THE REALITY BEHIND THE STATISTICS

Professor Ph.D., Marius GUST
"Constantin Brâncoveanu" University of Pitesti, Romania
E-mail: mariusgust@yahoo.com

Abstract: *This paper seeks to explore the fact that, in recent years, official statistics show that Romania has been making significant progress in reducing the gaps with European Union standards and aims to verify whether the realities in our country validate the figures. Thus, the gross domestic product per capita, calculated in current prices, but especially at purchasing power parity, shows us a rapid recovery or even surpassing some Eastern European countries, previously better positioned compared to our country. Also, some regions of Romania compete with European regions known for their leading positions in the development rankings. Specifically, the paper investigates the structure of GDP through the lens of income, the distribution of the main incomes by beneficiaries, their size, the number of beneficiaries, the contribution of regions to value creation, etc. The conclusion is that there is great polarization, and the realities in the statistics are valid for a minority, while the majority are far from the averages in European Union.*
Keywords: *GDP, development, income, pensions, polarization.*
JEL Classification: *O1, R1.*

1. Statistical images

In recent years, the Romanian press has frequently written about the performance of Romania or some regions of our country in terms of economic growth and, in particular, about the dynamics of gross domestic product per capita, and European statistics confirm these aspects.

Table No. 1. GDP per capita – thousand EUR, current prices

Country / Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	index 2024/2003
I	20.4	21.3	22.1	23.3	24.7	25.4	24.2	25.1	25.9	26.0	26.3	26.9	27.8	28.5	29.7	30.6	31.7	30.5	33.3	36.1	38.4	39.9	196
Euro zone	25.0	25.9	26.7	28.0	29.2	29.7	28.4	29.1	29.7	29.8	30.0	30.6	31.4	32.2	33.3	34.4	35.4	33.8	36.8	39.9	42.0	43.4	173
Romania	2.4	2.8	3.7	4.6	6.1	7.1	6.2	6.3	6.9	6.9	7.2	7.6	8.1	8.5	9.5	10.5	11.5	11.4	12.6	14.7	16.9	18.6	783
Bulgaria	2.4	2.7	3.1	3.6	4.2	4.9	4.9	5.1	5.6	5.8	5.9	6.1	6.6	7.1	7.7	8.3	9.3	9.4	11.0	13.3	14.7	16.3	678
Czech	8.7	9.5	10.8	12.1	13.5	15.5	14.2	15.2	15.9	15.6	15.3	15.1	16.2	17.0	18.7	20.3	21.7	21.0	23.4	26.7	29.3	29.4	338
Hungary	7.4	8.3	9.0	9.1	10.2	10.8	9.4	10.0	10.2	10.1	10.4	10.8	11.5	12.0	13.1	14.1	15.2	14.4	16.1	17.6	20.6	21.6	290
Poland	5.1	5.4	6.5	7.2	8.3	9.6	8.3	9.5	10.0	10.2	10.3	10.8	11.4	11.3	12.4	13.3	14.2	14.3	15.8	17.5	20.0	22.6	447
Slovakia	5.6	6.4	7.3	8.5	10.4	12.2	11.8	12.7	13.3	13.6	13.8	14.1	14.8	15.0	15.6	16.6	17.3	17.3	18.7	20.2	22.6	23.9	429
Luxembourg	58.0	61.5	65.0	72.3	78.3	81.8	78.4	83.6	85.3	87.5	90.0	92.8	95.1	96.2	97.4	98.9	100.4	102.2	113.9	117.1	123.0	127.0	219
Ireland	36.4	38.4	40.9	43.3	44.8	41.7	37.4	36.7	37.8	38.4	39.6	43.1	58.0	58.1	64.0	68.5	73.2	75.8	88.1	100.1	99.1	104.5	287
Germany	27.5	28.2	28.6	29.9	31.4	32.1	31.0	32.6	34.2	34.8	35.6	37.0	38.0	39.0	40.6	41.8	43.0	42.0	44.9	48.3	50.7	51.8	189
Spain	19.0	20.1	21.3	22.7	23.8	24.2	23.1	23.1	22.9	22.2	22.0	22.4	23.4	24.2	25.2	26.0	26.6	23.9	26.1	28.8	31.0	32.6	172
French	26.1	27.1	28.0	29.1	30.4	31.0	30.0	30.8	31.7	32.0	32.3	32.6	33.2	33.5	34.3	35.1	36.1	34.3	36.9	38.9	41.3	42.6	163
Italy	24.4	25.2	25.8	26.7	27.6	27.8	26.6	27.1	27.6	27.1	26.9	27.1	27.6	28.4	29.1	29.7	30.2	28.1	31.2	33.9	36.3	37.3	153

Source: Eurostat (Gross domestic product (GDP) and main components per capita, nama_10_pc, DOI:10.2908/nama_10_pc, 28/10/2025)

In table no. 1, we can see the dynamics of gross domestic product per capita in Romania, then in the entire European Union, but also in several member states: from Eastern Europe, from Western Europe, but in the states where the indicator has the highest value. We can observe several aspects:

- first of all, there is a significant distance between the GDP per capita in Romania, but also, in general, between the EU countries in Eastern Europe and the averages at the EU and euro zone level, the member states in Western Europe and even greater compared to the maximum values of the indicator, recorded in Luxembourg and Ireland;

- secondly, the differences in GDP per capita of the EU member states in Eastern Europe tend to fade. If in 2003, the GDP per capita of the Czech Republic, Hungary, Poland was 2-3.5 times higher, in 2024, these states have a GDP per capita higher by 15-50% compared to our country;

- thirdly, the speed with which our country has eliminated the gap is very high. Thus, if GDP per capita, for the entire European Union, but also for Western member states where the indicator has the highest value, doubles (or comes close to doubling), in Romania it increases eight times, twice as high as the values recorded by sister states in the former socialist camp (except Bulgaria).

