

Serbia – A state of social justice (From normative solutions towards practice)

Abstract

Social policy as an instrument of social justice is nowadays in the focus of attention of scientists, politicians, economists and experts on strategies for the economic and technological development of society. Today, there is not a single modern society that is giving up the concept of social justice as one of its cornerstones. Naturally, different societies and different policies, depending on a whole series of social factors, understand the content and meaning of social justice in different ways, while the material possibilities and character of social organisation determine its objective achievements. Social justice today, just like throughout the entire history of humankind, has various meanings, is complex and accessible to a different degree. Social policy is a group of functionally-interconnected institutions and instruments through which social justice is exercised. This question of social justice – that is, of social policy – is often being opened in a specific and often highly conflicting way in transition countries, including Serbia.

Keywords: social justice, social policy, transition, poverty, discrimination, social consensus, industrial and social conflicts.

Social justice principles

Social justice is incontestably among the achievements of civilisations in modern times. The very term ‘social justice’ is used in different contexts and with different meanings – as an ethical principle; as political programme orientation; as one of the cornerstones of the economic and development strategy of a society, thus confirming its all-inclusiveness and complexity, interconnections and dependence on other moral principles and organisational principles of contemporary societies.

However, social justice is not only an achievement of modern times. It is a moral principle that has been present throughout the entire history of humankind, one based on solidarity as an expression of the social character of human beings; that is, that a human being, an individual, cannot survive biologically or socially away from human society. Social justice has, throughout the centuries, been the subject matter of the most radical social divides and conflicts. No ruler, if we exclude here the most cruel ones, to whom human life bore no significance at all, and no social system in history has ever conceded the principles of social justice. They did, of course, understand its meaning in different ways, and thus social justice throughout history has, in fact, occasionally represented injustice.

Social justice has very often, and throughout the long period of the history of humankind, been equalled with compassion or Christian mercy (or with mercy according

to the principled standpoints of some other faiths), as an act of mercy of the stronger towards the weaker. Such standpoints on social justice have remained until today. In contemporary, modern societies, such an understanding of social justice is primarily demonstrated through a limited understanding of social policy, in the sense of a 'charitable dispensation of money and goods', which is directed exclusively towards resolving the current burning issue or, to be more precise, to cover up the most radical forms of poverty and social exclusion.

Modern society has brought substantial changes in the moral, theoretical and practical understanding of social justice and the criteria for the assessment of social justice.¹ The starting point – that is, the social environment that conditioned these changes – is civil society, the basic elements of which are the market economy, a multi-party parliamentary democracy and a free citizenry with its *corps* of human rights and freedoms. The course of the battle – that is, the social process of establishing human freedoms and rights in the modern sense of the term – confirms that human rights make up a monolithic whole, one that contains basic human freedoms and political, economic, social and cultural rights. Human freedom and a free society can exist only if all these rights are exercised completely. In other words, there is no real human freedom and no free, democratic and humane society in which there are neither social freedoms nor rights. On the contrary, the power to exercise social rights is one of the basic criteria of humanity and democracy in a society.

On the opposite side of social justice there is discrimination, which is a very dangerous source of industrial and social conflicts and political and social instabilities, and which causes irreparable damage both to individuals and to the social groups that are its victims, as well as to society as a whole.

Establishing and achieving social justice in modern society is not, however, only an ethical, but also an economic and developmental question. Social justice is an indispensable instrument in the fight against poverty and for raising the overall power of consumers in a society, which is a necessary prerequisite of the stable, long-term functioning of a market economy. Modern capitalism faced these challenges many decades ago. One of the possible answers to these challenges was to design social policy as a group of instruments for achieving the principles of social justice, solidarity and equal opportunities; and for a new approach to economic and developmental practice in a society. The practice of contemporary Europe and the rest of the world can undoubtedly

