

# MR. KEYNES RELOADED – WAGE-LED GROWTH

Flavius ROVINARU<sup>a\*</sup>, Mihaela ROVINARU<sup>b</sup>, Marcel PÎRVU<sup>c</sup>

<sup>a), b), c)</sup> Babeş-Bolyai University, Faculty of Economics and Business Administration,  
Cluj-Napoca, Romania

Please cite this article as:

Article History:

Rovinaru, F., Rovinaru, M. and Pîrvu, M. 2019. Mr. Keynes reloaded – Wage-led growth. *Review of Economic Studies and Research Virgil Madgearu*, 12(1), pp.55-71.  
Received: 28 January 2019  
Accepted: 14 April 2019  
doi: 10.24193/RVM.2019.12.33.

---

**Abstract:** *There is a new trend to establish a link between economic growth and wage growth, as a consequence of economic crisis from 2007-2009. In our paper we will try to explain the roots of such an approach, going through some ideas and theories, back till Great Depression. J.M. Keynes is the one that came with the idea of restart the economy with budgetary allocations. Since then, the idea has known ups and downs. Now, in Romania, we try to apply a similar model, with all the related, positive and negative implications. The present paper tries to analyze the current situation, starting from quantitative and qualitative elements that characterize the Romanian economy.*

**Key words:** *Keynes; dirigism; 3 R's; wage-led growth; liberalism*

**JEL Classification:** *B25; B31; E12; E60; F40*

---

© 2019 Alma Mater Publishing House. All rights reserved.

---

\* Corresponding author. E-mail address: frovinaru@yahoo.com.

## References

1. Băniță, M., 2018. *Efectul majorărilor salariale: România a înregistrat cea mai mare creștere a consumului populației și a PIB per capita din UE în ultimii 3 ani*, [online] Available at: <<https://www.profit.ro/stiri/efectul-majorarilor-salariale-romania-a-inregistrat-cea-mai-mare-crestere-a-consumului-populatiei-si-a-pib-per-capita-din-ue-in-ultimii-3-ani-18699048>> [Accessed on 5 April 2019].
2. Durlauf, S.N. and Blume, L. (eds.), 2008. *The new Palgrave dictionary of economics*, 2nd ed. New York : Palgrave Macmillan.
3. Eurostat database, *Monthly minimum wages - bi-annual data*. [online] Available at: <[http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_mw\\_cur&lang=en&fbclid=IwAR1sgPFitoFBrbBaAnUGC9ZpcGmOiLeBd8lxTsE3Crw4JbKhZj5PSKqpxJA](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_mw_cur&lang=en&fbclid=IwAR1sgPFitoFBrbBaAnUGC9ZpcGmOiLeBd8lxTsE3Crw4JbKhZj5PSKqpxJA)> [Accessed on 10 February 2019].
4. Eurostat database, *Real labour productivity per person*. [online] Available at: <[https://ec.europa.eu/eurostat/tgm/download.do?tab=table&plugin=1&language=en&pcode=tipsna70&fbclid=IwAR3rlg16LBhGkqxkgoJKjxWZtWP5rz1NZU5GUyvB7E3\\_E2CdfvKtcdsHOJ8](https://ec.europa.eu/eurostat/tgm/download.do?tab=table&plugin=1&language=en&pcode=tipsna70&fbclid=IwAR3rlg16LBhGkqxkgoJKjxWZtWP5rz1NZU5GUyvB7E3_E2CdfvKtcdsHOJ8)> [Accessed on 10 February 2019].
5. Keynes, J.M., 2009. *Teoria generală a ocupării forței de muncă, a dobânzii și a banilor*. Bucharest: Publica.
6. Laffer, A.B., 2004. *The Laffer Curve: Past, Present and Future*. Washington, D.C.: The Heritage Foundation.
7. Oncu, M., 2019. Guvernul dă pe salarii și pensii peste 85% din ce strânge din venituri fiscale și contribuțiile sociale. Este cel mai ridicat nivel începând din 2010. *Profit.ro*, [online] Available at: <<https://www.profit.ro/taxe-si-consultanta/grafice-guvernul-da-pe-salarii-si-pensii-pest-85-din-ce-strange-din-venituri-fiscale-si-contributiile-sociale-este-cel-mai-ridicat-nivel-incepan-din-2010-18960374>> [Accessed on 5 April 2019].
8. Romanian National Institute of Statistics database [online] Available at: <[http://www.insse.ro/cms/sites/default/files/com\\_presa/com\\_pdf/pib\\_tr4e2018.pdf](http://www.insse.ro/cms/sites/default/files/com_presa/com_pdf/pib_tr4e2018.pdf)> [Accessed on 10 April 2019].
9. Stockhammer, E., Lavoie, M. (eds.), 2013. *Wage-Led Growth. An Equitable Strategy for Economic Recovery*. United Kingdom: Palgrave Macmillan. 10.1057/9781137357939.

10. Tătaru, V., Profile on Muck Rack. [online] Available at: <<https://muckrack.com/valentin-tataru/articles>> [Accessed on 5 April 2019].
11. The Social Studies Help Center, *How did Roosevelt's New Deal go about fixing the problems of the Great Depression?* [online] Available at: <[http://www.socialstudieshelp.com/lesson\\_86\\_notes.htm](http://www.socialstudieshelp.com/lesson_86_notes.htm)> [Accessed on 10 April 2019].
12. Tudorică, I., 2019. *Interview with Cristian Socol*, [online]. Available at: <[https://www.economica.net/interviu-cristian-socol-o-economie-care-merge-cu-frana-trasa-nu-asigura-dezvoltare-politica-de-crestere-salariilor-trebuie-sa-continue\\_165912.html](https://www.economica.net/interviu-cristian-socol-o-economie-care-merge-cu-frana-trasa-nu-asigura-dezvoltare-politica-de-crestere-salariilor-trebuie-sa-continue_165912.html)> [Accessed on 5 April 2019].