If we change the reporting basis to gross domestic product per capita, calculated at purchasing power parity (table no. 2), the progress of the Eastern European member states is even faster. Thus, these states, including Romania, in 2003 were quite far from the value of GDP per capita for the EU as a whole (with the exception of the Czech Republic and, partially, Hungary), in 2024 they are very close to the value of GDP per capita for the EU as a whole, but also to the same indicator in Western European member states, but they are still far from the maximum of the indicator, recorded in Luxembourg and Ireland. Also, with the exception of the Czech Republic, there is no longer a visible discrepancy between the GDP per capita calculated at purchasing power parity, the differences being very small. And in the case of this indicator, Romania has the fastest speed, recovering 48% and surpassing Hungary, Slovakia and being one percent behind Poland.

Table no. 2. GDP per capita (at PPP) - % of the EU average

Country / Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Δ2024/'2003
I	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
Euro zone	116	115	115	114	113	112	111	110	109	109	109	108	108	108	107	107	106	105	105	105	105	104	
Romania	30	35	36	39	44	51	52	52	54	56	54	55	56	58	62	65	69	72	72	73	77	78	48
Bulgaria	34	35	38	38	40	43	43	44	45	47	46	48	49	51	52	53	55	57	59	62	63	66	33
Czech	79	81	82	81	84	85	86	85	84	84	85	88	89	89	92	93	95	96	92	89	90	91	12
Hungary	62	63	63	63	61	63	65	65	66	66	68	69	70	69	69	71	73	75	75	76	76	76	14
Poland	50	52	52	52	54	56	60	63	66	68	67	68	70	69	70	72	74	78	79	78	77	79	29
Slovakia	57	58	61	64	68	72	72	76	76	77	77	78	78	73	70	70	70	74	74	71	74	75	18
Luxembourg	242	249	255	269	272	278	271	272	272	274	277	280	279	275	266	258	248	255	262	248	244	241	-1
Ireland	146	149	150	151	150	135	129	130	131	133	134	141	185	178	187	191	189	205	225	237	218	221	75
Germany	124	124	121	120	120	119	119	122	125	126	126	128	126	126	126	126	123	124	122	120	118	116	-7
Spain	101	101	102	105	104	102	100	96	92	91	90	90	91	92	92	91	90	82	85	88	90	91	-10
French	113	112	113	111	109	108	109	109	109	108	109	108	106	105	103	103	105	104	101	97	99	98	-15
Italy	118	114	112	111	109	108	108	106	105	103	100	98	97	99	98	96	96	93	96	98	98	98	-20

Source: Eurostat (Gross domestic product (GDP) and tomorrow components per capita , nama_10_pc, DOI:10.2908/nama_10_pc, 28/10/2025)

Romania's progress is visible not only at the national level, but also at the regional level, although it must be said that there is still a considerable gap between Romania's development regions and the most developed such areas in the EU, but also outside the Union.

Table No. 3. Regional GDP - billion EUR (calculated at purchasing power parity)

	Region / Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Index 2023 / 2012
1	**Ile de France**	631	646	655	672	685	704	727	758	701	744	785	860	136
2	**Lombardia**	351	348	355	362	373	383	394	398	373	424	457	490	139
3	**Upper Bavaria**	216	225	234	245	256	269	274	293	284	306	329	350	162
4	**Istanbul**	205	220	217	240	243	236	203	208	189	210	262	313	153
5	**Community of Madrid**	196	193	196	206	214	224	234	244	221	240	268	293	149
6	**Eastern and Midland**	107	114	126	143	152	169	189	206	215	249	287	291	272
7	**Rhone Alps**	203	206	209	214	220	226	235	242	233	250	261	285	140
8	**Catalonia**	195	193	197	206	215	223	231	240	215	235	259	282	145
9	**Dusseldorf**	183	186	193	197	202	210	218	224	220	234	250	263	144
10	**Stuttgart**	176	180	187	199	202	213	222	225	217	230	247	262	149
58	**Bucharest -Ilfov**	37	38	40	44	45	51	55	62	61	68	82	96	258
75	**Budapest**	38	37	39	41	42	46	50	55	52	57	62	75	199
78	**Wielkopolski**	37	38	40	42	42	47	50	53	53	58	65	73	199
101	**Lesser Poland**	30	30	32	34	34	38	41	44	43	48	53	60	203
136	**Mazowiecki regional**	21	20	22	23	23	25	26	28	28	31	37	41	198
141	**Northwest**	16	16	17	18	20	23	25	27	27	30	34	39	250
150	**South-Muntenia**	17	18	20	20	21	22	24	26	25	27	32	37	221
156	**Center**	16	16	17	18	19	21	24	25	25	27	30	35	220
159	**Bratislava Region**	21	22	22	23	24	25	26	27	27	29	31	33	162
162	**Northeast**	14	15	15	16	17	19	22	24	24	25	28	33	230
163	**Belgrade region**	15	16	15	15	16	17	19	21	21	23	26	33	225
167	**Southeast**	15	16	17	17	17	19	21	22	21	24	27	31	208
173	**Central Moravia**	15	15	15	16	17	18	20	21	20	22	26	29	190
174	**West**	14	14	14	15	16	18	19	21	20	22	25	28	207
177	**Moravian-Silesian Region**	16	15	15	16	17	18	20	20	19	21	25	27	170
188	**City of Zagreb**	15	15	15	15	16	17	18	19	18	20	22	26	167
191	**Southwest Oltenia**	11	11	11	12	12	14	16	17	17	18	22	25	232
221	**Podlaskie**	9	9	9	10	9	10	11	12	12	13	15	17	193

