermore, poverty impeded access in education, health services, social care and housing. Besides poverty, the provision of social care services remains an insurmountable challenge, leaving people without support for social inclusion. Additionally, the conditioning of the economic benefits with community work does not address unemployment and the roots of poverty, but rather adjusts the attitudes of beneficiaries towards work, tempting to boost labour culture, rather than the opportunities for employment.

The social policy aimed to mitigate poverty and advance beneficiaries into stable economic living conditions. Nonetheless, it could not buffer the further deterioration of the economic situation leading to extreme marginalization. The social policy principle of universality has attempted to provide protection to all populations in need, while the principle of selectivity that provide for tailored needs-based support has not developed. The greatest preoccupation has been to reduce the number of beneficiaries rather than maximizing the benefits for users.

The means tested scheme is the principal regulation for economic aid provision to poor families. The cash transfer scheme is administered at local level after a verification of the living conditions of applicants, who are deprived of possession of properties, financial assets, remittances, or economic money generating activities. Aiming to provide a provisory aid to families, the cash transfer support is limited to 5 years, to avoid procrastination and inactivity of applicants. The time limit intends to push the beneficiaries for long term solutions to economic precarity, via employment or entrepreneurship. The cash transfers have a limited effect for poverty mitigation because the financial aid is almost insufficient to cover family basic needs for food. To boost adult participation in labour market and to increase the economic sufficiency, economic aid is conditioned with community work, which deters applicants from asking for cash.

Local authorities deliver cash transfers to the beneficiaries, through the means tested mechanism, which is highly technical and bureaucratic. The applicants should provide many documents proving the economic situation, which they get in several offices, and the process discourages them from asking for social protection. The local administration turnover, compound with subjectivity, contributes to further alienation of applicants from public service. The economic aid does not refer to the minimum living standard, since such a standard does not exist, giving way to a biased assessment of the poverty. Therefore, the level of impact of economic aid is minimal and does not address poverty. The main expenditure of social welfare goes to pensions, while social assistance targeting poverty is lower, except for disability allowance which is twice the economic aid. To conclude, although the economic aid is the principal measure against poverty, it has a minimal impact on poverty mitigation, due to the insufficient financial aid. Even the partial subvention of electric energy does not help the beneficiaries to cover energy consumption.

Unaddressed needs of vulnerable groups

The most marginalized groups are children, women, people with disabilities and Roma people. Regardless of progress in child protection, children are still invisible to social protection and vulnerable to exploitation. A biological family is the best environment for children, and when not possible, a foster family should provide care for the child. By tradition, orphan children are usually kept in kinship families. Few of them are hosted in residential centres or in foster care families. Most children hosted in social care residential state institutions are from destitute communities whose families cannot provide for basic needs and care. Few are sheltered in non-profit residential institutions funded by foreign agencies. Children without parental or custodial care are prone to human trafficking. The trafficked children are exploited for begging in and out of the country and face high risks of sexual exploitation, narcotic consumption and physical and mental abuse.

People with disabilities are another group exposed to poverty. Although they are subject to social pensions and exclusion from taxes, they remain at high risk of poverty due to the lack of access in the labour market. The employment incentives for the inclusion of workers with disabilities are not successful and employers choose to pay the fine for infringing the law rather than hiring people with disabilities. Persistent exclusion from employment contributes to the long-term dependency of the people with disabilities into social protection schemes. The absence of rehabilitation, preventive and integration social services exacerbate precarity and renders people with disabilities more vulnerable to social adversities. Only a small part of children with disabilities are treated in residential or in day care centres, while a few parents mobilise in civil society to ask for social services and their children's rights to services.

Roma community is living in poverty under the average living standard, due to social exclusion and economic hardship. The educational insufficiency impedes them from attaining jobs. Most of them live in underdeveloped areas with large families, because they cannot afford the cost of paid utilities such as energy and water. The negative stereotypes about Roma people impede them from settling in common spaces with the majority population and pushes them to find shelter in uninhabited areas deprived from public services and infrastructure. Since they live in outskirts, they are dissociated from schools, health centres and social services. They are rendered invisible and alienated from the rest of the population. The frequent change of settlement creates difficulty for administration to track them and include them in social protection schemes.

Being illiterate, they do not know the legal benefits and do not ask for. Due to inherited poverty related social problems, Roma families suffer domestic violence, child trafficking, early marriages, and teen pregnancies.

Despite the advanced regulatory framework on gender equality, violence against women and domestic violence remains a persisting social problem. Patriarchal traditional norms place barriers against women to achieve career goals. Poor women face even stronger discrimination due to dependency on abusive, violent partners. Families led by women face harsh economic and social difficulties, because of dual role of caring and working. Women have been the main target of human trafficking and sexual exploitation during the transition period, after the collapse of the socialist regime, which exposed them to economic insufficiency, massive unemployment, impoverished educational quality and high risk of exploitation. These unknown social problems found the country unprepared to respond to them effectively.

The professions dealing with social problems such as sociology, social work and psychology were banned in the communist dictatorship. These professions were allowed after 1990 and the first decade of transition was just a professional experiment to them. To the present day, the psycho-social support for trafficked women and children is still reduced into few state centres and civil society organizations. Domestic violence became a constant threat for women, culminating in femicide during the transition period. The weakness of law enforcement agencies allowed for family crime to grow with the passing of the years.

Setting up the system of social care

Social care services aim to ensure an enabling environment that provides opportunities for social inclusion and independent living. Most social care services are provided by the civil society sector with financial support from donors. The social services policy has promoted deinstitutionalization of users and decentralization of services. However, both typology of services and geographical coverage remain unaddressed. Few community-based services such as childcare, rehabilitation of people with disabilities, care for elderly and shelter for women from domestic violence are usually offered at local communities by the civil society sector. Local authorities consider the social care service provision as a responsibility of civil society and donor community. The fundraising activity and service provision conflict with the watchdog responsibility of civil society sector. The role duality as provider and watchdog undermines the advocacy work of civil society.

