

INTERNATIONAL SUMMER DEBATE ACADEMY

SIMULATION FOR ACTION STIMULATION

compilation of research materials and suggested further reading

Kranjska Gora, 29th of June – 5th of July 2012

Partner organizations:

- Za in proti, Zavod za kulturo dialoga, Ljubljana (Slovenia)
- Asociace debatních klubů, o.s., Praha (Czech Republic)
- Estonian Debating Society, Tallinn (Estonia)
- Hrvatsko debatno društvo, Zagreb (Croatia)
- Debating Society Germany, Stuttgart (Germany)
- Slovak Debate Association, Bratislava (Slovakia)
- Asociatia Romana pentru Gandire si Orato, Ploiesti (Romania)



Europe for Citizens
Programme



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Dear participants,

this compilation of thematic materials is part of the project 'Simulation for Action Stimulation'. This is a partner project of seven European debate organizations and made possible with the financial support of the Europe for Citizens Programme of the European Commission. The project aims to address the new socio-economic challenges with which Europe, and the young people of Europe especially, is faced with. The project aims to deliver an international exchange of opinions on topics relevant to youth. It also builds on the promise of critical dialogue as a powerful tool of creating new ideas and understanding of problems we face.

The compilation features materials from partner organizations on five selected topic areas. These include:

- Social consequences of the current economic crisis and their proposed solutions
- Sustainability of welfare systems
- Youth poverty
- Domestic violence and its impact on youth
- Policy developments in internet regulation

At the end of the compilation you will find a short list of recommended further reading for the topics that will be discussed at the International Debate Academy 'Simulation for Action Stimulation' which will happen in Kranjska Gora from the 29th of June to 5th of July.

The topics that are going to be discussed are:

FOR PRACTICE DEBATES

THBT the European public education system is out of touch with the job market.

THBT online activism is counterproductive.

THW sanction EU members states that do not ensure protection of sexual minorities.

FOR THE SIMULATION OF THE EUROPEAN PARLIAMENT:

THBT we should tax products according to their environmental and social footprint.

TH rejects ACTA.

FOR THE TOURNAMENT (although not part of the project activities the participants are kindly invited to participate at the tournament as well)

THBT we should tax products according to their environmental and social footprint. (1st and 2nd round)

THBT there can be no equal opportunities without strong welfare state. (5th and 6th round)

THBT sports should not receive any public funding. (Semi-finals)

THBT the European Parliament should reject ACTA. (Finals)

You can join the community of participants on the Facebook event page '[Simulation for Action Stimulation](#)'. Materials relevant to the topics at the event are updated regularly and you're kindly invited to participate with your insights and suggestions on further reading.

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SOCIAL CONSEQUENCES OF THE ECONOMIC CRISIS AND ITS PROPOSED SOLUTIONS

General overview of the Europe 2020 strategy and positions

The EU's new strategy for sustainable growth and jobs, called 'Europe 2020', comes in the midst of the worst economic crisis in decades.

The new strategy replaces the Lisbon Agenda, adopted in 2000, which largely failed to turn the EU into "the world's most dynamic knowledge-based economy by 2010" (see EurActiv LinksDossier).

The new agenda puts innovation and green growth at the heart of its blueprint for competitiveness and proposes tighter monitoring of national reform programmes, one of the greatest weaknesses of the Lisbon Strategy.

During a summit on 11 February, EU leaders broadly endorsed a paper by European Council President Herman Van Rompuy, which called for more rigorous implementation and monitoring procedures for the new strategy (EurActiv 11/02/10).

The European Commission unveiled the new strategy on 3 March 2010, defining **five 'headline targets'** that would need to be adapted at national level in order to reflect national differences:

Raising the **employment rate** of the population aged 20-64 from the current 69% to 75%.

Raising the **investment in R&D** to 3% of the EU's GDP.

Meeting the EU's **climate change and energy objective for 2020** to cut greenhouse gas emission by 20% and source 20% of its energy needs from renewable sources.

Reducing the share of **early school leavers** from the current 15% to under 10% and making sure that at least 40% of youngsters have a degree or diploma.

Reducing the number of Europeans living below the **poverty** line by 25%, lifting 20 million out of poverty from the current 80 million.

