

The Misery of the Roma and the Economics of Poverty

By Norbert Mappes-Niediek

Roma are generally poor. In Romania and Bulgaria, almost 80 percent of them live with an income of less than \$4.30 a day, in Hungary 40 percent. Not even a third of Roma men between the ages of 15 and 64 in Hungary has even a minimal income from gainful employment, and only a sixth of women. That there is great, sometimes extreme poverty among the Roma is not a matter of debate in Europe. Why things don't get better despite political initiatives such as the "Decade of Roma Inclusion" with a host of national "Decade Action Plans" has since become the subject of a considerable East-West controversy.

There is no lack of projects on how to help the Roma in Eastern European slums, and no lack of funding either. And yet the "Decade of Roma Inclusion 2005 2015," declared by twelve European states,¹ has hardly produced any notable results. Every participating state, from the Czech Republic in the north to Bulgaria in the south and Spain as the only Western European country, presented an "Action Plan" for education, employment, health care and housing. Funding comes from the World Bank, the private Open Society Foundations, the European Union, various UN organizations such as the United Nations Development Program (UNDP), its Refugee Agency (UNHCR), Human Settlements Program (HABITAT) and Children's Fund (UNICEF), the Council of Europe and several state-funded Roma agencies. Money is allocated for all kinds of projects, some of them sensible and effective, others less so. But the many specific measures have ultimately done little to improve the situation of most Roma. The experts at Open Society Foundations, who, unlike the participating states and international organizations, have no need to gloss things over, have observed some progress in the integration of *gitanos* in Córdoba and Andalusia on the whole. Access to affordable housing has improved for Hungarian Roma, and education for those in Romania. Otherwise little has happened "except on paper," says Daniela Tarnovschi, project coordinator for the Open Society Foundations in Romania.

In the East, the enduring problem is blamed on the behavior and culture of the Roma, who supposedly don't want to work, don't send their kids to school, spend their money recklessly, and drink too much. In the West, the blame is squarely laid on racist discrimination suffered at the hands of a philistine majority. Both sides have a point. But the core of both arguments is wrong.

¹ Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Macedonia, Montenegro, Romania, Serbia, Slovakia, and Spain

Integration, communist style

Bucharest sociologist Caștașlin Zamfir, born in 1941, conducted together with his wife Elena the first large-scale study about the situation of the Roma in Romania after the fall of the Ceaușescu regime. The investigation should have resulted in a national program. Nothing came of it, however. “At fault” says Zamfir, twenty years later, “was the economy, for one thing. There was simply no money.” But equally at fault, he claims, was Western policy, which put its money in the wrong place – in anti-discrimination measures.

Whereas experts in the East emphasized the economic and social situation, he continues, their Western counterparts were only ever concerned about fighting discrimination. Zamfir is scornful of many well-meaning initiatives – a large research program to address harassment at the workplace, for example. He wonders if harassment on the job is worse than not having any job at all. When Zamfir talks about “the system” from which the Roma are excluded, he basically means the job market. But the real culprit, to his mind, is capitalism. Professor Zamfir is a member of the Romanian Academy of Sciences, and hence a pillar of the post-communist intellectual world.

But Zamfir has some powerful arguments. In 1990, after the dictator’s fall, there were still about 8.4 million jobs in Romania. Today there are only 4 million. Not all of today’s unemployed and emigrants are Roma, but almost all Roma are unemployed or end up going abroad. The Roma were the first to be fired. Not, or not primarily, because of the prejudices of others, says Zamfir, but because they were more poorly trained and just starting in most cases to adopt a modern lifestyle. While it is true that the official policy of the communists was “ethnic homogenization” and “assimilation,” in terms of fighting poverty they did have a measure of success. “In the 1960s and 1970s,” Zamfir says on the firm basis of research into more than 3,000 households, “the Roma were better trained and had better jobs than today.” Once they were excluded from the system, however, they necessarily had to rely on the solidarity of the family clan, returning to their villages and primitive agriculture. The birth rate shot up. “Education,” he thought in the early 1990s, “at least they’ll still have their education! No one can take that away from them!” But even here, an embittered Zamfir says, reality has disappointed him. “All you need to do is discontinue the bus service and their children will no longer be able to get to school. It’s as simple as that.”

From integration to exclusion

Indeed, it was not only in Romania that most Roma were integrated in the working world under communism. Throughout Eastern Europe, factory buses drove through the countryside, picking up able-bodied Roma to work as industrial laborers, sweeping the factory yards at first, then later as machine operators. Productive work was not just a right but a duty as well. The Roma, like everyone else, were to become part of the “working people.” The communists were suspicious of traditional, less productive crafts, of commerce in general, even retail trade, not to mention itinerant lifestyles. But these traditional ways of life would fade away over time, they thought. Once the “lumpenproletarians” got used to regular work, they would change their unusual ways, live in one place, preferably standardized housing projects, send their children to preschool, and in general lead the life of decent working folk.