Source: Eurostat (Regional gross domestic product by NUTS 2 region , tgs00003, DOI:10.2908/tgs00003, 19/03/2025)

Thus, analyzing the total GDP of the region, in 2023 the Bucharest-Ilfov Region placed 58th out of over 300 regions in Europe, with a GDP of almost 100 billion EUR. In fact, the other development regions of Romania are also in the first half of the ranking or in the immediate vicinity of the median area. It should also be noted that all the development regions of our country have recorded doublings of the GDP value and that the Bucharest-Ilfov region is three, respectively four times more value-creating compared to the other Romanian regions.

Table no. 4. Regional GDP per capita
(calculated at purchasing power parity, as % of the EU average)

	Region	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Variation 2023 / 2012
1	**Eastern and Midland**	168	175	185	203	206	213	226	220	237	255	265	245	77
2	**Luxembourg**	276	278	282	281	277	268	259	249	256	260	252	237	-39
3	**Southern**	115	109	113	218	195	209	206	205	221	250	269	225	110
4	**Prague**	184	189	193	196	198	202	207	210	212	207	199	193	9
5	**Brussels-Capital Region**	220	218	217	215	210	206	202	200	202	197	194	191	-29
6	**Bucharest -Ilfov**	132	128	127	134	137	146	149	159	165	169	179	190	58
11	**Budapest**	144	141	145	142	140	142	147	155	157	158	163	168	24
39	**City of Zagreb**	113	111	109	112	114	116	119	120	116	121	119	125	12
105	**Schleswig-Holstein**	102	102	103	100	99	101	100	100	103	99	99	96	-6
154	**støední Czech Republic**	78	78	81	82	84	87	86	89	87	83	80	81	3
155	**Wielkopolski**	72	72	73	76	76	77	78	80	84	83	82	81	9

159	**West**	61	57	56	59	63	65	68	71	72	73	74	78	17
172	**Central Moravia**	66	68	71	71	72	75	75	76	78	74	71	73	7
187	**Northwest**	49	47	49	49	53	59	61	64	68	67	67	71	22
190	**Mazowiecki regional**	58	57	58	60	60	60	61	64	69	70	74	70	12
191	**Center**	55	51	52	53	56	60	63	65	68	68	66	70	15
218	**Southwest Oltenia**	43	40	40	41	42	47	51	54	55	55	59	62	19
221	**Southeast**	49	49	50	48	49	52	55	55	56	59	58	61	12
225	**South Muntenia**	44	43	47	45	47	49	52	52	54	55	57	60	16
255	**Northeast**	35	34	34	34	36	39	42	44	47	46	44	47	12

Source: Eurostat (Regional gross domestic product (PPS per inhabitant in % of the EU27 (from 2020) average) by NUTS 2 region , tgs00006, DOI: 10.2908/tgs00006, 19/03/2025)

If we change the reporting indicator to GDP per capita, calculated at purchasing power parity, and we report to GDP per capita in the EU, we have the surprise that the Bucharest-Ilfov Region is the sixth region in Europe, with a GDP value almost double the European value of the indicator. Only one region, West, is still in the first half, but at a great distance from Bucharest-Ilfov, the others being in the third third of the ranking or very close to it, but even in their case, the progress in 12 years (2012-2023) is considerable, recovering over 10 percent and in some cases even 20%. However, it should be noted that during the analyzed period, about 160 of the regions of Europe (about half) recorded decreases in GDP per capita or stagnation, another 70 recorded increases of up to 10%, another 40, increases of over 10%, and for another 40 there was no data. But the main observation remains, they have a GDP per capita of approximately one third (60-70%) compared to the Bucharest-Ilfov area, and Moldova (Northeast), only one quarter (less than 50%).

2. Views on European gaps

Konya, (2023) studied convergence and economic growth in 11 European Union member states in Central and Eastern Europe between 2000 and 2019 and concluded that the main objectives of economic policy should be to identify new sources of productivity growth, including higher spending on research and development, public sector reform, infrastructure expansion, and investment in human capital.

Dăianu (2002), before the countries of Eastern Europe began their European path, considered that a more realistic objective for governments could be to promote sustainable growth, which would allow convergence and not policies that strictly follow nominal criteria for EU accession, and that although both options are difficult to put into practice, the key to development remains the first policy.

Delhey and Guericke (2001) considered that "*although partial convergence can be achieved, full recovery of the gap, i.e. reaching the 'first league' of rich, post-industrial European societies, is difficult*", [...] "*we can hardly imagine that countries like Bulgaria or Romania could immediately become as modernized and prosperous as Germany or the Netherlands", [...]* "*the acceding countries will benefit from EU membership, but nevertheless should be prepared to belong to the semi-periphery for at least another generation or two*" and that [...]" *an EU regional policy with a stronger emphasis on restructuring, similar to post-industrial, knowledge-based societies, could accelerate the process – but, nevertheless, the road will remain long*".