After heated discussions, EU heads of state and government signed up to the EU-wide targets at a summit in June 2010 and agreed on their national contribution to the European effort (see full table with targets broken down per country).

Some objectives were watered down during the negotiations. Germany, for instance, disputed the EU's right to set targets on education matters and only dropped its resistance after receiving assurances that it would maintain its national sovereignty on education and training.

Britain, for its part, simply refused to sign up to the education and jobs objectives, arguing that sovereign countries should "set their own level of ambition" when it comes to defining national policies.

Member states' lack of determination in implementing the Lisbon Agenda frustrated **business leaders**, who have called for greater commitment to delivering on the objectives. "Many political leaders make European commitments but by the time they cross their own national border they forget about it," said **Wim Philippa**, secretary-general of the **European Round Table of Industrialists (ERT)**, a powerful lobby group.

"If Europe wants to be competitive in 2020 or in 2025 then that should not happen," he told EurActiv in an interview.

The business group underlined the urgent need to encourage young people to study mathematics, technology and the sciences – even offering to throw its financial weight behind educational initiatives in member states. "We very much support the creation of a European coordinating body for education to promote MST [maths, science and technology], starting in primary school. We are prepared to play our part – financially – in cash and in kind," Philippa said.

John Monks, secretary-general of the **European Trade Union Confederation (ETUC)**, declared himself an 'EU 2020 sceptic' and argued that the new strategy risked being "Lisbon as usual" – a repeat of its poorly-performing predecessor. He feared that the long-termism of this new vision ignores the need for concrete, speedy solutions to the current problems facing Europe. "I think it's a rush to judgement by a new Commission that feels naked without a 10-year strategy," he argued.

The **European Policy Centre**, a Brussels think-tank, questioned whether the EU had the tools to deliver on its ambitious objectives. "Looking at the targets, it looks like the tools to deliver are mostly at member-state level so it remains to be seen how far member states will match action to aspiration this time around."

The EPC also questioned the wisdom of keeping the Stability and Growth Pact separate from the Europe 2020 policy objectives. "One crucial issue missing from the high-level targets is the sustainability of public finances, with the Stability and Growth Pact kept deliberately separate from Europe 2020. This means that Europe 2020 is not a comprehensive economic reform strategy and also makes it dependent on success in another policy field."

Indeed, it says the 'Europe 2020' policy objectives will largely depend on the public finance situation in the member states. The proposed governance mechanism "is still predominantly soft," says the EPC, relying on benchmarking, monitoring and recommendations.

"Yes, governments can be admonished if they do not take the right actions but is there really a will by member states to do this consistently, applied to all member states equally?" it said.

BusinessEurope, the EU's main employer lobby group, said the Europe 2020 proposal provided "a useful basis" for making Europe "a greater a player in the world". However, it said "the sense of urgency and focus should be reinforced [...] in order to turn the Commission communication into a real roadmap for action".

Instead of waiting until 2020, BusinessEurope called for a rigorous mid-term assessment in 2014 which would judge whether the current Commission had done enough. "The Lisbon Strategy failed because the first five-year Commission mandate during that 10-year period did nothing," he claimed.

Former EU Commissioner Mario Monti, who is currently working on an official report aimed at reviving support for the internal market, said if Europe is to have a united position in external affairs it must avoid speaking with "a cacophony of voices" at home. European leaders, he said, have a bad habit of blaming the EU rather than accepting responsibility for joint decisions they have taken in Brussels.

However, Monti said Europe has emerged from the crisis with enhanced prestige as its social market economic model are now taken more seriously and its companies and citizens are not as indebted as those in the US.

The Commission was criticised for allowing a relatively short period for feedback on its consultation paper. A short summary of the 1,500 submissions was published by the EU executive, but **social and environmental NGOs** reacted angrily to claims by the Commission that they "broadly support" the draft plan (EurActiv 4/2/10). They called for a stronger social dimension to the strategy and said the Commission had presented a "rosy view" of NGOs' feedback.

Speaking on behalf of the Spanish EU Presidency, **Miguel Sebastian, Spanish Minister for Industry**, said structural reforms are needed in Europe given the challenge of emerging economies in China and India. He also noted that Lisbon is not seen as a "complete failure" by member states and that some moves in the right direction have been prompted by the strategy.