The social care services for children, persons with disabilities and elderly are traditionally offered in residential care institutions, which are not the best alternatives to social care because of the detachment from family and microenvironment. Congregation in residential institutions promotes social segregation and isolation from society. Moreover, long term institutionalization reduces social skill development and creates barriers to the social integration. The community-based services are at the experimental stage and suffer from low quality. Children residing in social care institutions live far from their families and the institutions do not replace family. When reaching adulthood, the institutionalised persons are unable to live independently because they lack the social skills, shared housing, and supported employment opportunities. Children raised in institutions reflect a lower level of intellectual development manifested in low educational achievements. Institutionalised women are at a higher risk for sexual abuse, early pregnancy, sex work and human trafficking. Transferral in other residential institutions destroys previous amities and places emotional discomfort for adaptation to new institutional rules and staff. Institutional staff lack professional capacity for child development, especially for children with disabilities. Institutional infrastructure is poor with few amenities and devices for children with disabilities. Alternative social care to institutionalization, such as foster care and community-based services are underdeveloped, therefore the community response is inexistent. Social care services for people with disabilities, respite care and family support are limited. Without rehabilitation services, people with disabilitites face barriers in education and employment, which hampers self-suficiency and independent living. The disabling social environement contributes to further exclusion created by infrastructural barriers. Underdeveloped professional skills for child development assessment and rehabilitiation impede early interventions. Professional capacity and specialised devices are outdated. Supported and incentivised employment is not practiced which leaves persons with disabilities outside the labour market and consequently dependent on social protection. In poor conditions of social welfare, social and emotional support from the family is essential to the survival of their members. Family support is usually provided by women who care for elderly, children, adult members of family and persons with disabilities. The caring role is exclusively associated with women social role in patriarchal family, according to which women place is home-tied and their principal role is to care for others. The social expectations on women as the primary source of family care creates structural barriers for women to enjoy their economic rights in the free labour market and to be accounted for their contribution to the family members, which represent a full-time job in terms of time and engagement.

Familialism practices gave way to the strengthenining of the gender regime by which mothers are bound to family care and impeded from participating in the labour market.

Conclusions

In Albania, society has traditionally shown an inclination for solidarity with families and individuals in need by mobilising internal resources. The social cohesion is expressed through individual and collective support. Familial solidarity has helped the vulnerable groups to face natural disasters, economic hardship and political turmoil. After the socialist regime collapse, the volunteer civic response to the emergent need for social protection proved to be vital in absence of institutional support following the collapse. In the first decade of transition, after the economy shut down and transition from centralised to market economy, massive unemployment followed, letting the population deprived from substantial means of living. This was a shocking event for Albanians coming out of communist rule under which employment was an obligation for state. State owned economy deteriorated at the point that it was impossible to cover the survival needs. The economic and political changes conditioned the emergency of the protective social policy for the population deprived from economic activity. The post-socialist state response to the population was bound by the poor economy. The regime collapse was followed by further population impoverishment and sharp social risks associated with it. The first years' policy reform addressed the most at risk population that faced immediate survival. Providing social protection in scarce conditions of missing financial resources and professional knowhow was a very difficult mission. Lack of social support increased the risk of social exclusion. Along with state response, the self-help groups and civil society offered humanitarian aid and secured a buffer for the survival of the most vulnerable segments of society.

The social policy reforms aimed to preserve the social order, but they were constantly threatened by the clash of capitalist market rules with socialist paternalistic attitudes, according to which the state is the main provider of welfare. In the post socialist transition, the state intervened to govern the market rules to direct the redistribution of resources towards the most needed segments of the population, following the social justice principles. The reason for state intervention was justified by the obligation to protect the citizens from the marginalization imposed by the profit-making logic of the market economy. Along the transition period, the social policy reform dealt with the rationalization of the deficient economic resources to mitigate poverty risks. Regime change imposed radical transformations for the country's economy. The transition

witnessed the closing of centralized factories and unproductive industry, which was associated with massive unemployment, migration and poverty. The social and economic inequalities deepened the social gap created after regime change. Sharp impoverishment exposed the families to the risk of not being able to survive while individuals were excluded from living opportunities. After the socialist regime collapse, a new social welfare policy was designed to address poverty alleviation through cash transfers delivered to poor families and persons with disabilities. Modest achievements of social policy are noticed at the level of public administration knowledge about social care. The public administration possesses more knowledge to deal with social welfare delivery, but the welfare system is still under development. Meanwhile, the means tested philosophy of the welfare state keeps the beneficiaries distant from policy design and monitoring.

The present welfare has proven to be inefficient in providing sufficient living means. Social care services are not present at a community level to ensure social inclusion for marginalized individuals. The minimalist welfare scheme does not guide the beneficiaries towards autonomous life and self-decision. The cash transfers do not help to overcome structural barriers against vulnerable families and communities. Members of these communities are not empowered to participate in social and economic activities, as they are held back by the poverty cycle. On the contrary, they are long term users of the welfare scheme which leads them towards chronic dependency on cash transfers. Social inclusion and equal opportunities are tokenism for political correctness.

The welfare beneficiaries do not enjoy access in quality social care services, which hinders enjoyment of the basic human rights for social protection and social participation. The deinstitutionalization process is hampered by the unfinished decentralization reform of social care which is not operational at a local level. Consequently, institutionalised persons cannot be transferred to the community structures. The community based social care services are in high demand by all citizens, but the local authorities have not mobilised funds to cater for the social welfare. The decentralized competencies are not followed by a substantial budget. Absence of the community welfare structures leads beneficiaries towards institutionalised residential care, which is supposed to vanish in order to stop segregation. Due to the lack of social care services, the users of the welfare state miss the means for inclusion and are not able to escape the poverty cycle which aggravates with the passing of the time. Instead of providing for an enabling environment, the welfare state contributes to the dependency of users on the welfare, by keeping beneficiaries tight to the cash transfers and institutionalization. Besides development of social care services, the welfare state needs a reformation of the economic aid scheme to answer to the survival threshold of poor families.

REFERENCES

Baldock, J. (2007). Social Policy, Social Welfare, and the Welfare State. In J. Baldock, N., Manning, and S. Vickerstaff (Eds.), Social Policy. (3rd ed). Oxford: Oxford University Press.

Beck, U. (1992). Risk Society: Towards a New Modernity. London: Sage.

Béland, D., Morgan, K. J., Obinger, H. and C. Pierson (2021). Introduction. In D. Beland, K. J. Morgan, H. Obinger and C. Pierson (Eds.), The Oxford Handbook of Welfare State (2nd ed.). Oxford University Press.

Beveridge, W. (1942). Social Insurance and Allied Services. London: HMSO.

Bryman, A. (2004). Social Research Methods. (2nd ed). Oxford: Oxford University Press.

Esping-Andersen, G. (1990). The three worlds of welfare capitalism. Princeton, New Jersey: Princeton University Press.

Esping-Andersen, G., Gallie, D., Hemerijck, Myles, J. (2002). Why we need a new welfare state? Oxford University Press.

Ferrera, M. (2021). The South European Countries. In D. Beland, K. J. Morgan, H. Obinger and C. Pierson (eds), The Oxford Handbook of Welfare State, 2nd edition. Oxford University Press.