In the same note, Baltă (2013) considered that "*the catching-up processes in the euro zone were not hindered by insufficient capital*" [...] but by "*the misallocation of capital, the accumulation process gradually becoming less economically efficient*", statistical data showing that "*in most economies in the catching-up process, investments were high in all* *sectors of non-tradable industries/services than in the manufacturing sector*" and that the allocation of:

> "*large capital flows to low-productivity industries in the non-tradable/service sectors could suggest an accumulation process driven more by the search for returns than by efficiency considerations. The weakness in productivity in catching-up countries has been widespread, affecting all economic sectors. This cannot be explained by differences in human capital, as the skill structure has improved over the past decade in the countries concerned. While further analytical work is needed to better understand the determinants of total factor productivity (TFP), insufficient investment in ICT and imperfect framework conditions in terms of competition and entry barriers could be important explanations for the disappointing performance*."

Dunford and Smith (2000) consider that there are "*significant variations in the speed and direction of change in per capita income and in productivity and employment rates across countries and a sample of European regions*", that "*falling behind (divergence) occurs both at the level of economic development and at the level of catching up (convergence)*" and that "*understanding spatial development requires attention to processes of differentiation and, in particular, the deterioration of the less developed areas of Central Europe and the overcoming of the gaps with the more developed ones, as well as to processes of catching up*". The same authors note that:

> *"[...] Eastern Europe and Austria-Hungary were consistently at the lower end of the economic development rankings in Europe, [...] the path to modernization taken by Western Europe was not open to the countries on the periphery in the second half of the 19th century; [...] the continued peripheralization of Eastern Europe resulted from the "refeudalization" of the region through a "second serfdom", which developed in several ways. The most important of these was the "pull" of industrial development in Western Europe, which had the consequence that Eastern Europe was forced to play a role in the European division of labor as a producer of agricultural products and raw materials for Western European markets. Concurrent with this was the re-inscription of serfdom and tithes to feudal lords, especially in Russia and Romania"*

Finally, Lackenbauer (2004) considered that Central and Eastern European (CEEC) countries, such as Hungary, are not only relatively backward compared to the "old" EU member states (EU-15), but are also witnessing a worrying increase in regional inequalities within their borders and that EU cohesion policy must take into account both catching up with the national gap and limiting regional disparities.

3. Romanian realities

Although true, the previous information seems quite far from the daily reality in our country. Undoubtedly, the economic situation of the average citizen is considerably better compared to December 1989 or January 1, 2007, when we entered the European Union. But these are averages. At the level of the majority of ordinary citizens, there is a significant discrepancy if we compare it to the average values. Specifically:

I. Wages are only a part of the gross domestic product, the latter including, in addition to employee remuneration (and these assessed at gross values, therefore including income tax and social and health contributions), corporate profits (gross operating surplus) and a series of taxes and duties on product or production. From the taxes collected by the various budgets of Romania from the gross domestic product and its components, public employee remuneration and various social benefits (pensions, benefits, etc.) are paid. So, to begin with, we should look at how much these represent in total GDP (table 5). From table no. 5 we note that employee remuneration (from the private sector, where GDP is created) represented shares in

GDP between 30 and 40% between 2006 (the year preceding EU accession) and 2024. But these are gross values, because if we deduct taxes and contributions on salaries, they are reduced to about 25%. In recent years, the salaries of public sector employees have represented about 9% of GDP, and social assistance expenses another 12-13%, which leads to a cumulative value of employee remuneration, payroll expenses of public sector employees and those with social assistance of only 43-47% of GDP. In other words, as a conclusion, the average values regarding GDP per capita represent incomes only one percent lower than 50% (in fact, 43-47%).

Table No. 5. GDP, wages, social assistance

billion lei current prices

Year		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GDP		343	426	540	531	540	587	621	632	669	713	752	852	953	1,060	1,064	1,186	1,385	1,591	1,759
Employee remuneration (gross value)	abs wave .	132	144	196	182	181	185	193	202	218	229	269	318	365	411	421	449	519	618	735
	% in GDP	*38.5*	*33.8*	*36.3*	*34.3*	*33.5*	*31.5*	*31.1*	*32.0*	*32.6*	*32.1*	*35.8*	*37.3*	*38.3*	*38.8*	*39.6*	*37.9*	*37.5*	*38.8*	*41.8*
Employee remuneration (net value)	abs wave .	93	102	138	128	128	130	136	142	154	161	190	224	213	240	246	263	303	362	430
	% in GDP	*27.1*	*23.9*	*25.6*	*24.1*	*23.7*	*22.1*	*21.9*	*22.5*	*23.0*	*22.6*	*25.3*	*26.3*	*22.4*	*22.6*	*23.1*	*22.2*	*21.9*	*22.8*	*24.4*
Personal expense budget	abs wave .	27.6	33.7	45.6	46.8	42.8	38.4	40.8	46.2	50.4	52.1	57	69.6	86.1	102.3	110	111.9	117.7	132.7	164.6
	% in GDP	*8.0*	*7.9*	*8.4*	*8.8*	*7.9*	*6.5*	*6.6*	*7.3*	*7.5*	*7.3*	*7.6*	*8.2*	*9.0*	*9.7*	*10.3*	*9.4*	*8.5*	*8.3*	*9.4*
Cost of social assistance budget	abs wave .	30.9	38.9	54.2	64	68.6	68	67	68.4	71.2	76	81.8	92.6	101.4	114.7	138.6	147.2	174.3	191	224
	% in GDP	*9.0*	*9.1*	*10.0*	*12.1*	*12.7*	*11.6*	*10.8*	*10.8*	*10.6*	*10.7*	*10.9*	*10.9*	*10.6*	*10.8*	*13.0*	*12.4*	*12.6*	*12.0*	*12.7*
Total check . with salaries and assistance sociable	abs wave .	152	174	238	239	239	237	244	257	275	289	329	386	401	457	495	522	595	685	819
	% in GDP	*44*	*41*	*44*	*45*	*44*	*40*	*39*	*41*	*41*	*41*	*44*	*45*	*42*	*43*	*47*	*44*	*43*	*43*	*47*

