# HUMAN POTENTIAL AS A SOURCE OF ECONOMICAL DEVELOPMENT IN BEIUŞ LAND

### Claudiu FILIMON\*

University of Oradea, Department of Geography, Tourism and Territorial Planning, 1 University st., 410087 Oradea, Romania, e-mail: filimonpunct@yahoo.fr

## **Valentin NEMES**

University of Oradea, Department of Geography, Tourism and Territorial Planning, 1 University st., 410087 Oradea, Romania, e-mail: nemes\_vali@yahoo.com

**Abstract:** The present study that focuses on the human potential in Beiuş Land, seen as a source of economical development, aims at highlighting the human resource existing in this area. It constitutes the engine or the dynamic element of the economical development. Such an endeavour is necessary and needs accomplishment, in order to support some territorial development policies, regardless of the scale they are set on. Its analysis of Beiuş Land highlighted the existence of several drawbacks of the human potential, triggered by the demographic aging process, but also by the possibilities this area offers. Depending on its evolution, it is necessary to achieve a certain level of development which should ensure its welfare status.

Key words: Beiuş Land, human potential, economical development

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#### INTRODUCTION

Current paper deals with issues of the participation of people in the economy. This participation is affected by the interaction of labour supply (which is associated with demographic processes including migration) and regional labour demand (which is influenced by factors such as structural change, local entrepreneurship, and inward investment). It is important to view unemployment/employment or economic activity within a region alongside the demographic change in the regional labour market. Demography is probably the single most important supply-side determinant of economic activity and employment trends in rural areas. While changes in human capital and labour quality matter most for endogenous growth, it is the level of human development that determines a region's sustainable growth path.

## **METHODOLOGY**

This study focuses on a well known geographic area, i.e. Beiuş Land, which somehow has been deprived of its human component, for a period of time. A complex paper on the human component, mainly tackling the economical component, dates back to 1977 (Rusu, 1977). Recent papers, tackling the human geography and resources, on a larger area, but which includes our area,

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<sup>\*</sup> Corresponding Author

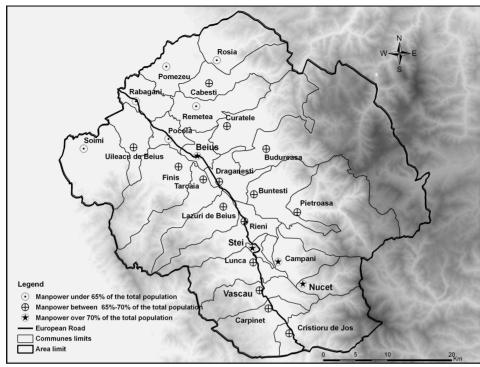
are those published by \$tefănescu (2001), Surd et al., (2007) on the human component from the perspective of the handicraftsmen and traditional activities (the first author), and the human risk for the second paper. Being a follow-up of some old concerns, this paper focuses on population seen as a source of economical development in this area. The change of the political regime, followed by the modifications in economy, affected the human resources as well. These repercussions manifest themselves through a change in the demographic behaviour, the free flow of the population and, implicitly, of the manpower, with direct effects on population seen as a resource of economical development. The first tendency after the fall of the communist regime in Romania, which deeply affects population where resource is concerned, is given by the decrease in number, the demographic aging of the population, the pronounced flow of the manpower, recorded at national level (Muntele, 1996; Pop, 2001, 2011; RSSM, 2006), in our area as well (Filimon, 2007; Filimon & Filimon, 2011).

Under these circumstances, the existing human resource, with its bad or good parts, plays and will play an important role in the sustainable development, especially when the new European requirements and the adjustment to them contribute to the increased competition among various territories. We think that, in this competition, the sustainable development of the territory, together with the natural and human resources, plays a major role. For that matter, there is an interdependency between the territorial development and humar resource, which can become constructive for both parts, when the development given by the economical growth is evident through an improved lifestyle. The main objective is the analysis of the population of Beiuş Land, seen as a source of economical development. In order to achieve these objectives, and in accordance with the previous studies (Filimon, 2007, 2008; Filimon et al., 2010, 2011a, 2011b; Filimon & Filimon, 2011), we relied on the existing markers which are more relevant and frequently used in the specialized literature (DRRCV, 1998; Popescu, 2002; Brînzan, 2006).