Denzin, N. & Lincoln, Y. (2005). Introduction. In N. Denzin & Y. Lincoln (Eds.), The Sage Handbook of Qualitative Research. Thousand Oaks, CA: Sage Publications, Inc.

Evers, A. (1988). Shifts in the Welfare Mix: introducing a new approach for the study of transformations in welfare and social policy. In A. Evers and H. Wintersberger (Eds.), Shifts in the Welfare Mix: Their impact on the work, social services, and Welfare Policies. Vienna: European Centre for Social Welfare.

Garland, D. (2016). The Welfare State, New York: Oxford University Press.

Gough, I. (1979). The Political Economy of the Welfare State. London: MacMillan.

Hennessy, P. (1992). Never Again: Britain 1945 – 51. London: Cape. Pg.423

Lewis, J. (2003). Developing early childcare in England, 1997 – 2002, Social Policy and Administration, 37 (3): 219-38, pg.235.

Marlier, E., Atkinson, A. B., Cantillon, B and Nolan, B. (2006). Taking Forward the EU Social Exclusion Process. In E. Marler (eds), The EU and Social Inclusion: Facing the Challenges. Policy Press Scholarship.

O'Donnell, G. (2002). Mastering Sociology. (4th ed.). New York: Palgrave.

Rimlinger, G. V. (1971). Welfare Policy and Industrialization. New York: Wiley.

Stoesz, D. (2021). Welfare state: social policy after the pandemic, New York, NY: Routledge.

Titmus, R.M. (1968). Commitment to Welfare. London: Unwin University Books.

---------- (1976). Essays on the Welfare State, 3rd ed. London: Allen & Unwin.

Townsend, P. (1979). Poverty in the United Kingdom. Harmondsworth, Penguin.

Vickerstaff, S. (2012). Work and Welfare. In In Baldock, J., Mitton, L., Manning, N., and S. Vickerstaff, Social Policy. (3rd ed.). Oxford: Oxford University Press, Social Policy, Oxford: Oxford University Press

Wilkinson, R. G. (2000). Mind the gap: Hierarchies, Health, and Human Evolution. London: Weidenfeld & Nicolson.
Xhumari, M., (2003). Process and Institutions of Social Policy (Procesi dhe Institucionet e Politikes Sociale). Tirane: KLEAN.
Wilensky, H. L. (1975). The Welfare State and Equality: Structural and Ideological Roots of public Expenditures. Berkley: University of California Press.
Wincott, D. (2003). Slippery concepts, shifting context: state and welfare in the Veit Wilson/Atherton Debate. Social Policy and Administration, 37(3): 305-15.

STUDIA UBB SOCIOLOGIA, 67 (LXVII), 1, 2022, pp. 101-116
DOI: 10.2478/subbs-2022-0005

OCCUPATIONAL STRESS AND ITS PERCEIVED NEGATIVE IMPACT ON THE HEALTH AND PERFORMANCE OF THE EMPLOYEES OF A BANKING CALL CENTER

ELENA-ALINA STAICU[1], MARIUS VASILUȚĂ-ȘTEFĂNESCU[2]

Article history: Received 16 May 2022; Revised 30 May 2022; Accepted 15 June 2022; Available online 10 August 2022; Available print 30 September 2022.

ABSTRACT. Professional stress is a challenge for many companies that want to keep their employees within the organization on one hand and to ensure their performance through a comfortable working environment on the other. This study investigated and evaluated the perceptions of 14 male employees (French and Romanian speakers) working in the same banking call center in Timisoara regarding the causes and effects of work-related stress. The applicability of this study is to develop possible strategies and practices for controlling and reducing work-related stress in order to decrease the high staff turnover. The elaboration of this research is based on the concepts of occupational stress, its effects on the perceived emotional and physical health of the employees but also on their performance and motivation at work. To carry out this qualitative research, we used a semi-structured interview guide written in both Romanian and French, since half of the interviewees are Romanians, and the other half are North Africans from Tunisia, Morocco, and Algeria. The main topics on which the interview guide questions were developed are the following: personal and professional experience, working schedule, work rate, performance, motivation, mental and physical health and how all the aforementioned contribute to professional mobility. The research results show that the employees performance and motivation at work are indeed affected by the perceived occupational stress, but it is not the main reason why they consider changing the current job. For most of the interviewed employees, the individual life goals, ambitions, and future projections are the ones influencing them to look for another job position after gaining the desired experience within the call centers.

Keywords: Occupational stress, Banking Call Center, Health, Motivation, Professional mobility.

[1] West University of Timisoara, Romania, Department of Sociology, elena.staicu98@e-uvt.ro
[2] A West University of Timisoara, Romania, Department of Sociology, marius.vasiluta@e-uvt.ro

Introduction

Call centers are one of the jobs with the highest personnel turnover rates owing to burnout (Seco, Lopes, 2013, 679). People who work in call centers, regardless of their industry, have direct phone interaction with a variety of consumers. Individual emotional exhaustion, loss of enthusiasm, and behavior characterized by indifference, dissatisfaction with workplace are usually caused by high employer expectations, inability to cope with long-term work pressure, frustration in the process of interacting with customers, but also the high workload (Cameron, Bright, Caza, 2004, 1). Through this research, we will investigate what employees of a call center in the banking industry in Timișoara think about the primary sources of occupational stress. After determining their perception on the causes and effects of occupational stress, we will attempt to offer possible solutions for effective stress management that can be implemented by both management and employees in order to reduce the high rate of staff turnover.

To carry out this qualitative research, we chose and elaborated a semi-structured interview guide composed in both Romanian and French languages. Given that 5 of the participants are of North African nationality, from Morocco, Tunisia, and Algeria, and do not speak Romanian fluently, we translated the interview guide into French to facilitate communication - thus, out of a total of 14 interviews, 9 were conducted in Romanian and 5 in French.

In the present article, we will initially briefly present the concept of occupational stress and its effects at both individual and organizational levels, followed by the research methodology elements, main results of the research and conclusions.

Occupational stress concept

The concept of occupational stress has been defined both widely and to a lesser degree, being referred to as a response, a stimulus, a characteristic of the environment, an individual attribute, or the interaction between an individual and his work environment (Katz and Kahn, 1978). Occupational stress can also be defined as "an employee's reaction to characteristics at the workplace that seem mentally and physically threatening" (Jamal, 2005: 224). Whereas some sociologists would label a physiological dysfunction as stress (Ivancevich and Matteson, 1980: 5), others would rather consider it a consequence of it (Schuler, 1980: 184). Likewise, Ivancevich and Matteson categorized stress as the most inaccurate (term) in the scientific dictionary (1980: 5).