Source: INS (www.insse.ro), Ministry of Finance (www.mfinante.gov.ro) and author's calculations

II. Secondly, salaries and social security benefits, i.e. the incomes analyzed previously, are not obtained by all citizens. There is a significant number who do not register incomes, at least not in the official statistics of the Romanian state. For example, from the resident population reported by the National Institute of Statistics, of about 21.7 million inhabitants, we have approximately 6 million employees, and others, 5.1 million people receive social benefits, such as pensions (and other assimilated benefits), from the Social Insurance Budget or special budgets, approximately 3.4 million children receive allowances and others approximately 1 million people receive disability benefits. So, approximately 75% of the resident population receives various incomes, resulting in 25%, i.e. one person in four having no income.

Table No. 6. Population categories and average incomes of the category

Population category / population income	**THOUSAND People**	**Average value (gross) - lei**	**% of total resident population**
employee	5,955	9,201	27.4
state pensions for farmers	4,693	2,777	21.6
pensioner social benefits	885	526	4.1
veterans	12	914	0.1
pensions and allowances special laws	405	1,059	1.9
service pensions	12	16,790	0.1
child allowances	3,442	336	15.8
child-rearing allowance	147	3,698	0.7

Population category / population income	THOUSAND People	Average value (gross) - lei	% of total resident population
child growth insertion stimulant	75	755	0.3
child placement allowance	28	1,303	0.1
minimum inclusion income	353	664	1.6
home heating aid (2024)	38	265	0.2
compensation and personal budget for severe disability	363	728	1.7
allowance and personal budget for severe disability	405	496	1.9
personal budget medium handicap	85	80	0.4
family budget with a severely disabled child	53	463	0.2
family budget with a severely disabled child	11	232	0.1
family budget with a child with a medium disability	17	80	0.1
allowance for accompanying person with severe visual disability	34	2,574	0.2
child food allowance	0.1	1,000	0.0
food allowance	14	990	0.1
food allowances for people with tuberculosis	4	890	0.0
total	17,031.1		78.34%
resident population	21,739		100%

Source: compiled by the author based on data collected from the National Pension House (www.cnpp.ro, statistics section), from the National Agency for Payments and Social Inspection (www.mmanpis.ro, Public Interest Information section, subsection Payments made by ANPIS) and calculations by the author

III. Thirdly, although salaries are the most important income of Romanians and are obtained by most of the population (27%), several characteristics can still be observed regarding them:
- in July 2025, 74% of employees had a gross monthly salary below the national average of 9,200 lei. That is, for 3 out of 4 employees, the average was not relevant;
- more than 36% of employees, i.e. one in three people, had a gross monthly salary at or close to the national minimum wage, which is currently 4,050 lei;
- income polarization, the second tranche of average gross salary, with an average of 2,530 lei, is almost 30 times lower than the average salary of the last tranche, which is 71,783 lei.
- if we take as a benchmark the GDP per capita of 18,600 EUR, we notice that this value is representative of less than 10% of Romanian employees.

Table no. 7. Salaries in Romania and their grouping by intervals

Gross income tranche	Number of incomes (salaries, allowances, unemployment benefits, etc.)	Average monthly income related to the tranche (lei)	Number of cumulative incomes, including the respective installment	Share of cumulative income in total income	Average annualized gross monthly income (lei)	Average annualized gross monthly income (euro; cv 5076 lei)	Average annualized net monthly income (euro; current 5076 lei)
0	49,128	0	49,128	0.82	0	0	0
1-4049	1,257,139	2,530	1,306,267	21.93	30,355	5,980	3,498
4050	38,325	4,050	1,344,592	22.58	48,600	9,574	5,601
4051-4581	842,882	4,223	2,187,474	36.73	50,678	9,984	5,840
4582	102,740	4,582	2,290,214	38.46	54,984	10,832	6,337
4583-5000	343,016	4,766	2,633,230	44.22	57,192	11,267	6,591
5001-6000	586,235	5,475	3,219,465	54.06	65,702	12,944	7,572
6001-7000	450,712	6,504	3,670,177	61.63	78,054	15,377	8,996

