

Standard of Life – Premise and Consequence of the Development of the Iasi Metropolitan Area

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ABSTRACT

The Metropolitan area Iasi is an important area of development in Romania. To characterize the main elements of standard of life were used synthetic indicators in the area, in the constituent settlements, but also in the county of Iasi. In terms of total area, Iasi County is ranked 23rd in the hierarchy of the country, but it is 2nd in terms of total population (1st July 2006), 7th in terms of population of cities and towns, 1st in terms of natural growth, 18th in terms to net nominal average income, but 23rd by the gross domestic product per capita. These indicators point out the development potential of the area and consist of the synthesis of the amount of information discussed and analysed in this paper.

KEYWORDS

standard of life, synthetic indicators, gross domestic product, population, state of accomplishment

JEL Classification

H75, J21, O18

Throughout history, cities and urban areas have been and are currently leading the development and transfer economically and socially, technically and culturally. Academic and practical concerns related to these preoccupy many aspects of which we have chosen to deal with living standard, which can be said to be in the same time the premise and the consequence of metropolitan development.

The significance for humans of their lives as a result of global development, focusing on the individual in managing his own life is particularly relevant. In this sense the standard of life is defined as an estimating concept as reporting the result of living conditions and activities that comprise human life to the needs, values, human aspirations. Therefore, the concept refers to the overall valuation of life (the degree of individual satisfaction in terms of the progress of the daily life of various individuals, social groups, collectivities), and also to the evaluation of the various conditions and spheres of life: quality of environment, quality of human labour (quality of work life), quality of interpersonal relationships, quality of family life².

The standard of living is an evaluation, from another angle of value, of the concept of happiness. If happiness refers to the subjective state resulted from living one's own life, the standard of life refers to both the objective conditions which comprise human life and to the subjective way in which each and every individual evaluates his/ her own life - the state of satisfaction, of personal accomplishment. If happiness is based on a predominantly ethical perspective – a perspective that would involve strategies which are to be adopted by the individual in order to maximize his/ her happiness – the living standard is particularly associated with the sociological-political dimension. In this case there are concerns to determining the objective factors responsible for the variation of the standard of life and of the socio-political strategies for action to improve it.

➤ The theme of *standard of life* developed rapidly in the 60's as a reaction to the crisis of abundance in the developed countries. On the one hand, in the 60's there was an awareness of the devastating effects of economic growth upon the environment. On the other hand, it has been outlined the estimate that economic

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² <http://www.dictsociologie.netfirms.com/C/CTermeni/CalitateaVietii.htm>

prosperity does not automatically provide, by itself, human prosperity as well. The presumption that economic growth leads by itself directly and undoubtedly to an increase in collective welfare is subject to multiple criticisms. In the developed societies there is a more and more need for a corrector in terms of economic growth, the topic of standard of living satisfying fulfilling such function.

During the 70's – 80's, in Romania, the issue of standard of life became popular under the form of a disguised criticism of poor human performances of the socialist system, and in the same time as an attempt to make pressure on it, to take into consideration as much as possible the needs and aspirations of the population. There are three main **functions** which the thematic of living standard includes:

- a. There may be defined in operational terms the objectives of socio-economic development;
- b. There may be established a feedback of the socio-economic activity: the final, human effectiveness as the result of its effect on the standard of life;
- c. There may be delimited the operational instrument of evaluating the progress; there can be talked about an effective advance only in so far as to increase the standard of life.

➤ In sociology, the topic of *standard of life* plays an important role, revealing a new aspect of the individual within social systems: not only as a member of social systems, integrated, fashioned and controlled by their logic (the holistic vision), but also as the ultimate objective of all social activities.

➤ The significant development of the issue of *standard of life* has taken place in the sphere of the **indicators of standard of life**, the last decades marking intense research in this field, carried out in two directions:

- a. the analysis of the existing socio-economic indicators in terms of significance and hence, their use for the *standard of life* analysis;
- b. the development of some specific indicators of the *standard of life*.

The difficulty of the establishment of these indicators lies in their complex structure. An indicator of *standard of life* is the result of the combination between a status indicator (state of the environment, of interpersonal relationships, of the types of work offered, etc.) and an indicator of the criterion of assessment (of needs, human aspirations). The most difficult point is the determination of the latter component.

