

## Geographical and Sectoral Polarization of Jobs:

### The Case of Romania during the First Decade Following the EU Accession

#### Extended abstract

Job polarization raises significant concerns for social inequalities. Understood as a growing share of high-skilled jobs coupled with declining mid-skilled jobs and growing low-skilled jobs (Autor et al., 2006), job polarisation is supposed to contribute to wage polarization and increasing social inequalities. Following some seminal contribution during the 2000s, that originate from economic research (Autor et al., 2006; Goos & Manning, 2007), the issue of job polarization has afterwards triggered the attention of geographers and regional scientists that now aim at understanding the interplay between spatial divergence and job polarization.

Indeed, the geographical dimension of labour market polarization has only recently triggered the attention of researchers. Henning & Eriksson (2021) have recently inquired the spatial dimension of Swedish job polarization trends and found that job polarization is encountered in about 21% of municipalities, whilst the rest of municipalities do experience other types of trends. Consoli & Sánchez-Barrioluengo (2019) explored issues related to job polarization for the case of Spanish provinces and found evidence suggesting that decline in mid-skilled jobs is "strongly associated with "the expansion of low-skill service employment". However, most of such studies have been conducted on developed countries, leaving the similar issues remain unaddressed for the case of transition economies, including central-eastern European ones. Actually, labour market polarization has been previously addressed by for the particular case of central-eastern EU developing countries (Gajdos et al., 2020; Martinak, 2020; Mysikova & Vecernik, 2018; Naplava, 2019; Woycicka, 2016), but we are not aware of any systematic and comprehensive analysis of the *geographical dimension* of job polarization in any central-eastern EU country.

This research has two main objectives. The first main objective aims at delivering a systematic assessment of labour market polarization in Romania during 2007-2018, by answering the following two questions: (i) can we speak of labour market polarization in Romania during the period 2007-2018? And (ii) What is the geography of labour market polarization? To answer the first question, labour market polarization is assessed by classifying all economic sectors (2 digit NACE rev2) into five groups (five quintiles) based on the average of wages of all employees from the sector. Taking this classification we further compute the evolution of the number of jobs for each of the quantile and thus test the polarization hypothesis at the national level. In a second step (to answer the second question), the same procedure is repeated for each commune/city of Romania (a total of 3181 LAU2s). After classifying each commune/city into one of the well-known categories found in the literature (polarizing, upgrading, downgrading, mid-upgrading - see Henning & Eriksson, 2021), we finally obtain not only the frequency of polarizing cases, but also their geography.

Further inspired by the works of Henning & Eriksson (2021) and Fernández-Macías (2012), the second main objective of our research aims at exploring the determinants of the geography of structural changes in the labour market, including spatial accessibility to the EU market (computed using a highly detailed GIS road network), demographic size and demographic structure in 2011, spatial proximity to various categories of urban centres, and education level in 2011.

Finally, the research also explores some possible consequences of changes in sectoral structure of labour market, by looking at the statistical relationship between job polarization, local structure of revenues and spending, and electoral outcomes.

[Preliminary results are expected to be delivered in May 2022, and final results in August 2022]

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