Potential effects of occupational stress

Stress is felt at any workplace, but Bakker, Demerourti, and Sanz-Vergel (2014) defined the call center as one of the most stressful work environments. This stress comes from several sources, such as abusive customers, inflexibility of working hours, lack of control of the employee over the work tasks received and his motivation. To date, previous studies have shown that stress at work contributes to the emergence of health problems among employees, but also to organizational problems such as low productivity, unmotivated absenteeism, high turnover rate of company staff, employee dissatisfaction and indifference to the needs of the organization (Beehr, Newman, 1978, 665).

Burnout is the result of chronic stress at work that has not been successfully treated and it is characterized by exhaustion and depersonalization (negativism/cynicism) and is found predominantly in the work areas which imply developing social relationships with other people (Maslach, Jackson, 1981, 99). The symptoms of burnout at the individual level are multidimensional, generating psychiatric, psychosomatic, somatic, and social disorders. Among the most common symptoms of burnout are the following: concentration and memory disorders (lack of precision, disorganization), personality changes (lack of interest, cynicism, aggression), anxiety and depressive disorders that can sometimes culminate in suicide. Exhaustion has also been associated with the development of addictions (alcohol, drugs), and somatic symptoms include headaches (migraines), gastrointestinal disorders (irritable stomach) or cardiovascular disorders such as tachycardia, arrhythmia, and hypertension (Ewald, O., 1998, 16). Studies also show that muscle tension is the most common symptom of stress, but insomnia has quickly risen to second place. Insomnia is defined as poor sleep, abnormal wakefulness, or inability to sleep and can affect anyone. Stress does not consider age, ethnicity, gender, religion, nationality, or economy class and for this very reason it has been called the "equal opportunity destroyer" (Seward, Brian, 2018, 15). The fact that stress at a general level, but also occupational stress at a limited one can have negative effects on the quality of sleep of individuals is a revelation and has been frequently discussed and analyzed in the past decades. On the other hand, numerous studies have shown that a peaceful and regular sleep is essential for optimal health, and chronic insomnia is often associated with several types of psychiatric problems (Maas, J. 2001).

In recent years, occupational stress has become a concern for companies around the world seeking to improve workplace performance and employee well-being. Among the effects of occupational stress at the organizational level we can list the various costs for the days of sick leave of employees, decreased productivity or continuous recruitment in the case of jobs with high staff turnover.

Regarding the prevention of occupational stress and burnout, the literature focuses on primary prevention, and one of the measures are: testing and learning relaxation techniques suitable for each individual, delegating responsibility (learning to say "no"), practicing hobbies (sports, culture, nature walks), trying to maintain strong social relationships, prophylaxis of frustration by reducing false expectations (Enzmann and Schaufeli, 1999). Prevention measures can be implemented at both individual and organizational level. In terms of the workplace, management can use the following measures to prevent occupational stress among employees: creating a healthy work environment (for example, improving the manager-employee communication style by training managers in this regard), recognizing performance (praise, appreciation, bonuses), regular medical and psychological professional monitoring of employees, performing psychological tests on candidates throughout the recruitment process to determine if they are compatible with the job requirements.

The coping strategy is the individual's response to stressors (Folkman, Susan, 2009), and the attention that each person pays to himself may be conditioned by the perceived level of stress (Godfrey et al. 2010). There are several types of coping strategies: primary and secondary (Lazarus et al, 1974), affective and problem-oriented (Jalowiec A and Powers M, 1981), or are described as a three-step system (Beyer and Marshall 1981). Self-help strategies for coping with stress include diaphragmatic breathing, relaxation techniques, exercise programs, prayers, hobbies, watching TV or socializing (Mancmi et al 1983).

Research methodology

As mentioned previously, we have chosen to conduct this research using the qualitative approach through the interview technique. Consequently, the tool which we developed to carry out the research is a bilingual semi-structured interview guide which aims to ease the discussions with the employees belonging to different nationalities and who have different mother tongues.

The main objective of this research is to identify the perception of the employees of a banking call center from Timișoara on the causes and effects of occupational stress in order to develop possible strategies and practices to control and reduce the level of occupational stress; the applicability consists in the decrease of the high rate of staff turnover that managers have been facing over the years in the selected workplace. In addition to the main objective of the study, we have developed other specific objectives that contribute to the achievement of the main one: identifying the perception of the employees of a call center on the banking field in Timișoara on the way in which the stress

related to the workplace can affect their emotional and/or physical health, assessing how the occupational stress can affect both the performance and motivation of employees interviewed for the present research.

The general question of the research is the following: "*Is there a link between the negative perception of occupational stress and the option for professional mobility of staff in a banking call center in Timisoara?".* As we also developed specific objectives, we formulated specific questions for them as well and only after having answered the specific questions, we would be able to find the answer to the main general question. The specific questions are the following: "*What is the perception of the employees of a banking call center located in Timișoara on the way in which the stress related to work can affect their physical and emotional health?*", "*To what extent can occupational stress influence the motivation and performance of the employees of a call center on the banking field in Timișoara?*". Based on the answers of the interviewees and our own investigation and analysis, we will expose our response to the general question in the sequence designated to the conclusions of the present article.

The technique used to identify and select the interviewees for the present research was the snowball technique, therefore after finding one individual who accepted to be subject of the research, his relationship with his colleagues led us to discover more and more employees of the same workplace who accepted to participate as well.

Concerning the individuals subject to this research, their age range is framed between 22 and 27 years, 10 of them being between 25 and 29 years old. Two of the 14 subjects belong to generation Z, and 12 fall into generation Y. Generation Y is also called the millennial generation, and the letter Y comes from the English word *youth*, being the first wave of the digital generation born in the world of technology. They readily accept the changes, live in the present (*carpe diem*) and do not like to make long-term plans. The circle of friends of people born in generation Y is more virtual, they easily accept cultural differences and like to live their lives at a fast and adventurous pace (Krishnan et al, 2013). Generation Z starts from 1990 to 2010 and succeeds the generation of millennials, and people born in that range are called digital natives or iGeneration. Since individuals belonging to generation Z were born into the world of technology, it is very important for them to be always surrounded by devices and have continuous access to the virtual environment. This is also reflected in their actions, making it difficult for them to socialize in real life (Bencsik et al. 2016).