The notion of **standard of life** implies a theory of human nature, of the system of human needs, of the factors that govern their dynamics. Research employs the following types of indicators of standard of life: *indicators for the various states of human life* (indicators of the natural environment, conditions of housing, employment, education, etc.); *indicators of needs/aspirations* - what types of work people want, what types of housing, etc.; *complex indicators resulted from reference to the state of requirements*; *indicators of social representation of the standard of life* – determining the way in which members of a community estimate themselves the quality of various constituent parts of their lives; *indicators for personal satisfaction* – the estimated degree of satisfaction with life, regarded as a synthetic index of the subjective effect of *standard of life*; finally, indicators of critical symptoms of quality of life: indicators of suicide, mental illnesses, optimism/pessimism, alienation.

Depending on the availability of information regarding the key indicators for characterizing the standard of living, the analysis of the respective indicators has been done, in part, at the level of settlements comprised in Iasi Metropolitan Area or at the level of the Area as a whole, and especially to the county of Iasi.

Starting with 8th April 2004, the County Council Iasi, the Iasi City Hall, the Townhalls of Communes Aroneanu, Barnova, Ciurea, Holboca, Letcani, Miroslava, Popricani, Rediu, Schitu Duca, Tomești, Victoria,

Valea Lupului and Unghieni became partners in planning and implementing the integrated development of the potential of Iași Metropolitan Area, by establishing the Association of Iași Metropolitan Area.³

The objectives of cooperation at the metropolitan level are territorial, economic, social, cultural and environmental and are part of the development plan of the metropolitan area. The administrative entities from the metropolitan area cooperate altogether in order to:

- eliminate the dissimilitude between localities;
- developing and strengthen the identity and values of local communities;
- improve the living standard;
- increase the economic competitiveness of localities in the metropolitan area compared to neighbouring regions;
- increase access to resources.

To define the place of Iasi county in the national economy there has been studied a battery of **21 indicators** in terms of population, number of employed and unemployed, wage gains, gross domestic product, equipping towns with facilities aimed at a civilized life, care of public health, education, etc.

The share and rank of Iasi county in the national economy

Chart I

	Share - % -				Rank of Iasi county			
	1995	2000	2005	2006	1995	2000	2005	2006
Total area	2,3	2,3	2,3	2,3	23	23	23	23
Total population (1 st July)	3,7	3,7	3,8	3,8	3	3	3	2
Municipal and city population (1 st July)	3,3	3,4	3,2	3,3	8	7	8	7
Commune Population (1st July)	3,9	4,1	4,5	4,4	3	2	1	1
Natural growth	-	-	-	-	1	1	1	1
Employed population (31st Dec.)	3,6	3,7	3,5	3,4	3	2	4	6
Employee average number	3,4	3,6	3,4	3,6	6	6	7	7
Unemployed number (31st Dec.)	5,0	3,9	4,4	4,4	2	6	2	2
Net nominal average income	-	-	-	-	34	31	16	18
Gross domestic product	...	3,1	3,0	7	8	...
Gross domestic product per capita	-	-	-	-	...	21	23	...
House Found	3,2	3,3	3,4	3,4	5	5	3	3
Total simple length of the network system for drinking water distribution	2,2	2,5	2,5	2,4	18	14	14	16
Total length of the sewerage system	3,2	3,2	2,8	3,0	12	14	14	14
Hospitals	4,9	5,0	4,7	4,8	2	2	2	2
Doctors (public sector)	5,1	6,6	5,8	5,7	4	3	3	3
Personal health care (public sector)	4,9	4,4	5,0	5,0	2	2	2	2
Education units	3,6	4,1	3,1	4,3	4	3	10	2
Enrolled pupils	4,0	4,0	4,2	4,2	2	2	2	2
Students	11,3	9,4	8,5	7,7	2	3	3	3
Teaching staff	4,8	4,7	4,9	4,9	2	2	2	2

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 1

³ <http://www.zmi.ro/istoric.html>

The **gross domestic product(GDP)** represented, in 2005, 3.0% of the GDP achieved in the whole national economy, being ranked 8th in the hierarchy of counties, while in terms of gross domestic product per capita, the county held in the same year the 25th place in the top of counties.

A priority issue was recorded in the case of the indicator for net nominal average income, from the 34th place to the 18th place in the top of counties.

Iasi, being a powerful university center, occupies a conspicuous place in terms of educational units, enrolled pupils, students and teaching staff.