If the right consciousness was slow in coming, the communist authorities would lend a hand, by confiscating and destroying horse-drawn carts in Hungary and Romania, for example. In 1960s Czechoslovakia, the Party attempted to break up the large Roma ghettos in eastern Slovakia, resettling their inhabitants to western Bohemia. The aim was that no community would have a Roma population of more than 5 percent.

The strategy achieved what it set out to achieve. In 1960, about 35 percent of the Roma in Hungary did not have stable employment, and another 32 percent were casual laborers. Twenty years later, there were virtually no Roma without a job. The share of casual laborers had dwindled to 15 percent, and the remaining 85 percent had permanent work. Standards of living converged as a result. In terms of access to durable goods such as refrigerators, television sets and automobiles, the gap steadily closed between minority and majority.

The “Velvet Revolution,” or how to make the Roma redundant

Communists and post-communists in Eastern Europe are alike in their conviction that the root cause of the poverty and social marginalization of the Roma lies in their traditional patterns of behavior. In the days of socialism, the Party undertook the task of turning the slovenly Roma into decent proletarians. If the project did not succeed, then only because it was interrupted by the “Velvet Revolution” of 1990. Nowadays every man is the architect of his own fortune, or so the common belief these days. If he doesn’t like it, tough luck. In a place where nothing is for free, relief programs for supposed shirkers and truants, petty criminals, spendthrifts and alcoholics are not very well received.

The “Velvet Revolution” succeeded in making the Roma redundant – the trend towards integration was suddenly reversed in all of Central and Eastern Europe. When half of the jobs in a region are lost, it doesn’t take much imagination to figure out that the Roma were hit the hardest. It was they who had the worst jobs and the weakest position in factory managements, and they were still the worst trained. When the economy gradually began to pick up, it did so without the Roma. Not having owned anything before communism, they found themselves empty-handed after the restitution of property and the privatization of industry. Education was even more important under a market economy than in socialism, they discovered, and the education most Roma had received wasn’t nearly enough. To make matters worse, when work became scarce, the old system of personal patronage began rearing its ugly head again – with nothing in it for the Roma.

The rest could be explained by ethnic or “racial” discrimination. More social recognition and appreciation for the Roma in Eastern Europe, as demanded by the EU and the Council of Europe, would have helped no more than one or two out of a hundred Roma to hold on to their jobs. One or two Romanians would have lost their jobs in return. Only in the West do people ask why it’s always the Roma who are bringing up the rear. In the East, people ask themselves why it’s the poor who always have to suffer.

The Eastern Europeans and their Roma

The discrimination and public degradation of Roma were commonplace under socialism too. The strategy of transforming these outsiders into upstanding members of the working people made the Roma part of an educational project, basically turning them into children, while automatically putting the majority population into the role of tutors. Those whom the communist authorities had lectured, bullied and forced to make confessions could now vent their frustration on the ones beneath them. Once a year in Hungary, the army showed up in villages to conduct a collective bathing campaign: men, women and children had to scrub themselves clean before the eyes of the soldiers – a public humiliation, perceived as such by the one side and intended exactly that way by the other.

In socialist Czechoslovakia, Roma women were even offered money to have themselves sterilized. Oddly enough, the most liberal approach to the Roma was taken during the Stalinist phase. These timid attempts in Eastern bloc countries to culturally emancipate the Roma by providing them with their own clubs, theaters and interest groups gradually gave

way in the mid-1950s to rigorous assimilationist policies in Czechoslovakia and Poland, the Soviet Union, Hungary and Romania. The communists in Bulgaria closed down all of the Roma facilities. Usually Muslim like the Turkish minority, they were even forced to adopt Slavic names. In Romania the existence of the Roma was publicly ignored; they were not counted among the “co-resident nationalities” like the Hungarians or Germans. This was not “discrimination” in the proper sense of the word. The aim was not to “discriminate,” to distinguish or single them out from the others. As is so often the case, however, it was even easier to be prejudicial under the mantle of proclaimed equality.