Regarding the level of studies, 4 of the employees graduated from the faculty, while 10 also have a master's degree in diverse fields: letters, management, economics, agronomy, law, pharmacy either in Romania or abroad. Their seniority in the company varies between 1 month (employees who are still on probation,

lasting 3 months) and 3 years. 6 of the interviewed employees have been working in this call center for less than a year, and 8 of them have been in the same job for more than a year. In the table below, *Table 1*, we have presented the factual data collected from the interviewees: age, seniority, level of education, country of origin, professional experience and plans for the near future.

Table 1.

Factual data of the interviewed employees

Employee	Age (years)	Seniority	Level of education	Country of origin	Professional experience	Plans for near future
S1	22	2 MONTHS	Faculty of Letters	Romania	Seasonal jobs in the US and Germany	Top position inside the call center team
S2	29	6 MONTHS	Faculty and Masters of Letters Faculty of Biochemistry	Romania	Back office and Call center in French	Changing the job with another one inside the company
S3	26	8 MONTHS	Faculty of Letters	Romania	French-English translations	IT job, programming
S4	28	3 YEARS	Faculty and Masters in Management	Tunisia	Waiter / job in the restaurant	Job in Management
S5	37	1 MONTH	Academy of Economic Studies	Romania	Transport / driver	Keeping their current job
S6	35	2 YEARS 5 MONTHS	Faculty and Masters of Letters	Algeria	Back office and Call center in French	Management
S7	27	6 MONTHS	Pharmacy University	Tunisia	Chemist	Entrepreneurship, opening a restaurant
S8	25	1 AN 10 MONTHS	Faculty and Masters in Management	Tunisia	Call center in French	Management
S9	28	2 YEARS 4 MONTHS	Faculty and Masters in Management	Morocco	Unpaid internships	Top position inside the call center team

Employee	Age (years)	Seniority	Level of education	Country of origin	Professional experience	Plans for near future
S10	25	1 AN 11 MONTHS	Faculty of Economics and Masters in Financial Management	Romania	Transport / driver	Job in accounting
S11	22	1 AN 10 MONTHS	Faculty and Masters in Management	Morocco	Videography	Management
S12	29	1AN 10 MONTHS	Faculty of Law and Masters in Management	Tunisia	Call center in French and Waiter / job in restaurant	Top position inside the call center team
S13	25	9 MONTHS	Faculty of Electrical Systems Engineering and Masters of Systems Management	Romania	N/A	Keeping their current job
S14	28	12 MONTHS	Faculty and Masters of Agronomy	Romania	Waiter / job in restaurant and Back office in French	Keeping their current job

Data source: collected from the interviewees by authors

Concerning the topics of the discussions generated by the interview's questions, we have defined them below. They have also been theorized by Jeremy Stranks (2005) in his book "Stress at work: Management and prevention", as follows:

T1 - Personal experience: People are different in their attitude, personality, character, motivation, and ability to cope with stressors. Depending on personal experiences, stress at work can be, in fact, the response of each individual to the situations they encounter outside the work schedule (financial, family, health problems).

T2 - Work experience: Occupational stress can be closely linked to career progress or evolution; therefore, the employee's work experience can influence the stress at work today. Most people work in the workplace based on experience, using work practices gained over several years.

T3 - Work schedule: Studies on the physical and psychological effects of atypical work have shown that approximately 75% of shift workers feel isolated

from family and friends. Part-time employees may be treated less favorably than full-time employees in terms of leave entitlements, promotion, and training opportunities.

T4 - Work Rhythm: *The Scale of Occupational Stress: The Bristol Stress and Health at Work Study CRR 265/2000* (Smith et al., 2000) estimated that there are approximately 5 million people suffering from varying levels of stress occupational. Among the research results we mention: an association between high levels of reported stress and work-specific factors such as excessive workloads; The effects of high levels of occupational stress have been linked to back pain and poor mental health, along with health-related activities such as smoking and alcohol.

T5 - Performance: Motivation is the element of human behavior that causes people to move on. Bonus schemes and incentives in various forms are developed at the organizational level in order to improve the motivation of employees to achieve certain levels of performance. If the individual fails to achieve these goals or is not rewarded for his or her performance, stressful situations can arise, and resentment can occur among employees.

T6 - Physical health: Individual sources of stress, along with the circumstances at work and the patterns of behavior of each employee can lead to dissatisfaction at work, low aspirations, smoking and excessive drinking. This can lead to health problems such as depression or heart problems. Organizational symptoms arising from stress at work include high workforce fluctuations, difficulties in interpersonal relationships, and high absenteeism.

T7 - Professional mobility: A high level of employment stress for employees can lead to voluntary leaving the job and looking for another job that is not similar to the previous one.

Results

The first question of the interview guide focused on the personal experiences of the interviewees, as we aimed to allow the participants in this research to describe themselves in a subjective way, to tell us both pleasant and unpleasant situations they have experienced throughout their educational path, but also to let us know what is their perception on the experience of speaking in a language other than the native one. The main discursive cores exposed during the discussion on the first question were: self-perception, interpersonal relationships in the family, perception of education and the experience of speaking a foreign language. Regarding the first two discursive cores, most of the subjects reported positively and considered that they have a good relationship with the

family members. On the other hand, we could divide the perception of education by nationality, so five out of seven respondents of North African nationality said that the best time of their high school years was when they finished their studies because this meant that they would leave the country of origin. Furthermore, regarding the educational path, two out of seven interviewees of Romanian nationality talked about the unpleasant experiences they had with teachers who, apparently, applied teaching methods used during the communist period:

> The whole elementary school, I had a math teacher, he was very severe, he started teaching in the period before '89, he was trained in communist schools, in communist faculties and he still had a conception, a mentality from that period, when everyone had to stand up straight in front of the teacher, and it was the time when we took such, we received, so, corrections, but it rarely happened, but it happened a few times when we received corrections with a stick on the palm to be precise [physical abuse]. (S2, 29 years old, 6 months of seniority in the company, Romanian)

Concerning the language learning at the workplace, many authors have explored this topic and identified the job as a nucleus of socialization through language, which, according to Duff (2007: 310), means that beginners or employees who do not have much experience with the language which they have to work with will very likely gain communicative and linguistic competences only by belonging to a group speaking a foreign language. There is little research that explores language learning in the workplace. Moreover, most existing studies, according to Strömmer (2016, 2), explore how newly recruited employees acquire a vocabulary specific to the job activity in areas such as engineering, healthcare, medicine, and law. Both Strömmer (2016: 2) and Angouri (2014: 1-9) claim that low-skilled work positions (entry-level, basic jobs for immigrants) is not sufficiently subject to research and would deserve more attention. Regarding the present research, we asked our interviewees about their experience to learn and speak a foreign language, both in their daily life and at the workplace. Based on the answers received, the employees had to learn foreign languages by necessity and already started studying some of them in school.