1 The term 'social justice' has been used in many international documents, constitutions and the legal acts of different states, but also in the (founding) principles of the international organisations. In the Preamble of the Constitution of the International Labour Organization, social justice is, for example, set as a prerequisite for world peace ('Universal and lasting peace can be provided only if it is based upon social justice'); it offers an explanation of the cause of injustice ('Conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled'); while the establishment of the ILO was intended as the response by which 'the High Contracting Parties' could work continuously and systematically towards the improvement of working, social and economic conditions for workers). Translation to Serbian used here drawn from Krivokapic, B (2002): *European Social Charter* Centre for Anti-War Action: Belgrade, p. 13; see also <http://www.ilo.org/ilolex/english/constq.htm>.

confirm the biggest achievements in economic and technological development and in standards of living. That is, that progress is based on social policy both as regards companies and the population, and has been accomplished by those countries that have managed to link the principle of market-based competition with the principles of social justice and solidarity in the best possible way. Ultimately, this part is taken by those countries that have defined and achieved their social policies as an integral part of the overall developmental strategy of their respective societies.

Under the circumstances of transition, social politics is being reflected in new aspects and new content. This has primarily been conditioned by transition being, by definition, a conflicting and contradictory process leading from one social state to another; and that includes, among other things, a complete change in the system of values and way of life. The experiences of all countries which have gone through a transition process confirm that the price that these societies have had to pay for transition has been one of the biggest sources of industrial and social conflicts. This all became evident in a specific and radical way in Serbia, since only the members of the working segment of society were charged the entire transition cost that has been paid. Social policy in Serbia, and in a number of other transition countries, too, in which this process did not take the anticipated course, played, to a considerable degree, the role of ‘on-call fire-fighters’ responsible for damping down social fires and finding amendments to the consequences of an inappropriate and unjust economic and developmental policy. Primarily this concerned the huge, systemic and long-lasting unemployment and rapid impoverishment of a huge majority of the population – that is, the rapid division into different social classes.

We should bear in mind here the prevalent influence of the principles and practice of a high level of social safety and social justice inherited from the previous system. This has exerted both positive and negative influences on current developments in this area.

Serbia in transition

The new Constitution of the Republic of Serbia from 2006 defines Serbia in its Article 1 as a state that is based on social justice,² as well as on other values and principles on which the state is based and that are applied both in the course of politics and in the course of the adoption of laws. The previous Constitution of the Republic of Serbia from 1990 also defined Serbia as a state based on social justice,³ and on other values and principles. The Constitution of the Republic of Serbia that is currently in effect, just like the previous one, encompasses human rights and freedoms that constitute social justice, as well as constitutional and legal social policy practices. However, it is an achievement of the previously-defined objectives that can help us assess the overall situation in society and the attained level of equity and solidarity.

2 The Constitution of the Republic of Serbia *Official Gazette of the Republic of Serbia* No. 98/2006.

3 ³ The Constitution of the Republic of Serbia *Official Gazette of the Republic of Serbia* No. 1 of 28 September 1990.

The Constitutions, among numerous human rights, contain reference to the right to the dignified and free development of personality, the right to life and the inviolability of physical and mental integrity; they ban slavery and any other condition similar to slavery and forced labour; and they also mention the right to work, the right to medical treatment, the right to public welfare and pensions, the right to education, and the right to special protection of the family, mothers, single parents and children. All the rights included in the Constitution of the Republic of Serbia do not in themselves represent only the supported values, but also represent the formal choice and determination of the state to protect the basic values and achievements of civilisation. At the same time, the very development of these rights through the adopted laws and their practical enforcement – that is, the social policy that is being implemented – evidently forms a real indicator of the intentions of the ruling political structures to introduce social justice and to make human rights and basic freedoms accessible to all citizens.

There is no doubt that, during the last decade of the twentieth century, Serbia could not entirely put into effect all the rights and legal regulations guaranteed by the Constitution, and the same goes for the content of its social policy. The obstacle for this was the situation in which Serbia found itself (at the time, it was a member state of the Federal Republic of Yugoslavia). After May 1992, Serbia was exposed to the economic and political sanctions introduced by the international community.