Gross income tranche	Number of incomes (salaries, allowances, unemployment benefits, etc.)	Average monthly income related to the tranche (lei)	Number of cumulative incomes, including the respective installment	Share of cumulative income in total income	Average annualized gross monthly income (lei)	Average annualized gross monthly income (euro; cv 5076 lei)	Average annualized net monthly income (euro; current 5076 lei)
7001-8000	390,992	7,494	4,061,169	68.20	89,932	17,717	10,365
8001-8619	218,055	8,322	4,279,224	71.86	99,867	19,674	11,510
8620	315	8,620	4,279,539	71.86	103,440	20,378	11,921
8621-9000	118,266	8,808	4,397,805	73.85	105,697	20,823	12,181
9001-10000	265,718	9,494	4,663,523	78.31	113,930	22,445	13,130
10001-12000	425,093	10,960	5,088,616	85.45	131,524	25,911	15,158
12001-13000	144,233	12,473	5,232,849	87.87	149,677	29,487	17,250
13001-15000	230,979	13,911	5,463,828	91.75	166,928	32,886	19,238
15001-16000	65,776	15,468	5,529,604	92.85	185,613	36,567	21,392
16001-18000	99,493	16,964	5,629,097	94.52	203,572	40,105	23,461
18001-20000	67,256	18,973	5,696,353	95.65	227,671	44,852	26,239
20001-22000	51,901	20,972	5,748,254	96.53	251,669	49,580	29,004
22001-25000	53,460	23,412	5,801,714	97.42	280,938	55,346	32,378
25001-30000	61,204	27,231	5,862,918	98.45	326,776	64,377	37,660
30001-40000	56,110	34,075	5,919,028	99.39	408,903	80,556	47,125
40001-43099	7,722	41,552	5,926,750	99.52	498,626	98,232	57,466
43100	7	43,100	5,926,757	99.52	517,200	101,891	59,606
Over 43100	28,439	71,783	5,955,196	100.00	861,392	169,699	99,274
Total	5,955,196	-	-	-	-	-	

Source: author's calculations according to CNPP - Centralizing situation regarding the types of insured persons and the average gross income by income tranches for July 2025, https://www.cnpp.ro/ro/indicatori-statistici-pilon-i (accessed 27 Oct. 2025)

IV. Fourthly, pensions are the second most notable income of Romanians, being obtained by 24% of the population, so approximately one in four people obtains this type of income, and related to it we can observe the following aspects:

- in July 2025, the majority (approximately 90%) were state pensions for farmers and only 10% were paid by other pension funds or were paid under special laws or were considered special pensions;
- approximately 90% of state pensions and those for farmers (i.e. the majority) are very small, the average value being only 2,777 lei, many of them being under 1,200 lei, so that about 20% of beneficiaries also receive a social allowance to ensure a minimum level of subsistence;
- there is a certain polarization in the case of pensions (the state category and for farmers, i.e. the majority), but less pronounced than in salaries. Thus, between the average of the first interval and the average of the last interval there is a ratio of 1 to approximately 20;
- if we take as a benchmark the GDP per capita of 18,600 EUR, we notice that this value is found in very few cases in the case of state pensions. In fact, less than half a million state pensioners have monthly pensions of over 5,000 lei gross per month (so 12,000 EUR annually);
- the only large pensions in Romania are the special ones, with an average value of about 16,800 lei per month (therefore, about 40 thousand EUR gross annually), for which the GDP per capita of 18.6 thousand EUR is representative.

Table no. 8. Pensions in Romania (and other similar benefits) and their grouping by intervals

Pension levels	Social security benefits - total	average of the interval (gross monthly compensation) - lei	Monthly value relative to the interval - lei	Net monthly value relative to the interval - lei	net annual value – lei	net annual value in EUR (5,076 lei)
up to 700	354,973	350	124,240,550	350	4,200	827
701-1000	298,092	850	253,378,200	850	10,200	2,009
1001-1200	243,325	1,100	267,657,500	1,100	13,200	2,600
1201-1400	244,688	1,300	318,094,400	1,300	15,600	3,073
1401-1500	127,929	1,450	185,497,050	1,450	17,400	3,428
1501-1600	136,139	1,550	211,015,450	1,550	18,600	3,664
1601-1700	124,039	1,650	204,664,350	1,650	19,800	3,901
1701-1800	124,613	1,750	218,072,750	1,750	21,000	4,137
1801-1900	121,751	1,850	225,239,350	1,850	22,200	4,374
1901-2000	118,517	1,950	231,108,150	1,950	23,400	4,610
2001-2100	113,631	2,050	232,943,550	2,050	24,600	4,846
2101-2200	110,560	2,150	237,704,000	2,150	25,800	5,083
2201-2300	106,650	2,250	239,962,500	2,250	27,000	5,319
2301-2500	205,024	2,400	492,057,600	2,400	28,800	5,674
2501-2700	195,053	2,600	507,137,800	2,600	31,200	6,147
2701-2900	188,288	2,800	527,206,400	2,800	33,600	6,619
2901-3000	92,025	2,950	271,473,750	2,950	35,400	6,974
3001-3500	428,959	3,250	1,394,116,750	3,225	38,700	7,624
3501-4000	361,672	3,750	1,356,270,000	3,675	44,100	8,688
4001-4500	287,837	4,250	1,223,307,250	4,100	49,200	9,693
4501-5000	213,459	4,750	1,013,930,250	4,500	54,000	10,638
over 5000	495,586	6,650	3,295,646,900	6,020	72,240	14,232
TOTAL	**4,692,810**		13,030,724,500			