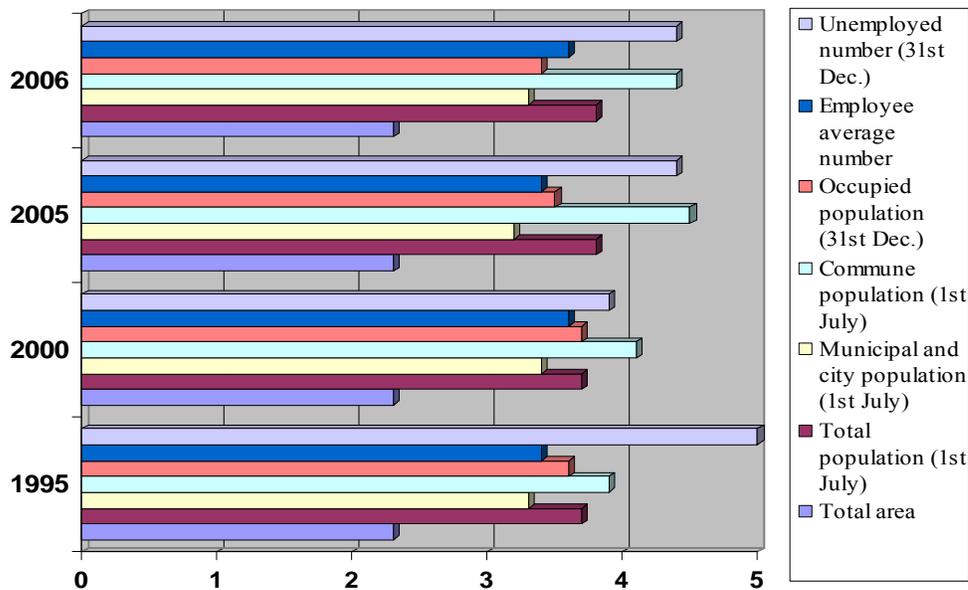


Figure I. The share of Iasi County in the national economy

In the communes of the Iasi County there lives a large number of people, a key factor that actually places this county on the first rank in terms of population at a national level.

The indicators presented in Table 1 depict the synthesis of the information presented below. On 1st July 2006, Iasi County recorded a **population** of 824 thousand people, with only 0.7% more than in 1995 and with 0.9% more than in 2002, the year of the population census.

Evolution of total population and sex population in the county of Iasi

Chart II

Year (1 st July)	Number of population – thousand people-			Percentage - % -	
	Total	Male	Female	Male	Female
1995	818	406	412	49,6	50,4
2000	837	415	422	49,6	50,4
2005	814	402	412	49,4	50,8
2006	824	406	418	49,3	50,7

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 11

During the analysis, it was the feminine population that predominated (more than 50%), both the county level and the Metropolitan Area of Iasi.

Population in the localities of Iasi Metropolitan Area

Chart III

Localities	Number of people			Percentage- % -	
	Total	Masculine	Feminine	Masculine	Feminine
TOTAL I.M.A.	402.376	192.692	209.675	47,9	52,1
Of which: City of Iași Communes	316.716	149.299	167.417	47,1	52,9
	85.651	43.393	42.258	50,7	49,3
1. Araneanu	2.927	1.508	1.419	51,5	48,5
2. Barnova	4.261	2.146	2.115	50,4	49,6
3. Ciurea	10.566	5.428	5.138	51,4	48,6
4. Holboca	12.416	6.277	6.139	50,6	49,4
5. Letcani	6.724	3.400	3.324	50,6	49,4
6. Miroslava	8.756	4.429	4.327	50,6	49,4
7. Popricani	7.354	3.683	3.671	50,1	49,9
8. REDIU	3.839	1.919	1.920	50,0	50,0
9. Schitu Duca	4.453	2.265	2.188	50,9	49,1
10. Tomești	12.201	6.174	6.027	50,6	49,4
11. Ungheni	4.162	2.115	2.047	50,8	49,2
12. Valea Lupului	3.627	1.839	1.788	50,7	49,3
13. Victoria	4.365	2.210	2.155	50,6	49,4

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 27

In 2006, **52.1%** of the total population had its place of residence in rural areas. It may be remarked that this share increased from 1995 (49.2%).

Analyzing population by **age groups**, it is shown that in 2006, compared with 2001, the population aged 0-19 has decreased by about 22 thousand people, which resulted in reducing the share of this category in total population (from 28,7% in 2001 to 26.7% in 2006). In turn, there has been an increasing in the share of population aged 30-59, from 35.6% to 39.1%. The share of population over 60 years remained the same (about 16%).