Despite the obvious facts, the poor treatment of the Roma is denied by the majority of Eastern Europeans. They see themselves as victims too, no less if not more than the Roma, and thus consider themselves incapable of being unjust or repressive. If anyone has anything to dole out, most of them would say it's the state, and the state, unfair as it is, prefers to spend its money on aid and development programs for the Roma. “Society,” and with it each individual as an independent actor, is often not even on their radar. Villagers, in particular, in these countries in transition have often found themselves in dire straits. In Hungarian Gyöngyöspata, the wave of hate-fueled hysteria broke out the very moment that financial crisis arrived. Poor Roma are potential competitors to poor Hungarians, Romanians and Slovaks. Or at least that's how the majority sees it.

But it's not only jealousy; the Roma are also symbolic of a perceived affront. The ever more impoverished rural population in Hungary, Slovakia and Romania had weathered an absurd, often chaotic planned economy with the help of old-fashioned peasant values such as thrift, hard work and discipline. The socialist system, or so the people in the countryside felt, had something shady and Gypsy-like about it. Its insincerity and verbosity, the disorder, the showiness and swagger – all of these qualities were considered classic “Gypsy” traits. There were even persistent – and, incidentally, wholly inaccurate – rumors during Ceaușescu's lifetime that he was actually born a Gypsy. After the fall of communism, the peasants suddenly learned that their hard work mattered even less in a market economy, and that “Gypsy” qualities were much in demand. That the real Roma have not even remotely profited from the “Gypsification” of their country is immaterial. They're the vultures greedily tearing to pieces the corpse of a petit-bourgeois lifestyle, or the ravens presaging the next disaster. “Raven” is a popular term of abuse for the Roma in Romania. Almost everyone there agrees that such creatures ought to be shot down.

Roma in Western Europe

The West, too, is rife with prejudices against the Roma. Anyone with ears can hear the caustic undertones that have crept in since the turn of the millennium in the debate about the eastward expansion of the European Union, about freedom of movement in Europe and widening the Schengen area. Western Europe's governments are afraid of the Roma, and defend themselves with harsh but ineffective methods.

The number of Roma in Italy is estimated at between 120,000 and 160,000. About half of them were born abroad, mostly in Yugoslavia or Romania. About 18,000 live in so-called "camps" near Rome, Milan and Naples. Of the 70,000 to 140,000 Roma in Germany, the majority come from ex-Yugoslavia, especially from Serbia, Bosnia, Kosovo and Macedonia, but more and more from Romania and Bulgaria. And about five-sixths of Austria's 20,000 to 30,000 Roma are immigrants or their children. Spain has half a million Roma, and France several hundred thousand. The approximately 100,000 in Greece come largely from Albania and Kosovo, Bulgaria and Macedonia. Of the roughly 100,000 Romanians in Britain, between 5 and 10 percent are thought to be Roma.

As for most EU countries, there are no reliable statistics for Germany. Nowhere, not even at the otherwise well-informed International Organization for Migration (IOM), has the movement of Roma been documented. Belgium has the most precise figures. Of the approximately 30,000 Roma from Southeastern Europe, most live in Flanders and Brussels, where 15,000 to 20,000 have settled; in Antwerp it's about 4,000, mostly from the former Yugoslavia; in Ghent between 4,300 and 5,000, mostly Romanian. The main country of origin is also known in Germany: in Cologne most come from Serbia and Macedonia, in Frankfurt from Romania, in Münster from Kosovo.

Going by the indications available, we can assume that about 10 percent of the Roma from countries like Romania, Hungary, Bulgaria and Serbia currently live in the West. The figure is much higher for Roma from Kosovo. Many of them were displaced during and after the war in 1998 and 1999. Those who had left their homeland earlier could not to be sent back. They expressly declared themselves to be Roma, which protected them from deportation. Thus, their number in Germany is known to be 34,411.

Most of the immigrants of the post-communist period come from urban centers, hence from the Roma "middle class," meaning the not so entirely wretched. The older ones among them, whose childhood was over by 1990, often completed secondary school, up to the ninth or

tenth grades. Many of them had jobs, and quite a few of them vocational training. In their homelands they lived in Roma settlements, but also in mixed working-class neighborhoods.

The dumb idea that the Roma are dumb

No one can seriously deny that there are obstacles to integration in host countries, and that Roma children are not very welcome in many schools. But other minorities, some would argue, view adversities as a challenge, demanding a decent education from the state or even scraping it together themselves. Adverse circumstances have always served to separate the wheat from the chaff, they say. This is the kind of reasoning that has recently emerged in the West, in countries such as Germany and the Netherlands, with regard to the issue of migrants. Turks and Arabs, they argue, should follow the example of the Vietnamese and Chinese immigrants, who take their fates into their own hands. The Roma from Eastern Europe are obviously the chaff, because anyone who refuses to bow to the harsh rules of an immigrant society either adheres to a backward, irrational culture or is simply lacking in intelligence.