Source: author's calculations according to CNPP - Grouping the number of pensioners by pension levels according to pension rights due in September 2025, https://www.cnpp.ro/ro/indicatori-statistici-pilon-i (accessed 27 Oct. 2025)

V. Fifth, economic growth has not been equal throughout the country. In principle, the developed regions have prospered a lot, and though less developed ones have caught up to an extent, their progress is much smaller. Thus:

- if we compare the regional GDP of Bucharest with that achieved in the other regions, respectively, the GDP per capita of the Bucharest-Ilfov Region with that of the other regions, we find that that of Bucharest is 2.5-4 times higher than that of the other regions;

- The Bucharest-Ilfov Region has consolidated its position in terms of contribution to the national GDP, from about a quarter in 2012 to almost 30%. We still have negligible increases in the contribution to the national GDP in the Northwest and Northeast Regions, while the other five regions (South-Muntenia, Center, Southeast, West, Southwest) are recording decreases;

Table no. 9. Share of regional GDP – in national GDP %

	Region	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	**Bucharest -Ilfov**	26.4	26.4	26.5	27.5	26.9	27.3	26.7	27.7	27.7	28.2	29.3	29.6
2	**Northwest**	11.4	11.1	11.3	11.3	12.0	12.3	12.1	12.1	12.3	12.4	12.1	12.0
3	**South-Muntenia**	12.1	12.5	13.2	12.5	12.6	11.8	11.7	11.6	11.4	11.2	11.4	11.4
4	**Center**	11.4	11.1	11.3	11.3	11.4	11.2	11.7	11.2	11.4	11.2	10.7	10.8
5	**Northeast**	10.0	10.4	9.9	10.0	10.2	10.2	10.7	10.7	10.9	10.4	10.0	10.2

6	**Southeast**	10.7	11.1	11.3	10.6	10.2	10.2	10.2	9.8	9.5	10.0	9.6	9.6
7	**West**	10.0	9.7	9.3	9.4	9.6	9.6	9.2	9.4	9.1	9.1	8.9	8.6
8	**Southwest Oltenia**	7.9	7.6	7.3	7.5	7.2	7.5	7.8	7.6	7.7	7.5	7.9	7.7

Eurostat data (Regional gross domestic product by NUTS 2 region , tgs00003, DOI:10.2908/tgs00003, 19/03/2025)

- GDP per capita is in all regions far from GDP per capita in the Bucharest-Ilfov Region. In all regions, except the Northwest region (but here too with a negligible increase), the share of GDP per capita in the GDP of the Bucharest-Ilfov Region decreases (in some cases, by more than 5%). Interestingly, this regression occurs in almost all cases starting with 2018 with the establishment of permanent tax offices for large taxpayers in Bucharest, thus taking place a transfer of economic power to the Bucharest-Ilfov Region.

Table no. 10. Ratio between regional GDP per capita and GDP per capita in the Bucharest-Ilfov region (%)

	Region	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	**Bucharest -Ilfov**	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2	**West**	46.2	44.5	44.1	44.0	46.0	44.5	45.6	44.7	43.6	43.2	41.3	41.1
3	**Northwest**	37.1	36.7	38.6	36.6	38.7	40.4	40.9	40.3	41.2	39.6	37.4	37.4
4	**Center**	41.7	39.8	40.9	39.6	40.9	41.1	42.3	40.9	41.2	40.2	36.9	36.8
5	**Southwest Oltenia**	32.6	31.3	31.5	30.6	30.7	32.2	34.2	34.0	33.3	32.5	33.0	32.6
6	**Southeast**	37.1	38.3	39.4	35.8	35.8	35.6	36.9	34.6	33.9	34.9	32.4	32.1
7	**South Muntenia**	33.3	33.6	37.0	33.6	34.3	33.6	34.9	32.7	32.7	32.5	31.8	31.6
8	**Northeast**	26.5	26.6	26.8	25.4	26.3	26.7	28.2	27.7	28.5	27.2	24.6	24.7

Eurostat data (Regional gross domestic product by NUTS 2 region , tgs00003, DOI:10.2908/tgs00003, 19/03/2025)

From the previous data we can see that we are witnessing a significant polarization, as in the entire Romanian economy. As Neagu, Dragu, and Costeiu (2016) observed, the average statistical indicators calculated for the entire Romanian economy practically become irrelevant, being impossible to generalize the averages at the national level, the trends as well as the consistency of some average values are given by a minority, for whom the economic and public policies are actually created and applied and with whom the bulk of the population does not identify.

4. Conclusions

After joining the European Union, Romania has made significant progress in terms of economic growth and the derived indicator of gross domestic product per capita. Thus, the speed with which our country has closed the gap that separated it from the founding states of the EU is very high. Also, the differences in GDP per capita of the EU member countries in Eastern Europe tend to fade. If we change the reporting basis to gross domestic product per capita, calculated at purchasing power parity (table no. 2), the progress of the member countries in Eastern Europe is even faster, and in the case of this indicator, Romania has the highest speed, recovering 48% and surpassing Hungary, Slovakia and being one percent behind Poland.

Romania's progress is not only visible at the national level, but also at the regional level (although it must be said that there is still a considerable gap between the development regions of Romania), in 2023 the Bucharest-Ilfov Region placed 58th out of over 300 regions in Europe, with a GDP of almost 100 billion EUR. In fact, the other development regions of Romania are also in the first half of the ranking or in close proximity to the median area.