Under these circumstances, the usual processes of work, production and commerce could not take place. Sanctions suffocated the economy, prevented the regular flow of money, presented an obstacle to the exchange of goods and knowledge with other states, and thwarted the development of science and culture. The consequence of this situation and the position in which Serbia found itself at that time was that the state was ineffective, and it was not possible to observe the laws that regulated the regular and timely payment of earned salaries and social welfare. Another consequence of this situation was inflation and also the lack of raw materials for the production process, which caused production to decrease and gradually stop, as well as the general impoverishment of society as a whole.

The presence of several hundreds of thousands of refugees from the territory of the former SFRY (who came mostly from Croatia and Bosnia & Herzegovina),⁴ as well as the armed aggression by NATO Pact members in the first half of 1999 during which, besides casualties, the infrastructure in Serbia was destroyed to a considerable degree and huge material damage inflicted (different assessments say that the damage incurred amounted to more than 100 billion dollars), managed to make Serbia's already difficult economic and social situation in Serbia even more tough.

These inauspicious factors presented especially major challenges to social policy. Under the circumstances of extremely limited material resources, elementary human and material protection and security were to be provided for hundreds of thousands of refugees, as well as unemployed and disabled people. Consequently, social policy had to be objectively focused on basic issues of existence. However, and in spite of all, the system of social welfare and medical care was preserved, education remained acces-

4 *Census of Refugees and other War-Affected Persons in the Federal Republic of Yugoslavia*
UNHCR – High Commissariat of the United Nations for Refugees: Belgrade, 1996, p. 19.

sible and free of charge, and those in employment did not receive dismissal notices (as a result of the sanctions). Furthermore, the privatisation process for state-owned companies was at the very beginning while, according to the legal regulations, employees could be owners of the majority of shares; apartments were bought in the name of the people who would live in them; the basic pension was calculated on the basis of salaries over the ten years of the highest average salary, while pensions were continuously increased in line with the growth of salaries and living expenses; and so on. The state thus implemented measures of social policy in line with its (modest, and limited) economic potential.

The current situation

The political changes in October 2000 marked the beginning of a new society in Serbia, one based on liberal democracy. A new concept of society building was followed with new legal solutions. A new Labour Act was adopted together with, among others, a new Employment Act, a Medical Care Act, a Pensions and Invalidity Insurance Act and a Privatisation Act.

The new concept of society building and the new legal acts over these past eight years have introduced huge changes in almost all areas of life, and especially in the area of social policy. This, in turn, has led to quite dramatic negative changes in the way of life for the majority of the Serbian population.

From 2001 up to 2006, 1 805 companies were privatised in Serbia, out of which some were bought by their new owners for significantly less money than they were really worth and under some suspicious circumstances.⁵ The Privatisation Act prevented employees (workers) from becoming owners of the majority of shares⁶ and the new owners were, in practice, given enormous rights concerning their relationship with employees.

Instead of creating new jobs, or fulfilling obligations towards employees that they had taken upon themselves, employees were sacked and a mass of socially-deprived workers and family members was created.

Towards the end of 2007, there were more than one million unemployed people in Serbia. From 2001 till 2005, the employment rate in Serbia continuously decreased, while the increase in the number of unemployed people has been growing at such a rate that, towards the end of 2007, it amounted to 21.6 % (while, at the same time, the unemployment rate in Europe was about 7.5 %). According to data from 2007, the unemployed in Serbia had to wait for employment for, on average, 49 months. Out of the total number of people who are looking for employment and are registered with the National Employment Service, 55 % of them have been looking for employment for

- 5 Barać, Verica and I. Zlatić (2005) 'Korupcija, vlast i država' ('Corruption, Power and State') Part 2 *Res Publica* Belgrade; 'Korupcija, Naše teme' ('Corruption, Our Topics') *The Official Gazette* No. 2, Belgrade.
- 6 Article 25 of this Act reads that: 'The subject of privatisation sells 70 % of the capital that is being privatised'; for more details, see: Privatisation Act, *Official Gazette of the Republic of Serbia* No. 45/2005.

more than two years. The average age of the unemployed is 37. Out of the total number of unemployed people, 54 % are women.