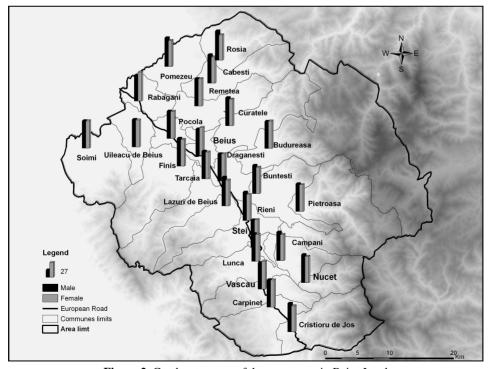
The used markers are the manpower, its gender structure, and with a direct impact on it, the population rejuvenation coefficient (0-14 year old/60 and over) given by an increased process of demographic aging and the manpower renewal coefficient (15-29 year old/30-44) with an impact on the manpower market. The next analysed marker is the activity rate which gives consistency to the work resources. This has been analyzed through its cumulative rates and its components, employed population and unemployed. A marker that we intended to analyze, but the lack of information prevented that, is the population education, a level which gives quality and perspective to the human resources. In its absence, we only analyzed the unemployed education level. These markers were analyzed by using the existing data for 2011, respectively the partial data from the census and the list of communes from the Bihor County Statistics Department.

# RESULTS AND DISCUSSIONS THE MARKER ANALYSIS

The manpower, represented by the weight of the employable population (15-64 year old) of the total amount of population, is a volume indicator of the human potential, being influenced by the social-economic mutations in the Beiuş Land area. In 2011, of the total amount of 78.119 inhabitants, the employable population was around 53.289, representing 68.2%. In communes and towns, the manpower varies quite a lot, between a minimum of 58.5% recorded in the commune of Pomezeu and a maximum of 77.4% in the town of Ştei. As seen in the figure, most administrative units (10 communes and the town of Vaşcău) have a manpower with rates closed to the one recorded in the entire area (figure 1). Three towns (Beiuş, Nucet and Ştei), and four communes (Bunteşti, Câmpani, Lazuri de Beiuş and Tărcaia) are relatively over the average rate in Beiuş Land. Six communes located north-west of Beiuş Land have lower rates than the average. The low rates of these communes are firstly given by the changes in the nummerical evolution of the population and the age group structure, on which the employable population is dependent. Secondly, the social-economic transformations trigger an increase/decrease of the activity ratio, as a result of the infusion or loss of the manpower through emigration or immigration.



**Figure 1**. Manpower in Beiuş Land (Data Source: DJS Bihor, 2011)



**Figure 2.** Gender structure of the manpower in Beiuş Land (Data Source: DJS Bihor, 2011)

As regards the *gender structure of the manpower*, one can see a certain advantage for the male population which is 50.6% of the total employable population. The highest rate is recorded in the commune of Roṣia where the male population is 53.7%. On the opposite side, there is the commune of Răbăgani with a male population of only 47% of the total manpower (figure 2).

As seen in the figure, the female employable population is majoritary in five administrative units: the towns of Beiuş, Stei, Vaşcău and the communes of Budureasa şi Răbăgani. Traditionally female activity rates have been lower in rural areas. Females working on farms may not be counted as in the labour force, and also there may be fewer paid employment opportunities compared with more urban areas. This may commonly lead to a "discouraged worker" problem - in which significant numbers of women do not actively look for work and are not counted as unemployed (so they are counted as being inactive).

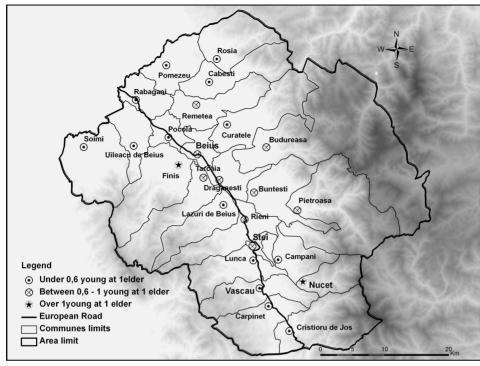
## THE POPULATION REJUVENATION COEFFICIENT

In order to highlight the quality features of the employable population in Beiuş Land, we analyzed the population rejuvenation coefficient (population 0-14 year old/60 and over 60 year old) and the manpower renewal coefficient. *The population rejuvenation coefficient* allows the highlight of the population rejuvenation potential in Beiuş Land.