> The experience of speaking in another language ... At first it was a little difficult for me to learn, but after getting used to it, I found it interesting, the fact that I can speak another language, that I can communicate with other people. I can also speak French, English and Romanian. I speak

> French best, then normally English, but I haven't practiced the language very often and I kind of forgot it and then it's Romanian. When I came to Romania, I thought that people speak French here and after that I was shocked ... I saw that people speak another language, I asked what language it was and they said it was Romanian, and then I started to use English until I learned Romanian. Now I really speak Romanian better than English because I use it in my daily life. (S4, 28 years old, 3 years of seniority in the company, Tunisian)

> I've been studying Arabic, French and English since I was little, at school, so three different languages since I was little. We had to learn Arabic with the rules of conjugation, grammar ... the same for French and English. So, there were three languages at the same time. And honestly, when I came to Romania, I never thought that I would be able to speak Romanian as well or that I would be able to know the language. But that has changed over time. (S9, 28 years old, 2 years and 4 months of seniority in the company, Moroccan)

The second question aimed to generate a discussion on the overview of the professional experience of the interviewees. We focused on five discursive cores: the first official remuneration received, the expectations at work, the professional experience in Romania and abroad, but also the previous experience in call centers. The professional experience of the employees who participated in this research is quite extensive and extends to several fields of activity (pharmacy, hospitality, transportation, education, etc.). The aspirations, the future desires of the employees are also varied, from becoming an airplane pilot to opening their own restaurant.

> The first money that I earned ... before I was a DJ, I sold things on the internet, that's how I earned my money, but my first salary was in Tunisia, as a pharmacist. I remember traveling with my first salary. (S7, 27 years, 6 months of seniority in the company, Tunisian)

Six of the interviewees have previous experience in call centers, either in Romania or in their country of origin. Only one interviewee reported positively on previous jobs in call centers, while the others stated that they did not have very pleasant events working in call centers:

> We also had to handle phone calls when the technicians from France called us, probably ten calls a day per agent, and the calls were very easy, because we were talking from business to business, that is, we were talking to someone who knew what the work meant, what to do, they just asked us if the site had recovered or not, or they asked, for example, which area is impacted and not working. (S6, 35 years, 2 years and 5 months of seniority in the company, Algerian)

Although the work schedule is atypical, with employees working shifts from Monday to Saturday, between 9 am and 9 pm, this does not seem to bother them, but rather they see it as an opportunity. When they work on Saturdays, they are offered a day off during the week, which they often use to solve personal problems. The planning of shifts and breaks is developed by the manager, according to certain algorithms, but it also takes into account the preferences of employees.

> Most of the time I think the work schedule is quite balanced, because the work shift weeks are different and we don't have to start every week at that time, but sometimes I think it's important to be able to ask for a day off or to be able to make certain changes to the schedule depending on the personal issues you need to resolve. (S1, 22 years old, 2 months of seniority in the company, Romanian)

One of the employees stated that one of the aspects discussed at the interview was the shift work schedule and that he was confirmed that he could choose his own shifts. To date, this has been respected by his supervisor.

> It was something I negotiated at the beginning, and we discussed working shifts after I finished my classes. I remember that day, I didn't negotiate my salary, I didn't negotiate anything. Just the fact that I have to do my studies, and that they are my priority. I was clear on that. And I think if I didn't work in the shifts I wanted, I would resign from the start. (S8, 25 years, 1 year and 10 months of seniority in the company, Tunisian)

The interviewed employees confirmed that after the lucrative activity they feel slight headaches, neck, eyes, back, ears, but consider that it is a normal thing, considering that the services provided are carried out exclusively in front of a computer and through headphones.

> Yes, the call center is a very stressful and demanding job, that is, sometimes with many, many, many headaches. It has happened to me that after a day of work with many, many calls, my head hurt. That is, the stress that persists after you finish work, but otherwise I had no other physical reactions. (S10, 25 years, 1 year and 11 months of seniority in the company, Romanian)

> Basically, yes, there's a back pain, maybe a headache. We try a tea, meanwhile we straighten our voices. Because, even talking for eight hours now is not always continuous, but most of the time, you don't sit silent, so you practically talk. And it's a mental rather than a physical consumption, and the fact that you're staying only on the chair, somehow, also affects that. (S13, 25 years old, 9 months of seniority in the company, Romanian)

Regarding the connection between health problems and occupational stress, it has been discovered through other research that most of the symptoms of overwork are manifested in the upper extremity of the body (WRUE - work-related upper extremity): pain, sensitivity, swelling, numbness, loss of control/function in fingers, hands, forearms, shoulders, upper back and neck (National Research Council and The Institute of Medicine, 2001).

In the semi-structured interview guide that we developed for this research, we did not use the term "occupational stress", as we did not want to induce to the participants the idea that their daily lucrative work is a stressful one. However, we got answers in which the participants themselves stated that working in a call center is stressful and very demanding. The main cause of stress is, according to the answers received, the high workload and the flexibility that employees must have when handling a normal, pleasant call, following a difficult situation they faced a few seconds ago. The time that agents spend between two calls (when the call flow is continuous) is only 10 seconds, which is perceived as insufficient and as the main reason for the decrease in performance and efficiency.

The volume of calls differs depending on the number of activities on which the employee carries out his activity, the length of the calls, but also the period of the week or day. Most employees prefer to work in the morning, because then they feel the most productive, although it is the time of day when there are the most calls. Only one employee was positive about the pace of work, considering that the volume of calls is not very high.

> I can't say it seems like a lot to me, because most calls are pretty short, and calls are pretty easy to handle… Of course, I prefer short calls because they involve easier tasks, more satisfied customers, don't require a lot of thinking on my side. Although I prefer short calls, this involves a larger number of calls, because the time allows us to take more calls. (S1, 22 years old, 2 months of seniority in the company, Romanian)

After a day of work in which employees have a large number of calls and are very tired, they resort to various coping strategies such as walking in nature, but also to isolating from technology and other people.

> Yes, I think in August last year we got 105 calls a day. After work, I didn't want to hear about technology, anything, no TV, no personal phone, nothing, so I took a cold shower and went out for a walk and didn't interact with anyone. I felt very tired, because no problem is similar to another of the clients, and you get involved in the things you do, and 105 is a pretty big number.... (S14, 28 years old, 1 year of seniority in the company, Romanian)

Also, one of the skills that a call center employee must have is flexibility. They must be able to get through a difficult call without unloading the negative energy to the next customer. Most employees claim that they are able to do this, but with great effort from their side or after having gain some experience.