Besides the more than 1 000 000 people who are unemployed, there is an additional number of approximately 640 000 people who are working in the grey economy; according to some unofficial data, approximately 40 % of the national economy is operating in the grey economy. Young people are especially affected by this – those who are looking for their first job – as well as workers in the middle-aged and somewhat older generations who have turned out to be the biggest victims of the transition – or, to be more precise, of the discriminatory policy being carried out towards them. The Labour Act left workers helpless before their employers and the possibility of being fired, while the obligations that the state has towards the unemployed are smaller and extend for shorter periods of time.

The Act on Pensions and Invalidity Insurance from 2003, together with the later amendment to this Act, have introduced a new way of calculating pensions (over an individual's entire working life); a new way of harmonising pension amounts with other incomes and expenditures (twice per year, based on statistical data, and in line with fluctuations in living expenses); while the age limit criterion as a prerequisite for exercising the right to receive age-based pensions has also been raised.⁷

According to data from April 2007, there were 1 274 538 people in receipt of pensions in Serbia. It is necessary to note here that there is an unfavourable ratio between the number of employed people (that is, those who are paying contributions for pensions and invalidity insurance) and the number of pensioners. Over the last years, the ratio between the number of employed people and the number of pensioners in the Republic of Serbia has been seriously disturbed (a decreasing number of people is supporting a growing number of pensioners), such that the ratio of 5.47:1 from 1957, and 2.55:1 from 1990, has been replaced by 1.56:1 in 2007 (in case nothing is changed in the area of employment policy in Serbia, the day when the number of pensioners exceeds the number of employees is not so far away).

Pensions are very small and are continuously decreasing when compared with average incomes in the Republic of Serbia. An example is that approximately 60 % of pensioners are entitled to pensions that amount to less than 11 000 Serbian dinars (€110), while more than 400 000 pensioners in 2007 received pensions that were worth less than 8 000 Serbian dinars.

The average pension in comparison to average income in the Republic of Serbia has constantly been reduced since 2000. In 2002, this share was 72.99 %; in 2004, it was 67.89 %; and in 2006, 61.76 %; while, in June 2007, it amounted to only 53.22 % of average income. The legally-prescribed protection regulation that says that the average pension cannot be less than 60 % of average income is evidently not observed.

Such an unfortunate position for pensioners has been confirmed by data saying that three-quarters of pensioner households in central Serbia and Vojvodina cannot afford

7 For more details, see: Act on Pensions and Invalidity Insurance; and also the Act on Amendments and Addenda to the Act on Pensions and Invalidity Insurance *The Official Gazette of the Republic of Serbia* No. 34/03, 64/04, 84/04 and 85/05.

basic food and medicines, while pensioners on the minimum pension cannot even afford basic food items (such as milk, meat and fruit).

After 2000, poverty came knocking to Serbia. Statistically, in 2007 Serbia was ten times poorer than Poland and five times poorer than Turkey and it was only in Albania that poverty rates were higher than in Serbia.⁸

Around one in ten inhabitants of Serbia lives beneath the absolute poverty line⁹ but, according to the World Bank, some one-third of the population lives precariously just above this figure.¹⁰ Poverty in Serbia has been characterised by covert unemployment and low levels of medical care, while more than half a million refugees and approximately 220 000 internally displaced persons serve only to worsen the already bad poverty situation of the autochthonous population. More than 150 000 – that is, 46 % of children – falls into the category of poor people; and more than 400 000 pensioners, as has already been noted here, live on the lowest levels of pension.

In the area of medical care, the overall position is also very difficult. A consequence of new legal acts in the area of public health, based on which there is a considerable degree of participation in co-payments by citizens for medical services, has been that accessibility to and the provision of medical care for many strata amongst the overall population are gradually decreasing.

An indicator of the limited availability of medical care is data reporting that (due to the complicated procedure for obtaining medical ID) more than half a million citizens cannot exercise their right to the medical treatment that is guaranteed in the Constitution of the Republic of Serbia.

Other categories of citizens, too, and almost without exception, have paid a high price for this new concept of societal development. Their rights have been significantly reduced as a result of the new legal acts and the amendments and addenda which have been made to the existing ones.