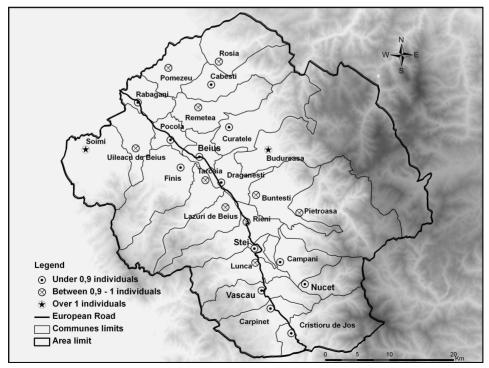
After the evaluation carried out in Beiuş Land, there resulted an average rate of 0.6 young /1 old. The relatively low rate highlights, together with demographic aging process, the fact that the population has a modest rejuvenation potential. In terms of recorded average rate, there are three administrative units categories. The first category is represented by 14 units where the population rejuvenation coefficient has a maximum rate of 0.5 young/1 old. These units have a low population rejuvenation potential. The lowest rate is found in the commune of Cărpinet with only 0.3 young/1 old. In this category, the town of Vaşcău also has a low rate. The second category comprises those territorial units where there are rates varying from 0.6-1.0/1 old. They are nine, being represented by the towns of Beiuş and Ştei and seven other communes (figure 3). The last category has only two administrative units, the town of Nucet and the commune of Finiş. Their rates show a balanced amount of population, 1.1 young/1 old. This situation is explained by the presence of a numerous young population (Filimon & Filimon, 2011).

The manpower renewal coefficient is defined as being the ratio between the active population between 15-29 year old and that one between 30-44 (DRRCV, 1998, Brînzan, 2006). This coefficient highlights the pressure of the young manpower which the market is not yet ready to absorb. The average rate recorded in Beiuş Land in 2011 is 0.9 individuals. This rate highlights the fact that the studied area has a relatively modest manpower. Of the total amount of analyzed units, only Budureasa and Şoimi have a high coefficient, its rates being 1.1 for both communes. Most administrative units, 13, including all towns, have a low manpower renewal coefficient, lower than 0.9 (figure 4). The communes with an average manpower renewal coefficient, with rates ranging from 0.9 and 1.0 are ten, the majority being small communes, with under 2.000 inhabitants. The rates of the manpower renewal coefficient are directly influenced by the increased demographic aging process.

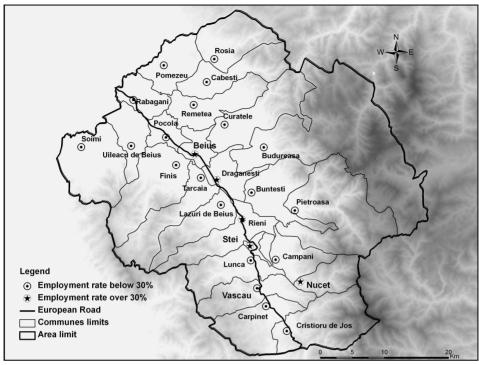
The population activity rate is defined by that segment of population which is employed and the unemployed one, compared to the total amount of population (Vert, 2001). It is directly influenced by the local and neighbouring social-economic climate. The employed population in Beiuş Land is 30.1% of the total amount of population in the depression, respectively 16.026 individuals. At territorial level, the employed population rate is more complex, being directly linked to the local particularity. Thus, the lowest rate is recorded in the commune of Uileacu de Beiuş (7.9%), with a relatively low population and few job opportunities. On the opposite side is the commune of Rieni with the highest employment rate (92.4%), an effect of the commune's economical potential. This potential is given by the presence of the European Drinks Corporation, with units within the commune. Together with Rieni, having high employment rates, are the towns of Beiuş, Ştei, Nucet and Drăgăneşti commune which offer more job opportunities.



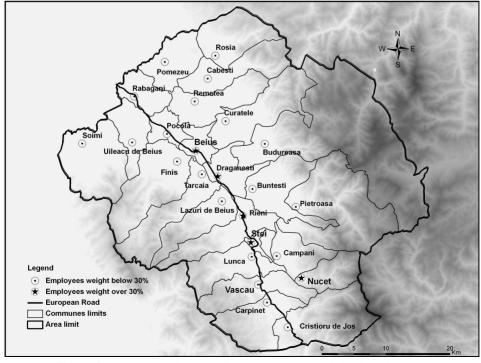
**Figure 3**. The population rejuvenation coefficient in Beiuş Land (Data Source: DJS Bihor, 2011)



**Figure 4**. The manpower renewal coefficient in Beiuş Land (Data Source: DJS Bihor, 2011)



**Figure 5**. Employed population rate in Beiuş Land (Data Source: DJS Bihor, 2011)

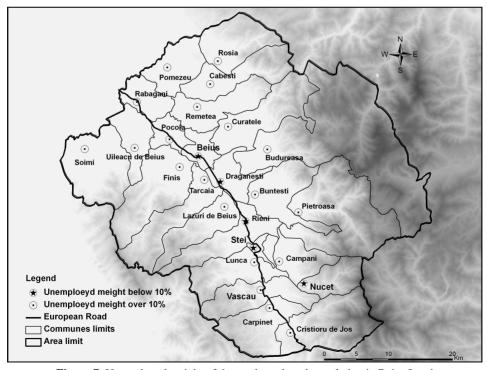


**Figure 6.** Employees weight out of the employable population in Beiuş Land (Data Source: DJS Bihor, 2011)

Most territorial units (19 communes and the town of Vaşcău) fall into the category of rates under the average (figure 5). The increased number shows the reduced possibilities of the manpower in these localities, at least for the moment.