The average life expectancy has increased in 2004-2006 to 72, 63 years, compared with the rate recorded during 2000-2002. The same tendency was registered not only in the case of both sexes, but also regarding the structure of the population depending on the environment (urban/rural). The longest average life expectancy was recorded for the feminine population in urban areas (77, 36 years).

The average life expectancy by sex and environment groups in the county of Iasi

Chart IV

Years	Total			Urban		Rural	
	Both sexes	Masculine	Feminine	Masculine	Feminine	Masculine	Feminine
2000-2002	71,40	67,83	75,12	68,49	76,09	66,53	74,21
2001-2003	70,97	67,25	74,91	68,16	75,99	66,35	74,05
2002-2004	71,16	67,60	74,92	69,41	76,54	66,22	73,77
2003-2005	71,88	68,26	75,70	69,70	77,03	67,08	74,70
2004-2006	72,63	68,98	76,46	70,22	77,36	67,91	75,68

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 24

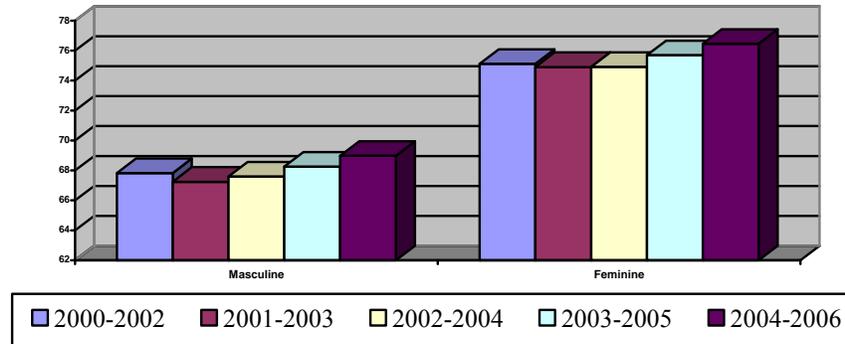


Figure II. The average life expectancy by sex groups in the county of Iasi

In the period of 1995-2006 there were recorded, with the exception of 2000, negative values of **the net settling of domicile**. The most massive departures were stated in 2004, representing a number of 1836 people.

Migration to and from Iasi County

Chart V

Year	Establishments	Departures	The net settling of domicile
1995	11.147	11.194	-47
2000	9.112	9.009	+103
2001	9.969	10.777	-808
2002	11.446	12.627	-1.181
2003	12.204	13.379	-1.175
2004	11.466	13.302	-1.836
2005	9.642	10.473	-831
2006	12.526	12.583	-59

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 24

Also in the case of **international migration** there were recorded negative balances in the last 3 years of analysis (2004-2006).

International migration caused by the change of domicile, in Iasi County

Chart VI

Year	Immigrants	Emigrants	International migration balance
1995	39	319	-280
2000	681	423	258
2004	131	386	-255
2005	100	397	-297
2006	232	550	-318

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 25

Civil **active population** was in 2006, of 311.9 thousand people, with 10.7% less than in 2001 (37.2 persons) and was composed of 93.5% employed civilian population and 6.5% unemployed. **The activity rate** of the population was 59.9% in 2006, with 8.7% less than in 2001.

The civilian employment rate was 56.0% in 2006, with 6.1% lower than in 2001.

The number of unemployed fell in 2006 to 12.7 thousand persons compared to 2001.

Population's participation to the working force in the county of Iasi

Chart VII

	2001	2002	2003	2004	2005	2006
- percentage -						
Activity rate						
Total	68,6	66,1	63,1	60,4	61,3	59,9
Rate of employment						
Total	62,1	59,8	57,1	56,1	56,9	56,0
Rate of unemployment						
Total	9,4	9,7	9,5	7,1	7,2	6,5

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 36

In 2006, more than 77 thousand people worked in complete privatized industry units (50.6%). A significant share of the **average number** of employees worked in 2006 in organizations of national and local interest (27.8%). As a general phenomenon, and in the same time natural, every year there is an increase of the average number of employees in integral privatized factories.

An extremely important aspect which is reflected in the standard of life refers to the social sector represented by the **unemployed**. At the end of 2006 there were recorded 20,231 unemployed, out of which 34.8% were women and 21.3% workers. The number of unemployed registered a downward tendency both in total and in structure.