Western societies that argue this way willingly surrender the moral high ground they enjoy compared to those in the East who discriminate more overtly. The shunting of Roma children to special schools, a practice recently abandoned in Romania, has now begun in some of Western Europe's developed democracies. The basic argument for doing so is that Roma children are dumber than the rest.

The spiritual father of this theory is Leipzig intelligence researcher Volkmar Weiss. Weiss, in turn, relies on the Americans Richard Herrnstein and Charles Murray, who with their controversial book *The Bell Curve*, published in 1994, purported to have proved the lower intelligence of African Americans, much to the delight of right-wing Republicans. The German scholar Weiss has calculated a "median IQ" of 85 for the Roma – in other words: less gifted, borderline retarded. Weiss, of course, did not even bother to test the intelligence of a single Roma child. He arrived at the number indirectly. Many Roma go to special schools, few to university. By taking the average IQ of children at special schools and of college students and correlating them to the share of Roma at both educational institutions, he arrived at the number 85 – a curious approach, particularly for an intelligence researcher. That Roma children are categorically thought to be stupid regardless of their real intelligence and that their parents are helpless against this label, or that children might be sent to special schools for reasons other than low intelligence – none of this seems to have occurred to Weiss. And

yet constructs of this sort are much in vogue. An even cruder model was popularized by Czech researcher Petr Bakalár. Though “Caucasian” by “race,” the Roma have developed a “Negroid” pattern of selection in evolutionary terms, he claims, resulting in their lower intelligence.

Other researchers take even more pains, albeit not enough, to substantiate their theories of the dullness of the Roma. A team of Canadian and Serbian scientists actually tested the intelligence of 323 Roma in three different settlements in Serbia and arrived at an average IQ of 70. For the followers of Volkmar Weiss, these findings would only be plausible if the researchers had found an ethnic Serbian comparison group with similar levels of education and income and a comparable living environment.

Their study is not very sound in other ways as well. Thus, for example, the Serbian Roma are classified genetically as “South Asians.” The authors then go on to claim about the Roma that “[f]or the most part they have not intermarried with native Europeans” since their arrival in Europe – a bold assertion, and one that has actually been disproven by actual genetic studies. They tested only pure intelligence, and found “no evidence of any idiosyncratic cultural effect.” And yet these cultural effects are obvious even to a layman. Of the test batteries used, three out of four were wholly language-related: the definition of nouns, identifying antonyms, and language memory. The scientists are unconcerned about how and how much the test subjects actually use language on a daily basis, and which language they use. The drawing test, moreover, did not take into account if the test subject had ever worked with paper and pencil before.

How to systematically produce the retarded

A little more imagination is required to differentiate between cultural or social characteristics and “pure” intelligence. In one Slovakian test, for example, Roma children were supposed to put together a puzzle depicting a vase. It did not even cross the psychologists’ minds that children who do not have a vase in their home and have possibly never seen one before might be at a disadvantage here. That tests of this sort are problematic is nothing new. They produce pseudo-retarded children who nonetheless have no problems coping with daily life outside of a test environment.

Of course, researchers who are out to prove that entire peoples and population groups are dim-witted make an effort to use culturally neutral tests that are equally informative for all

people in the world regardless of their living conditions. But even the best test fails to eliminate the primary cultural effect, namely, that people who are familiar with testing situations such as those at school will handle them quite differently. Someone not familiar with them is not likely to be well focused, will show less interest, will be more anxious and work less efficiently, and will probably give up more easily. The intelligence researchers engaged in this work do not even try to refute this. Endeavoring to trace the world's income and development gap back to supposedly inherited differences in intelligence, they have meanwhile drawn up entire "intelligence maps of the world," according to which the brainiacs are in East Asia and the dullards, by contrast, in Africa. Western Europe and the United States are not at the top for one simple and mind-boggling reason: all the dumb immigrants they let into their countries. Not surprisingly, the devil is in the details. Scientists, for example, were baffled by how easily children in China can handle three-digit numbers, whereas Europeans of the same age have trouble getting past fifty – until they realized that the numerals are much easier to form in Chinese than in the Indo-European languages.

What exactly intelligence is, is never addressed by these researchers. They act as if it were an objective variable that can be counted like white blood cells under a microscope and that is wholly independent of education, stimulation and the exigencies of one's environment. But intelligence is the ability to deal with problems, and the problems people have can be extremely varied. If ten Frenchmen and ten Mauritians were sent out into the desert to find water, the Frenchmen would probably end up looking pretty stupid. For the Mauritians, on the other hand, it would be a reasonable test of intelligence.