The education process has, in the meantime, become an economic category and education, and especially higher education, is becoming less and less available to the biggest number of young people. The educational structure of the population is, in 2008, in a poor position, because statistical data say that (according to the census of 2002) there are 357 552 people with no formal education among the population older than 15 years of age. Furthermore, there are 126 127 people who have only one to three years of elementary school and 896 647 persons with only four to seven years which, taken

8 *First Report on the Implementation of the Strategy for Poverty Reduction in Serbia* Government of the Republic of Serbia: Belgrade, 2005.

9 Poverty Reduction Strategy data, drawn from the 2008 Household Budget Survey (<http://www.prsp.gov.rs/engleski/kolikoje.jsp>). The 2009 survey shows that this has now risen to 10 %. The 2008 HBS defined poverty as consumption less than 7 937 dinars per unit; at 2008 exchange rates, this was less than €90. The World Bank's Living Standards Measurement Survey (http://siteresources.worldbank.org/INTLSMS/Resources/3358986-1181743055198/3877319-1204816266932/SRB07_TR_Eng.pdf) had suggested a slightly higher figure for the poverty line in Serbia for 2007, of 8 883 dinars – at 2007 exchange rates, around €110.

10 See World Bank website at: <http://www.worldbank.rs/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/SERBIAEXTN/0,,contentMDK:20630647~menuPK:300911~pagePK:141137~pIPK:141127~theSitePK:300904,00.html>.

all together, makes up 1 380 526 of the citizens of the Republic of Serbia that have never graduated from elementary school. In 2002, there were 232 925 illiterate people who used their thumbs instead of signatures (3.4 % of the total of 6 761 061 population of Serbia older than ten years of age who were listed in the census). In 2002, there were 411 944 people with university degrees (6.51 % of the total population).¹¹ This is a serious warning to Serbia, because this number amounts to several tens of percentages higher in many other countries.

500 000 university graduates have already left the country and 300 000 young people are unemployed, which says much about the overall situation in the country and about overall attitudes towards young people.

The labour and social legislature in Serbia is far below the same legislatures in developed democratic countries in Europe and is also well below international standards. It should be noted here that, five years after Serbia returned as a member of the Council of Europe, the key document in the area of labour and social rights, the European Social Charter, has still not yet been ratified.

Sustainable social development

A common thing for the economically- and technologically-developed countries of Europe and the rest of the world, and also for transition countries, is that social policy today has, and can be observed, only in the wider social context as an integral part of an overall strategy for social development. That includes liberation from the narrow and limited views on social policy that are present and influential in Serbia even today – as well as, to be honest, in other transition countries which equate social policy with charity, or as a mechanism for putting out fires and absorbing social injustices. Such standpoints are based on the real situation in society, primarily regarding its further economic and technological lagging behind, its poverty and limited resources, which leads either to a predominant or even an exclusive focus among the institutions and of the material resources of social policy on the fulfilment of the current existence needs of a large number of poor, unemployed and deprived people. Such a social policy, as we can see for ourselves, and as it can be felt by hundreds of thousands of people who experience such a fate, serves only to increase poverty, and the already unacceptable social differences, still further. The continuation of such a practice is unavoidably leading to the lasting stabilisation of poverty as the unfortunate fate of a large number of people in Serbia.

In order that Serbia finally breaks the evil circle of poverty, industrial and social conflicts, in which a huge amount of energy becomes wasted, it is necessary to implement the National Sustainable Development Strategy that has now been adopted by the government of the Republic of Serbia. This will bring about a minimum national and social consensus on the importance of this Strategy, the roads that need to be taken and the social price of its implementation. That will be the first and the most important test of the political maturity, responsibility and competence of all the relevant political and social forces in the time before us.

11 *Statistical Almanac of Serbia for 2005* The Republic Institute for Statistics in Serbia: Belgrade, 2005, p. 78.