In 2006, over 88% received unemployment benefits and integration training aid, and 10% were beneficiaries of compensatory payments according to NGO no. 98/1999. As a negative phenomenon, there has to be pointed out that the number of the increasing unemployed without any indemnity (with 21.5% more in 2006 than in 2001).

The average nominal monthly income in 2006 was 1049 lei. The highest values were recorded in the energetic industry, heating, gas and water (1801 billion), public administration and defence (2158 billion), financial intermediation (2141 billion), while the lowest values were registered in the following activities: fishing and fish breeding (647 billion), hotels and restaurants (627 billion), trade (648 billion).

The real income indexes calculated for 2006, compared to the last years, have recorded different tendencies:

- of growing, for the period 1990-1994;
- of oscillating, for the period 1995-1999;
- of decreasing, after 2001 until the year 2006, which shows a powerful erosion of the purchasing power.

During the same period of analysis, **the average number of pensioners** from the state social insurance system increased with 10.7% in 2006 to 135,799 persons. However, there was a diminishing in the number of pensioners from the social insurance – farmers (up to 45.8%).

The real pension of the pensioners from the state social insurances has been positive since the year 1991 and in these circumstances, because of the large amount of expenses, this category of population finds itself in a more powerful erosion of personal autonomy and human dignity.

The number of social assistance canteens in Iasi county was limited to an eating hall with 300 seats, which have daily received an average of 249 people.

In 2006, **the total incomes** of the population in the North-East were monthly of about 426.34 lei per person, with 10% less than the average achieved over the country, but with 3.3% more than in the previous year.

Over 75% of the total incomes are pecuniary revenues, of which the most important source is represented by the gross wage and other labour rights, followed by incomes from social benefits (19.6%).

In the North-East the auto consumption share is greater than the size of the company throughout the country (22.5% vs. 16.0%).

**The level and structure of total household income, by the total country
and the development of the North-East**

Chart VIII

	2005		2006	
	Total country	The North-East region	Total country	The North-East region
lei, monthly per person				
Total incomes	412,55	367,10	473,29	426,34
- percentage -				
Pecuniary revenues, of which:	79,6	75,1	80,7	75,1
Gross wage and other labour rights	47,3	38,4	49,3	38,8
Incomes from agriculture	3,9	5,5	3,6	4,6
Incomes from independent non-agricultural activities	3,3	4,3	3,1	4,4
Incomes from social benefits	20,4	20,4	19,9	19,6
Incomes from property	0,4	0,3	0,4	0,1
The equivalent income in-kind received by employees and beneficiaries of social benefits	3,1	2,4	3,3	2,4
The equivalent income of agricultural products from own resources	17,3	22,5	16,0	22,5

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p.47

In 2006 there was a monthly average of **409.10 lei total expenditure** per capita, with 12% more than the previous year. The total expenditure over the North-East region was below the cost of the overall country (445.42 lei per month per person).

Over $\frac{3}{4}$ of those costs imply money for purchasing consumed food and beverages (20.4%), buying non-food products (21.4%), or for auto consumption (23.4%).

**Level and structure of total expenditure of households, by the total country
and the development of the North-East**

Chart IX

	2005		2006	
	Total country	The North-East region	Total country	The North-East region
lei, monthly per person				
Total incomes	391,16	365,36	445,42	409,10
- percentage -				
Pecuniary revenues, of which for:	81,7	77,4	83,0	76,6
- purchasing consumed food and beverages	23,0	21,3	22,2	20,4
- purchasing non-food products	21,6	21,3	21,9	21,4
- market services	18,1	16,1	18,4	16,3
- expenses for investments	1,4	2,8	2,4	2,0
- production expenses	1,5	2,3	1,3	2,3
- Taxes, contributions, levies, duties	12,5	9,7	13,5	10,3
The equivalent income of agricultural products from own resources	18,3	22,6	17,0	23,4

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 47

In the following there is presented **the average monthly consumption** for the main food and beverages, per capita, at the level of the North-East region, compared to the total country. The level of these consumptions reflect the real possibilities of the population to purchase not only food products and drink, but also the own personal sources of supply.