The employed population in the entire area is 14.457 individuals, respectively 27.1% of the employable population. The territorial configuration of the employees rate highlights the fact that there is a direct link between the manpower, employment rate and employees weight (figure 6). The high rates are found in the administrative units which have a numerous manpower, with a high employment rate. They are the three towns (Beiuş 60.7%, Nucet 30.5%, Ştei 51%) and the communes of Drăgăneşti 35.8% and Rieni 86%. The low rates (Uileacu de Beiuş 6.1%, Lazuri de Beiuş 6.4%, Tărcaia 6.11%) overlap the communes with a low employment rate, even though they have a wide manpower.

The unemployed are the result of the failures of the economical policies and of the individual himself, as a manpower, in their inability to adapt themselves to the market requirements. As of 2011, the unemployment in Beiuş Land has an average rate of 10.7% of the employed population. The rate distribution in communes and towns highlights the fact that most unemployed are found in the communes with a low activity rate. This is also doubled by a high number of the unemployed. The highest rate is found in the commune of Budureasa where they represent 56% of the total amount of employed population. The lowest rate is found in the town of Beiuş, 3,3 %. With rates below 10% are the towns of Nucet and Ştei and the two comnunes Drăgăneşti and Rieni, which have light industry units capable to absorb the existing manpower within the commune area (figure 7). The level of the graduate people highlights a high percentage of the unemployed with no education or, at most, high school graduates. In the entire area, 39.9% of the unemployed are high school graduates, college graduates 6%, no education 20.8% and elementary school graduates 33.3%. The unemployed with no education or elementary school graduates are numerous within the communes the unemployed with college education are more within the towns of Beiuş Land.



**Figure 7**. Unemployed weight of the total employed population in Beiuş Land (Data Source: DJS Bihor, 2011)

#### CONCLUSIONS

The analysis of the aforementioned coefficients demonstrates that the human resources in Beiuş Land are modest for the time being. They are within the general trend recorded both at national and at county level, being characterized by a demographic aging process.

Although the human resource, potentially manpower, had relatively high rates in Beiuş Land, an average rate over 68% of the total amount of population, higher than the rate recorded in the same year in Romania (65.5%), it is affected by the demographic aging process. This aspect is best highlighted by the population rejuvenation and manpower coefficients. The average rates of these coefficients, 0.6 respectively 0.9, demonstrate a low potential of demographic rejuvenation and a low surplus of young manpower which should put pressure on the labour market. Furthermore, a reflex of the rural particularity of Beiuş Land, the work resource, as regards the gender distribution, indicates a slight tendency towards male dominancy through the high weight of the male population.

An important aspect, on the long term, is given by the employment rate of the population, this being influenced by the opportunities to find an acceptable job. The employment rate in Beiuş Land, through its average rate of 30.1%, is much lower than the one recorded at national level, 64.4%. The number and weight of the employees within Beiuş Land are relatively low compared with the existing manpower. The recorded rate for the entire analyzed area, 27.1%, highlights the limited opportunities given by the work market in Beiuş Land, and even in the county, but also the existence of an informal economy which comprises part of the employed population. The average rate of unemployment (10.7%) is higher than the national one (7.1%). Through the unemployed distribution on education level, the high weight of the unemployed with no education or elementary education only, 54.1% of the total amount of unemployed, shows the existence of a poorly skilled manpower.

The general conclusion is that the human potential in Beiuş Land, seen as an economical development resource, is a modest one, strongly influenced by the demographic aging process and its economical development.

Another conclusion which can be drawn is that, at present, in Beiuş Land is found a low amount of administrative units, only three towns (Beiuş, Ştei and Nucet) plus two communes, Drăgăneşti and Rieni which have quantitative and qualitative human resources to ensure a sustainable development. At the same time, it is very likely that these features of the human resource are nothing more than "a natural answer", self-adjustment, of the human component to the relatively modest terms and possibilities offered by the area where they manifest themselves.

# Aknowlegments

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