The experiences of successful transition countries in this respect have been very clear. Successful transition countries such as, for example, the Czech Republic, Poland and Slovenia greatly owe the success of their respective transitions to their achievement of social consensus at the very beginning of this complex and conflicting process. In the previous period in Serbia, the transition had an extremely high social price due to the lack of such a generally accepted strategy, and the price was paid solely by the workers' class. It is exactly that socially unbearable and morally unacceptable price of the transition process that constitutes one of the key causes of the justifiable revolt of the working class, as well as of the industrial and social conflicts that have become a part of our everyday lives and our social and political instability. At the other end of this situation, we have organised crime, corruption and the enormous enrichment of privileged social strata.

The National Sustainable Development Strategy in Serbia defines sustainable development as a:

Target-oriented, long-term, continuous, all-inclusive and synergy-based process that influences all aspects of life (economic, social, environmental and institutional) on all their levels.¹²

Sustainable development includes a model that is, on the one hand, designed in such a way as to provide for the quality fulfilment of social and economic needs and of the 'interests of citizens' who, at the same time and on the other hand:

Remove or diminish influences that threaten or cause damage to the environment and natural resources.

A long-term concept for sustainable development in Serbia – that is, a projection of the development of the Republic of Serbia until 2017 – is built on continuous economic growth that leads to the reduction of poverty; the better use of resources; the improvement of medical and health care, and of quality of life; and also a healthier environment. One of the most important objectives for sustainable development in Serbia is the creation of new jobs and a reduction in the unemployment rate, as well as a:

Reduction in the working and social inequality of marginalised groups, the encouragement of the employment of young people and people with disabilities, and the employment of at-risk groups.¹³

The aim of the Strategy is to encourage three basic factors – that is, the three pillars of sustainable development of Serbia – in balance: the sustainable development of careful management, the economy and technology; the sustainable development of society, based on social balance and environmental protection; coupled with the rational

12 National Sustainable Development Strategy *The Official Gazette of the Republic of Serbia* Belgrade, 2008.

13 Ibid. p. 1.

management of natural resources. In order that the aim of this Strategy is achieved, it is necessary that these three pillars constitute a whole that will be supported by the relevant institutions.

The future economic development of Serbia can be seen, according to the Strategy, only as far as it is:

Based on knowledge, information, people, education and quality of ties between people and institutions.

Such development, however, must also be based on the principles of social justice and the social responsibility of the community for each individual. In order to achieve the aim of a socially-responsible economy, the state has to improve the entire economic environment; create better chances for the unemployed, the poor and those in a socially sensitive situation; and create the conditions in which people who are willing to work may fulfil their wishes and intentions.

The strategic objectives of the Republic of Serbia, from the aspect of social safety and social cohesion, encompass the following issues according to the Strategy document:

- strengthening social stability and solidarity
- preventing extreme inequalities in income distribution
- encouraging effectiveness in the social safety system
- increasing social safety for the beneficiaries of the social insurance system and also of those of the social and child welfare systems
- encouraging social inclusion.¹⁴

The social dimension of the policy of the state has been significantly emphasised in the programme of work of the government of the Republic of Serbia, which became operational on 7 July 2008, several months after the adoption of the Sustainable Development Strategy. One of the basic elements of the government's programme¹⁵ (besides its determination to achieve EU membership; not to recognise the independence of the Autonomous Province of Kosovo and Metohia; to strengthen the economy; to fight against crime and corruption; and to respect international law), is to seek to establish the principle of social responsibility towards the citizens of the Republic of Serbia. The government set as its goal the building of a society in which:

All citizens will have a chance to achieve progress and ascend the social ladder.

The elements of such a society are free high education which is 'accessible' to all industrious pupils and students; free medical care which is guaranteed to all poorer citizens; employment and solutions for the housing problems of the young (so as to

14 Ibid, page 54.

15 See *Ekspozé mandatará za sastav Vlade Republike Srbije Mirka Cvetkovića (Mandatory Exposé in the Mirko Cvetković government in the Republic of Serbia)* Belgrade, 7 July 2008, www.srbija.gov.rs/vlada.

present an obstacle to their migration abroad); equality between the sexes; and protection for all the citizens of Serbia against ‘extreme poverty’.