> This is the nature of the service, this is the nature of the job, but it costs you a little, so an investment of this energetic and emotional power, so that you do not affect the others... somehow the next client will not have to be affected by your condition, because you, previously, you had to interact with a more difficult situation. So, with effort, we succeed. (S2, 29 years old, 6 months of seniority in the company, Romanian)

Both the performance and the productivity of the employees are a critical point when evaluating the activity of a call center. However, following the discussions, we can conclude that from the desire to achieve the optimum level of productivity, the performance and motivation of employees are often neglected. This was especially pointed out by employees with more than two years of experience in the company, as they felt an almost double increase in the number of calls received daily compared to the beginning of the employment contract. Performance is almost always analyzed correctly, but most of the time

it is not rewarded accordingly. As we do not have access to the information related to the budget allocated to this type of financial rewards, we cannot comment on the possibility of the company offering them. However, employees would even appreciate the existence of non-financial rewards such as greeting cards, team buildings (even in the virtual environment if the current situation does not allow their physical development). Employee performance is monitored by randomly listened calls and analyzing them through a coaching form. Following the analysis performed by the supervisors, the employees receive several filled in coaching forms. We asked the interviewees if they thought their performance had ever been evaluated incorrectly, and two of them confirmed this:

> I think once yes, once I was wronged. At one point I wanted to be advanced in the project and an opportunity opened up to become a coach. Of course, I think four people applied for this opportunity, they were my colleagues, of course, but I was 100% sure it would be me, because the colleagues who applied came after me and I didn't think they would take the calls better. than me, so I was perfect at the time. I thought I was going to be the coach, but when I found out the result, I found out that there was another person who came after me with 4-5 months and he became, he won the competition that little one, and he became the coach. It seems to me that I was unfit for performance then, but then I solved it and moved on. (S4, 28 years old, 3 years of seniority in the company, Tunisian)

After discussing the performance and how it is evaluated, we continued with the rewards and benefits that employees receive, whether financial or non-financial. Among the benefits listed by employees we found: the ability to use the laptop and work phone for personal purposes, private health insurance, a performance bonus received once a year and the ability to receive money back for various products or services. However, in terms of financial reward, the interviewees reported more negatively or neutrally, as most were rewarded only non-financially, with praise and congratulations.

> Apart from the salary, I honestly didn't receive anything. Salary and thank you. We also have private health insurance, but I've never used it. There is also an annual performance bonus, but everyone gets it. But some colleagues, for example, received a voucher, maybe once a year. That's when I started, they gave it to a few colleagues, but after that they stopped, they didn't give it anymore. (S6, 35 years, 2 years, and 5 months senior in the company, Algerian)

Conclusions

Following the analysis of the research results, we can conclude that the interviewed employees perceive the very high workflow as the main factor contributing to the stress at the workplace. Although the number of telephonic interactions depends on the season or on the time of the day, the employees feel that the team is understaffed, and that they are overused by management to achieve the organization's targets. It is for the same reason why sometimes, due to fatigue, they are tempted to extend the calls so as not to answer immediately one call after another, so that performance and productivity is negatively impacted.

Concerning the connection between the findings and the answer to the research question, we can state that there is, indeed, a link between the negative perception of occupational stress and the option towards professional mobility, but the latest is mainly influenced by other factors such as the goals and future projections of each individual, the professional experience and how the employees identify themselves with the values of the company they work for. Strategies that could be implemented to increase the employee retention could be based on the satisfaction and motivation at work, opportunities for career advancement, rewards, and recognition. We would thus suggest the creation of internal surveys to be sent to all the employees and filled in anonymously – through this means, they could be given the chance to express their wishes and ideas for service improvement, but also for individual well-being.

REFERENCES

Angouri, J. (2014). *Multilingualism in the workplace: Language practices in multilingual contexts*. Multilingua, 33(1–2), 1-9.

Bakker, A. B., Demerouti, E., and Sanz-Vergel, A. I. (2014). Burnout and work engagement: The JD–R approach. *Annual Review of Organizational Psychology and Organizational Behavior*, 1, 389-411. (doi:10.1146/annurev-orgpsych-031413-091235, 20/03/2021).

Beehr, T. A., Newman, J. E. (1978). Job stress, employee health, and organizational effectiveness: A facet analysis, model and literature review, *Personnel Psychology*, 31: 665-699.

Bencsik, A., Horváth-Csikós, G., and Juhász, T. (2016). Y and Z Generations at Workplaces. *Journal of Competitiveness*, 8(3).

Beyer J and Marshall J (1981). *The interpersonal dimension of collegiality*, Nursing Outlook 29(11), 662-665.

Cameron, K., Bright, D., and Caza, A. (2004). Exploring the Relationships between Organizational Virtuousness and Performance. *American Behavioral Scientist* 47(6), 1-24.

Duff, P. A. (2007). *Second language socialization as sociocultural theory: Insights and issues*. Language Teaching, 40(4), 309-319.
Ewald, O. (1997), *Das Burnout-Syndrom*. ErgoMed, 21: 93-96.
Folkman, S. (2009). Commentary on the Special Section "Theory-Based Approaches to Stress and Coping": Questions, Answers, Issues and Next Steps in Stress and Coping Research, *European Psychologist* 14, 72–77.
Godfrey, C.M. Harrison, M.B. Lysaght, R. Lamb, M. Graham, I.D. and P. Oakley (2011). Care of Self – Care by Other – Care of Other: The Meaning of Self-Care from Research, Practice, Policy, and Industry Perspective, *International Journal of Evidence-Based Healthcare* 9, 3–24.
Ivancevich, J. M., and Matteson, M. T. (1980). *Stress and work*. Glenview, II1.: Scott, Foresman.
Jalowiec A and Powers M (1981). Stress and coping in hypertensive and emergency patients, Nursing Research 30,10.
Jamal, M. (2005). Burnout among Canadian and Chinese employees: A cross-cultural study, *European Management Review*, 2: 224–230.
Katz, D. and Kahn, R. L. (1978). *The social psychology of organizations*, New York: Wiley.
Krishnan, S. K., Bopaiah, S., Bajaj, D., and Prasad R. (2013). Organization, Generation, and Communication – Infosys Experience. *NHRD Journal*. 10, 85-93.
Lazarus R., Avenll J and Opton E (1974). The psychology of coping. *Issues of research and assessment*, *Coping and Adaptation (Coelho G, Hamburg D and Adams J eds),* Basic Books, New York.
Maas, J. (2001). *Power Sleep*, Quill Books, New York.
Mancmi J, Lavecchia C and Qegg R. (1983). Graduate nursing students and stress, *Journal of Nursmg Education* 22(8), 329-334.
Maslach C, Jackson SE. (1981). The measurement of experienced burnout, *Journal of Occupational Behaviour*, 2: 99-113.
National Research Council and the Institute of Medicine (2001). Musculoskeletal disorders and the workplace: Low back and upper extremities. Panel on Musculoskeletal Disorders and the Workplace, Commission on Behavioral and Social Sciences and Education, *National Academy Press*, Washington, DC.
Schaufeli W, Enzmann D. (1999). *The Burnout Companion to Study and Practice: A Critical Analysis*, London: Taylor and Francis Ltd.
Schuler, R. S. (1980), Definition and conceptualization of stress in organizations, *Organizational Behavior and Human Performance*, 25: 184-215.
Seaward, Brian, Luke (2018), Managing Stress. Principles and strategies for Health and Well-Being, *Paramount Wellness Institute*, Boulder, Colorado.
Seco, V. M. M., and Lopes, M. P. (2013). Professionals calling in lifelong learning centers. *Journal of Industrial Engineering and Management*, 6: 668-685.
Smith, A., Johal, S., and Wadsworth, E. (2000). *The Scale of Occupational Stress: The Bristol Stress and Health at Work Study: HSE Books Sudbury*.
Stranks, J. W. (2005). *Stress at work: Management and prevention*, Oxford Burlington, MA: Elsevier/Butterworth- Heinemann, 69-70.
Strömmer, M. (2016). *Affordances and constraints: Second language learning in cleaning work*. Multilingua, 35(6), 697-721.