However, he acknowledged that more robust accountability measures will help implement EU 2020 – the successor to the Lisbon Agenda. "Business works towards quantitative measures of progress whereas governments do not always take that approach. I think that's wrong. We should have long-term targets," he said.

Joseph Daul MEP, leader of the centre-right **European People's Party (EPP)**, the largest group in the European Parliament, said the new 'Europe 2020' should have a stronger governance. "The Lisbon Strategy was not successful due to weak governance structure and lack of accountability of the member states. This should not happen again", Daul said. The EPP stressed the importance of small businesses for the EU economy, saying more effort was needed to cut administrative burdens for SMEs.

The **Socialist and Democrats (S&D)** group in the European Parliament criticised the European Commission's proposed strategy for "lacking ambition". "The Commission's proposals are not green enough and not strong enough on jobs and social policy and overall too lukewarm," said **Stephen Hughes MEP**, S&D vice-president for economic and social affairs.

"Despite a welcome commitment to tackling poverty, the Commission has never been whole-hearted about throwing its energy into a strong social policy. It is clear that we have an important task in the coming years to make Europe put people, not markets, first," Hughes added.

In response, the S&D outlined its own priorities for the European economy, putting the emphasis on a "green new deal" that they said should create 10 million jobs in the economy by 2020. The group believes the priorities for the next decade must include the following:

A new deal for sustainability.

High-quality full employment with decent work and social inclusion for women and men.

The fight against poverty, inequality and insecurity.

A high-productivity knowledge economy.

Social and territorial cohesion.

The **Alliance of Liberals and Democrats** group in the European Parliament (**ALDE**) welcomed the Commission's proposals, saying the proposed objectives are both "ambitious and realistic".

However, it said the strategy needed "more teeth" in order to make sure it is implemented at national level. "The emphasis of Europe 2020 is certainly striking the right chord," said ALDE group leader **Guy Verhofstadt MEP**. But he said he was "convinced" that the Commission "must be even more in the driver's seat" and offer sticks as well as carrots.

"The 2020 document offers some carrots but few sticks other than a possible warning from the Commission, which is unlikely to send a shudder down the spines of national finance ministries." "I maintain that the European Commission, not the European Council, is best placed to set the targets, oversee performance and name and shame underperformers because member states will always lack the political will for self-criticism."

Verhofstadt also believes that businesses "need a stable legal and macro-economic framework in which to thrive and invest. A single market and a single currency inevitably require some common approaches to broader macro-economic policy planning."

Referring to the Greek debt crisis, **ALDE spokesperson Lena Ek** said: "Cheating with statistics is unacceptable and countries that cheat should be punished. It is necessary to establish clear binding targets and make sure that oversight is the Commission's responsibility."

The Swedish MEP proposed creating "a European Monetary Fund" that can help stabilise markets in case of crisis.

The **Green group** in the European Parliament criticised the Commission proposal as "a myopic attempt" at defining a vision for 2020. "The Commission's rigid attachment to GDP growth as the driving target for economic development is a recipe for repeated failure," said **Green MEPs Claude Turmes and Philippe Lamberts**.

"GDP growth does not automatically provide improved social equality, better environmental protection or a happier life for citizens. New indicators are needed. We particularly call for a target for better distribution of income in the Europe 2020 programme," they said.

The Greens also criticised the strategy for being weak on national implementation measures. "The Commission is repeating the mistakes of the Lisbon Strategy by presenting a programme without demanding obligations. We need binding targets for critical issues such as resource and energy efficiency, as well as for social objectives."

Turmes, the Greens' vice-president, has been a strong proponent of using the crisis as a unique opportunity to move to a low-carbon economy but notes that the document does little to promote environmental technologies and hardly mentions renewable energies. The proposal, he points out,

warns that the EU is in danger of losing its leadership on green technologies to the US and China but does not outline any measures to regain it.

The **European Association of Employers and Enterprises in Public Services (CEEP)** sees strong, effective public services as vital to a successful Europe 2020 strategy. CEEP secretary-general **Ralf Resch** said, "you cannot have 'smart, sustainable and inclusive growth' without functioning and high-performing education systems, adequate and efficient energy infrastructures or sustainable healthcare and social services".