In order to realise these social objectives, the government planned to introduce a package of measures that should contribute to the improvement of the social position of all vulnerable categories of the population: the unemployed; pensioners (whose pensions should be increased to 70 % of the ratio between average pensions and average salaries); families with children (additional funds and subsidies for resolving their housing problems); rural households of elderly people (by providing social security for them); working pregnant women and new mothers; and so on.

The aim of social policy

Adding a resourcing plan to the elements of the Sustainable Development Strategy and the programme of the government of the Republic of Serbia, on the basis that the generally-accepted attitude is that the key driving force for economic and technological development and quality of life is based on this, then we arrive at the logical conclusion that social policy in a society must be a factor of the development of its human resources. This implies that social policy in a society synchronically achieves the following functions:

- social solidarity, which includes the building and operational functioning of social protection mechanisms and the provision of social security for everybody who finds themselves in a state of social need, primarily for members of so-called ‘vulnerable social groups’
- social justice, which includes equal treatment with regard to all the indisputable achievements of civilisation, such as social insurance and the right to a healthy life and to health protection, as well as other rights that serve to secure a person’s material and social position in a way that is not dependent upon social origins, nationality, religion, political beliefs and so on. In other words, that means the establishment and the practical functioning of the principle of equal opportunities for all
- an economic function, bearing in mind that social policy measures, and especially measures in the area of employment and labour, have a significant influence on consumer power within a society and on overall economic trends
- a development function, which includes a lasting interconnection between dynamic economic and technological development and the development of human resources and social policy measures
- a political function, including the participation by and the responsibility of all the social actors in defining and implementing development strategy based on the principles of social partnership.

Trying to find a common denominator amidst all these functions of social policy, then it is relatively easy to recognise that it is opposition to discrimination that establishes the principles and practice of equal opportunities for all. From this standpoint, social policy can be defined as a strategy and a group of measures which have the common aim of preventing discrimination. History, as a teacher of life, as well as the practice of modern developed societies, has obviously been teaching us the detrimental consequences of discrimination. If we use the language of mathematics here, we could say

that discrimination and the economic and technological development of a society, as well as human rights and freedoms, are inversely proportional. Solid facts tell us that the biggest successes in economic, technological and overall social development have been achieved today by those countries that have managed to marginalise discrimination as a social relationship.

We have to bear in mind here that discrimination is not only an ethical, but also an economic and developmental issue. Societies based on discrimination either marginalise or exclude entire social strata from key social processes, and also from exercising basic economic and social rights, simply because of poorer social origins, different ethnicity and/or religion or, in a word, just because they are different. At the same time, this blocks both the development of creative power and the capacities of the members of those marginalised or excluded social strata – which is, in fact, the entire potential of a society.

Only a holistic, systematic, long-term concept and practice of social policy can provide for the full exercise of human rights and freedoms right across their entire civilised meaning and content. In the hierarchy of these rights, the right to life has indisputable priority. Today, however, in modern civilisation, the right to life cannot be reduced simply to the physical protection of human life, in the sense that nobody can take away somebody's life. The very right to life, where someone is hungry, unemployed, sick, without an opportunity to receive medical care, or is living below the accepted level of human dignity, where children cannot enter education, where they feel their life to be worthless, crushed and without hope, is simply meaningless. The right to life, as the start and end point of all other human rights and freedoms, is worthy only if it is exercised through the right to work; the right to a decent life from one's own work; the right to social and every other kind of safety; the right to schooling and one's own professional development, and the right to the continued development of one's skills and knowledge; and the right to decent living conditions and other rights that, only if exercised as a group, can serve to protect the quality and dignity of human life, in line with the achievements of modern civilisation. Exercising all these rights, alongside other work-related and social rights, is a basic indicator not only of the entirety and success of social policy, but also of the success of the whole social developmental strategy.

In order to realise such a social policy as fully as possible, two groups of conditions must be satisfied:

- that the society is an open, democratic one and that there exist functional democratic institutions and a rule of law
- that the society has economic potential; that is, that its social product is sufficient to provide a material basis for an adequate level of the exercise of social rights.