The analysis of this indicator in the North-East development region during the years 2005 and 2006 shows:

- that there is a maintaining of the level of this indicator in the same proportion for: maize, pasta, cow cheese, cheese, fats, butter, fruit, etc.;
- that the average monthly consumption increased in 2006 compared to 2005, in terms of: fresh meat, meat products, cheese, vegetables and canned vegetables, etc.;
- that there were decreasing of the average monthly consumption regarding: rice, milk, margarine, potatoes, sugar.

Compared to the overall situation of the country, in general, the region of the North-East presents higher values, indicating a better standard of living.

The county of Iasi recorded in 2005 a **gross domestic product** per capita of 10,713.7 lei, with 17.6% more than in the whole North-East region of development and with 19.7% less than the level achieved by the total country.

It follows that in the analysed period (2001-2005), the GDP per capita in the North-East was below the level achieved by this indicator throughout the country.

At the end of 2006, in Iasi County were recorded **276,183 dwellings** (98.5% private properties mostly), with 2.2% more than in 2001. These homes totalized 679,135 rooms and totaled 9834 thousand square meters surface area. The average surface area of housing in 2006 was 35.6 square meters, being very close to the level of 2001.

Gross domestic product by categories of resources

Chart X

	2001	2002	2003	2004	2005
Gross domestic product (GDP) – County of Iasi	3.605,8	4.512,4	6.128,3	7.358,0	8.720,4
Gross domestic product per capita (lei) – Iasi county	4.281,8	5.603,2	7.510,2	8.955,5	10.713,7
Gross domestic product per capita (lei) – North-East region	3.737,4	4.970,9	6.575,9	7.884,3	9.114,2
Gross domestic product per capita (lei) – Romania	5.210,9	6.950,1	9.090,3	11.372,0	13.326,8

Source: National Institute of Statistics, Department of Statistics Iasi County, Statistical Yearbook of Iasi County, 2007, p. 49

The housing fund of the Metropolitan Area of Iasi represents 49.7% of the total number of habitation in the county, 48% of the number of living rooms and 50.9% of the surface area. On average, a household consists of 2.4 rooms, meaning 36.5 square meters.

In 2006, in Iasi County there were registered 759 km of **municipal roads**, out of which 59.8% were upgraded, with a percentage of 5.6% more than in 2001 and, respectively with an increase of 4.4%.

In 2006 there were 51,627 thousand **passengers**, twice more than in 2001, mainly due to the fact that the length of the simple line was diminished, altogether with the number of trams, buses and trolleybuses, and thus affecting the comfort of passengers during transport. The aspects related to public transport in metropolitan areas represent a serious concern in many parts of the world. Heyns and Schoeman (2006) show that, despite the efforts sustained by the economists and planners in the field of transport, measures have had undesirable effects upon the urban environment.

In 2006, only 14 villages were provided with public **sewerage facilities** (14.3% of the total number). The total length of the public sewage pipes increased in 2006 with a percentage of 6.2% than in 2001, whereas the green spaces with only 0.4%.

The gas distribution was brought into being in only 21 towns (21.4% of the total number of localities). In 2006 there were distributed 328,425 thousand cubic meters of natural gas, with 38.6% more than in 2001; natural gas for domestic use represented about 24.1% of the whole volume.

At the end of 2006, 50 localities were equipped with **facilities of drinking water supply**, which is 51.0% of the total number of localities. Drinking water distributed for domestic use represented 53.6% of the total amount of distributed water, 94.9% of the total volume being issued through water meters.

In 2006, in Iasi County there were registered 2531 **doctors**, of which only 7.0% worked in the private sector.

The number of physicians per 10,000 residents decreased in 2006 compared with 2001 (from 31.5 to 30.7). The private sector is more developed in terms of services of dentistry and pharmacies.

The activity of **health units** in the county of Iasi resulted in 236 thousand people placed in hospitals, with 9.9% less than in 2001.

The number of **hospital beds** (including the health centres) was about 6816 in 2006, with a percentage of 15.3% less than in 2001.

CONCLUSION

The Metropolitan Area involves a partnership approach to the process of development on medium and long term, as this partnership aims at a new range of possibilities for housing, recreation and relaxation for all citizens of the area, business opportunities and investments much more consistent than a city can offer, sites for academic and research institutions much more advanced that come to support the development.

This is therefore the only level able to deal effectively and solve the environmental problems and in the same time to mobilize and attract funds for an infrastructure designed to favour a lasting territorial development for a variety of locations and also the improvement of the standard of life.

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