While the Bucharest-Ilfov Region was the sixth region in Europe, with a GDP value almost double the European value of the indicator, the others were in the third third of the ranking.

But, unfortunately, in the conditions of a heightened polarization of Romanian society, the average statistical indicators calculated for our country practically become irrelevant, being impossible to generalize the averages at the national level, the trend, as well as the consistency of the average values, are given by a minority, for whom economic and public policies are actually created and applied and with whom the bulk of the population does not identify. Thus:

- there is a long way between GDP per capita and the income of the population, employee remuneration represents only about 30-40% of GDP, and if we add the salaries of state employees and the amounts redistributed through public budgets, we reach 43-47% of the national GDP;
- salaries and social security benefits, i.e. the incomes analyzed previously, are not obtained by all citizens, but only approximately 75% of the resident population receives various incomes, resulting in 25%, i.e. one person in four, having no income at all;
- although salaries are the most important income of Romanians and are obtained by most of the population (27%), about 74% of employees had a gross monthly salary below the national average of 9,200 lei, more than 36% of employees, that is, one in three people, had a gross monthly salary at or near the national minimum, which is currently 4,050 lei, and the range of salaries indicates their polarization (the second tranche of average gross salary, with an average of 2,530 lei, is almost 30 times lower than the average salary of the last tranche, which is 71,783 lei). Additionally, if we take as a benchmark the GDP per capita of 18,600 EUR, we note that this value is representative of less than 10% of Romanian employees;
- pensions are the second income of Romanians, being obtained by 24% of the inhabitants, but the majority (90%) are very small, the average value being only 2,777 lei, many of them being under 1,200 lei (which is why beneficiaries also receive a social allowance to ensure a minimum level of subsistence). If we take as a benchmark the GDP per capita of 18,600 EUR, we notice that this value is found in the case of special pensions, with an average value of about 16,800 thousand lei per month (therefore, about 40 thousand EUR gross annually).
- economic growth has not been distributed equally throughout the country. In principle, the developed regions have prospered a lot, and though less developed ones have caught up to an extent, their progress is much smaller. Thus, the regional GDP of Bucharest has consolidated its position, and the other regions achieve about a third of the economic power of the Capital and the surrounding geographical area.

References:

1. Balta, N., 2013. Catching-up processes in the euro zone. *Quarterly Report on the Euro Area (QREA)*, Directorate General Economic and Financial Affairs (DG ECFIN), European Commission , vol. 12(1), pp. 7-18, March. [online] Available at: <http://ec.europa.eu/economy_finance/publications/qr_euro_area/2013/pdf/qrea1_focus_en_en.pdf> [Accessed 16 Nov 2025].
2. Dăianu, D., 2002. Is catching up possible in Europe? *Romanian Journal of European Affairs*, 2(1). [online] Available at: <https://rjea.ier.gov.ro/wpcontent/uploads/articole/RJEA_Vol2_No1_Is_Catching_Up_Possible_in_Europe.pdf> [Accessed 16 Nov 2025].

3. Delhey, J., Guericke von, O., 2001. The Prospects of Catching up for New EU Members Lessons for the Accession Countries to the European Union from Previous Enlargements. *Social Indicators Research*, 56(2), pp.205-231. [online] Available at: <https://www.researchgate.net/publication/227117183_The_Prospects_of_Catching_up_for_New_EU_Members_Lessons_for_the_Accession_Countries_to_the_European_Union_from_Previous_Enlargements> [Accessed 16 Nov 2025].
4. Dunford, M., Smith, A., 2000. Catching Up or Falling Behind? Economic Performance and Regional Trajectories in the New Europe, *Economic Geography*, 76(2), pp.169 – 195. [online] Available at: <https://www.researchgate.net/publication/227679273_Catching_Up_or_Falling_Behind_Economic_Performance_and_Regional_Trajectories_in_the_New_Europe> [Accessed 16 Nov 2025].
5. Konya, I., 2023. Catching up or getting stuck : convergence in Eastern European economies. *Eurasian Economy*, 13, pp.237–258. [online] Available at: <https://doi.org/10.1007/s40822-023-00230-2> [Accessed 16 Nov 2025].
6. Lackenbauer, J., 2004. Catching-up. Regional Disparities and EU Cohesion Policy: The Case of Hungary. *Managing Global Transitions*, University of Primorska, Faculty of Management Koper, 2(2), pp.123-162. [online] Available at: <https://ideas.repec.org/a/mgt/youmgt/v2y2004i2p123-162.html> [Accessed 16 Nov 2025].
7. Neagu, F., Dragu, F., Costeiu, A., 2016. După 20 de ani: schimbări structurale în economia României în primele decenii postdecembriste. *Caiete de studii*, 42, National Bank of Romania. [online] Available at: <https://www.bnr.ro/uploads/publicatii/2016cs42.pdf> [Accessed 16 Nov 2025].
8. Monti, M., 1989. *Fiscal Policy, Economic Adjustment, and Financial Markets*. Washington, D.C.: IMF Publication Service.
9. Grosu, V., Socoliuc, M., Bostan, I., Hlaciuc E., Moraru, M., Domil, A., Mates, D. and Artene, A., 2014. Improving the Structure of the Balance Sheet by Incorporating the Value of Intellectual Capital. *Journal of Society for Development of Teaching and Business Processes in New Net Environment in B&H, Technics, Tehnologies and Education Management*, 9(2), pp.397-401.