Here, at this level, we can perceive a link between the social and the other segments of economic and development policy. This is the policy of work and employment in which, as if in a focal point, social and development policies meet. Namely, an effective social policy is based on a successful policy for employment, which is a dependent variable of either a well- or an ill-chosen strategy for economic and technological development, competency and the responsibility of the political administration. This is the well-known systemic mistake of the capitalist market manner of production, which showed

its disastrous economic and social consequences during the world economic crisis in and after 1929, and which has continued to hang like the sword of Damocles over the head of modern capitalism ever since.

Impact of the current crisis

Today's dominant neo-liberal concept is obviously not an adequate, civilised response to this ongoing mistake, because it has transferred to development countries – that is, transition countries, Serbia among them – the burden of the unbearably high price of this internal systemic mistake of capitalism. This is contrary to the principles of social justice and solidarity, and is against all other moral principles. It is obvious that, based on common sense, the economic and technological development of a society aimed at the well-being of all its citizens cannot be left to the blind power of the market. The role of the state is undoubtedly to create an auspicious and stimulating social environment. It is only a question of finding the right way, or the right level of responsibility, competence and public control, with which the state is to play that part.

The implementation of the National Sustainable Development Strategy and the programme of the government of the Republic of Serbia in the area of social policy, as well as a number of the positive measures that have been undertaken so far,¹⁶ was seriously brought into question towards the end of 2008 and at the beginning of 2009, when the global economic crisis first started to shake the economy and then, subsequently, all other areas of life in Serbia. The result has been that the budget of the Republic of Serbia for 2009 allocates less money out of gross product, for example for education, which has dropped from the envisaged 3.9 % to (an achievable) 3.55 %. This presents an additional concern, since sustainable development in Serbia, as a society based on knowledge, gradually becomes impossible unless additional and greater funds are found for education. Other budget lines in relation to social payments have also been objectively brought into question.

Lay-offs have been announced, together with the freezing of any possibility of admitting new people to the state administration and to local self-governments; followed by the limiting and reductions in salaries in public companies and for employees whose salaries are financed from the state budget; the application of the expanded effects of the General Collective Agreement has been postponed; the second round of negotiations with the International Monetary Fund on a loan that should stabilise the budget of the Republic of Serbia has started; and the government of the Republic of Serbia has announced new measures to save money and alleviate the crisis, the redi-

- 16 Such as: an attempt to stop the devaluation of average pensions, and to increase the value of pensions to the level of 70 % of the average salary of the employed; increasing the accessibility of higher education to a larger number of students by reducing the number of points that are necessary for them to be enrolled during the next academic year; the state taking upon itself the obligation to repay the scholarships of those students who managed to pass all the exams necessary to enrol in their respective faculties for the next academic year; payments to supplement the salaries of pregnant women, so that they would receive the full amount of their salaries due in their companies while off on maternity leave; and so on...

rection of money flows and higher taxes for wealthier citizens, together with other restrictive measures.

If looked at from the aspect of all the criteria listed above, as well as the demands and achievements of civilisation, it could be said that Serbia today, at the beginning of the twenty first century, has moved away from the principles of social justice and solidarity and other moral principles, perhaps more so than in many other periods of its history. People wish for more than they can afford, and people prefer talk to work. Reality clashes with the statistical data. The middle class, which is a cornerstone of modern civil societies, has been almost completely ruined and the class-based social division has reached the point of absurdity since our society has been divided simply into two – up to 10 % of the enormously rich; and the remaining 90 % of more or less poor people.

Bearing in mind the duration of the crisis, there is a great danger that poverty will become stable over a long period of time, with social policy turning into a mass opening of soup kitchens for the poorest. Undoubtedly, it will take a long time to find a permanent exit from such a situation. Nevertheless, the first steps have to be made in that direction, and in a sufficiently resolute manner in order to remove the obstacles that are blocking the implementation of a responsible, lasting development strategy. Taking those steps should open the route, within the same framework, for an active, development-oriented social policy.

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