The economics of poverty: On the irrationality of rational saving

Some – in both East and West – blame culture, some blame mentality, and some the poor intelligence of the Roma for their feeble reaction to the well-meaning incentives of the state and majority society. All three explanations have in common their assumption that the Roma behave inappropriately – by not working enough, not being ambitious enough in pursuit of an education, and not making any provisions for the future. They supposedly don't do so because they can't help it, being either too dumb or caught in the rules of a pre-modern nomadic culture.

But the basic assumption behind this strategy of "encouragement" is wrong. Roma, most of whom live in slums nowadays, do not behave inappropriately at all. Anyone who tells the people at the garbage-dump settlement of Pata-Rât, on the outskirts of the Romanian city of

Cluj, to pull themselves up by their bootstraps, work hard, hit the books, and save for their own handcart simply isn't willing to understand how these people live. What is rational behavior and what is not is something we deduce from our own rather ordered lives. If you study diligently you'll get a good job, if you work more you earn more, and if you save for a rainy day you won't be in need if worst comes to worst. This is the economy of the better-off. It applies not only to the well-to-do, but also to those with a low but reasonably sufficient income. There is also an economy of poverty, though. A different set of laws applies in this case, which doesn't make it any less rational.

People who are born into slums and whose basic needs are constantly left unsatisfied are comparable to patients with chronic pain, says philosopher and poverty researcher Charles Karelis. Both perpetually suffer. If you ask chronic pain patients, they don't want less pain in this or that part of the body; they want a single day without pain – and this with good reason, not because acute pain has made them apathetic or because they can no longer think straight. Karelis uses a somewhat far-fetched but apt example to illustrate his point. Imagine a person who wakes up every morning with two painful bee stings and who every other day finds two dabs of salve on his nightstand. According to the economy of the better-off, this person will save a dab of salve each day so he has one the following day. With one dab he can cure the pain of one of the two stings. The other sting still hurts, of course; the logarithmic nature of pain perception means that the relief he feels is less than 50 percent. If he uses both dabs at once, though, in two days' time he has cut his pain in half. If we applied this to the people of Pata-Rât, we see that it does not seem rational to only eat half of your fill. If you're only ever half full, you're basically still hungry. If you eat your fill every other day, you may be hungrier on alternate days than you would be eating half your fill every day, but on balance you're better off.

More work, if you hardly get any money for it, does not make you more satisfied, but at best a little less unsatisfied. If you live in a slum, the amount you are able to put aside is so little that you don't "recover your losses" from the additional deprivations caused by saving. The effort required for even a minor improvement is in no way commensurate to the benefit.

With a penchant for unusual examples, Karelis compares the ills of the poor with people shouting in the street. Quieting a single shout in a riot requires a lot of effort and doesn't make a measurable difference, whereas quieting a single shout in an otherwise quiet street does, in fact, make a big difference. In the middle of a noisy riot, it simply doesn't make sense.

This is the economics of poverty. It has the force of logic and is therefore inescapable. The problem cannot be tackled with incentives, lecturing and adult education, which at best will generate a sense of shame, at worst a feeling of hatred. The economics of poverty has nothing to do with culture or individual deficits; it applies to Roma in Southeastern Europe as well as to slum dwellers across the world – and perhaps someday in the not-so-distant future, when public assistance levels are no longer sufficient to cover basic needs, to welfare recipients in affluent Germany.

None of this fundamentally contradicts the policy of incentives and encouragement, which everywhere in the world has supplanted the policy of simple distribution. But it does show that incentives and encouragement only work if those on the receiving end are not in a permanent state of crisis. Everyone has to have enough to eat, and has to be sure that this doesn't change tomorrow. And homes – at least in the Balkans and north of the Alps – have to have heating for the winter months. Because if a person is supposed to live (and learn) methodically, he at least needs the basics of a healthy life, including health care. It's human rights, stupid!

Sometimes the answers to complicated questions are really quite easy. The problems of the Roma and the problems *with* the Roma cannot be solved if we think of it as the "Roma problem." If something is going to improve, we first have to face the facts and call a spade a spade. The problems are poverty, unemployment, the sorry state of education, and underfinanced health-care systems. Solving these is more costly and less convenient than forming and funding another Advisory Council for Roma Affairs. Western Europe needs to modernize its educational system and its administration, Eastern Europe needs an infrastructure program on top of this, and not only because of the Roma. If we don't take up the challenge of pushing through the necessary reforms, the grand European strategy of emancipating the Roma will be nothing but sheer hypocrisy.