STUDIA UBB SOCIOLOGIA, 67 (LXVII), 1, 2022, pp. 117-119

THE AUTHORS OF THIS ISSUE

Vlad Aluaş holds a BA in Psychology awarded by the Faculty of Psychology and Educational Sciences, Babeş-Bolyai University. His research interests are related to Big Data, Data Lakes and Statistical Algorithms. He is currently data engineer and data analyst working on topics of behavioural predictions and textual analysis. He is teaching Cloud Operations at the MA level at the Faculty of Sociology and Social Work, Babeş-Bolyai University.

Zoltán Bajmócy is a professor at the University of Szeged, Faculty of Economics and Business Administration Research Centre, Hungary. He holds a PhD in economics. His research and teaching activities are closely connected to sustainability transitions, with particular reference to poverty alleviation, vulnerable groups and sustainable cities. He is currently deputy dean in charge of scientific affairs and diversity and inclusion. He is advisor in H2020 projects CHANGE and Co-Change, which focus on the furthering of gender equality and responsible research and innovation in higher education institutions.

Vlad Bejinariu holds a BA in Social Anthropology awarded by the Faculty of Sociology and Social Work, Babeş-Bolyai University. His research interests are related to Historical Sociology, Social Histories of Labour and Science and Social Theory. He is currently studying South-East European History for an MA degree at the Faculty of History and Philosophy, Babeş-Bolyai University.

Judit Gébert is an assistant professor at the University of Szeged, Faculty of Economics and Business Administration Research Centre, Hungary. She holds PhD in economics, MA in philosophy and MSc in political sciences. Her research interest is centred around the philosophical and economic approaches of human development, in particular the issues of equal opportunities and distributive justice.

Diana Marţiş holds a BA in Human Resources awarded by the Faculty of Sociology and Social Work, Babeş-Bolyai University. Her research interests are related to Data Visualization, Big Data Modelling and Statistical Algorithms. She is currently studying Data Sciences for an MA degree at the Faculty of Sociology and Social Work, Babeş-Bolyai University.

Barbara Mihók is a research fellow at the University of Szeged, Faculty of Economics and Business Administration Research Centre, Hungary. She holds a PhD in ecology and she is also a mental hygiene expert. She is interested in topics at the intersections of environmental protection, sustainability and social justice. She conducts interdisciplinary, participatory and action-oriented research.

Norbert Petrovici is an associate professor in Sociology and director of the Interdisciplinary Centre for Data Science at Babeş-Bolyai University. His researcher in the field of urban studies and urban economics. His analysis focus on the urban transformation and space production in Eastern and Central Europe after 1950. He teaches courses in urban studies, sociology of work and social statistics.

Merita Poni is a sociologist, researcher and faculty member of the Sociology Department of Tirana University. She is teaching and conducting research in gender, social policy, disability and social inclusion.

Elena Staicu currently works for Atos IT Solutions and Services as Robotic Process Analyst, performing analysis on business processes in order to improve them using the concept of automation. She has completed her studies in Applied Modern Languages, French and English, followed by the Master's of Management of Human Resources in the Administration of Entreprises, both programs within the West University of Timisoara. She has been involved in several researches on stress management and its impact on the employees retention rate.

Marius Vasiluţă-Ştefănescu is an Associate Professor at West University of Timisoara (Romania), Department of Sociology, where he has been teaching sociology for over fifteen years. He holds a Ph.D. in Sociology at Alexandru Ioan Cuza University (Iasi, Romania). His expertise includes areas such as organizational sociology and European integration, history of sociology, contemporary sociological theories, human resources (recruitment and selection), employment / occupational integration of people belonging to vulnerable groups, inclusive education, community development, inclusion and social policies, other areas of interest in sociology and social economy. He has participated in numerous projects with national and international funding, national and international conferences, internships, and international mobility, being the organizer of the International Conference: Young Researchers in Social Sciences of the Doctoral School of Sociology and the Department of Sociology (West University of Timisoara). He has also published a significant number of articles in scientific journals in country and abroad, indexed in international databases. Since 2010, he has

actively supported the master's program in Social Economy and from 2020 in Social Entrepreneurship and Community Development at the Department of Sociology within West University of Timisoara, currently being the director of this study program. Starting from 2018, he is a Ph.D. supervisor in Sociology within the Doctoral School of Sociology, Philosophy and Political Sciences (WUT).

George Iulian Zamfir is a researcher in urban and housing inequalities with a Phd in sociology at Babeș-Bolyai University. He is a member of the housing rights activist group Căși Sociale ACUM / Social Housing NOW in Cluj and of the network Blocul pentru Locuire / Bloc for Housing

STUDIA UNIVERSITATIS
BABEŞ-BOLYAI

Sociologia

Faculty of Sociology and Social Work
"Babeş-Bolyai" University
ISSN (print): 1224-8703; ISSN (online): 2066-0464

Volume 67 / Number 1/ June 2022

CONTENTS

CLUJ UNIVERSITY PRESS
51 B.P. Hasdeu Street, 400371 Cluj-Napoca, Romania
Phone: 040 264 405352, fax: 040 264 597401