Ben Butters, director of European affairs at **Eurochambres**, an association of more than 1,200 European Chambers of Commerce and Industry, said the new 2020 plan should be more robust than the last. "The 2000-2010 Lisbon Strategy was strong on ambition, but weak on action. Today, it is clearer than ever that reform is not an option, it is essential, so the EU 2020 strategy must be built on firmer foundations than its predecessor, based on strong ownership, effective implementation and robust monitoring and coordination."

Butters described the open method of coordination as "heavily flawed," saying it needs to be reinforced and re-branded to ensure implementation. EU 2020 should also be endorsed by all stakeholders from Brussels down to local level, according to Eurochambres, which said an effective communication strategy will play a big role in securing support for the new roadmap.

UEAPME, the **European small business organisation**, called for the removal of the remaining internal market barriers and further reductions of the administrative burden on businesses. They want policymakers to 'think small first' when designing regulation, access to finance and 'flexicurity'.

UEAPME highlighted the challenges SMEs face and calls for better market access (internal market and third countries' markets), fair competition and a level playing field. Referring to the Small Business Act, it emphasised the importance of implementing policy commitments effectively.

Klaus Klipp, secretary-general of the **Assembly of European Regions (AER)**, said the process should take a "bottom-up approach" involving regional actors in defining and implementing governance structures.

Eucomed, which represents the medical technology sector, wanted to see more incentives for innovation in the strategy. In its submission to the European Commission, the group said it applauds the objectives of the plan but stressed the need for all policies to be consistent with EU 2020.

"It is important that procurement procedures are driven to incentivise innovation and are designed to particularly help SMEs unleash their innovation potential to launch new products on the market. This also applies to reimbursement schemes, which do not always recognise the entire care process and long-term patient outcomes," said **John Wilkinson**, chief executive of Eucomed.

The **European Students' Union** welcomed the attention given to education in the draft EU 2020 strategy. "ESU is, however, concerned that the document will fail to capture the essence of the strategy unless specific targets are drafted", said **Ligia Deca**, ESU chairperson. The ESU wants student mobility, changing skills needs and public investment in higher education to be considered by policymakers charting a long-term course forward for Europe.

The **European Youth Forum** (YFJ) has criticised the 'Youth on the Move' initiative for excluding young people who are not involved in higher education. **Tine Radinja**, president of the YFJ, said: "We urge President Barroso to revise and improve the youth dimension of the Europe 2020 Strategy Draft."

"Only about 30% of young people today complete higher education. If the 'Youth on the Move' project wants to make a real change it needs to focus on the young people that have now the least opportunities and are at risk of poverty and it should dare to set an ambitious benchmark for youth participation mobility," she added.

Radinja also believes that Europe 2020 needs to have a clear benchmark for youth employment and wants the European Youth Pact to be included in the guidelines to ensure the integration of youth-related policy in the overall EU strategy.

BEUC, the **European consumers' association**, supports the proposed EU 2020 objectives, whilst advocating a stronger focus on social inclusion and consumer rights. It also takes the view that more should be done to empower citizens. The single market should be deepened and consumer protection made a cross-cutting priority in the new strategy, it said.

Several **national consumer organisations** also contributed to the consultation. They share the general views expressed by BEUC on the importance of consumer policy in the new strategy. They equally underline the importance of guaranteeing adequate legal protection.

The **Eurosystem**, which is the monetary authority of the euro zone, submitted a contribution fully supporting the integration of social and environmental objectives into the EU 2020 strategy, while maintaining its overall focus on growth and jobs.

Particular attention should be given to a well-functioning labour market, internal market policies, competition and innovation, sound financial systems and the strict implementation of the Stability and Growth Pact, it said.

Social and environmental objectives should rely as far as possible on market-based instruments, according to the Eurosystem, which broadly agrees with the governance structures proposed by the Commission.

The **European Centre for Development and Vocational Training (CEDEFOP)** believes the EU 2020 strategy should include detailed policies on innovation and creativity and in particular on education and training, including vocational education and training. Partnerships between businesses and research bodies should include education and training authorities to help match skills with jobs.

The **European Research Council (ERC)** underlines the importance of generating knowledge leadership as a basis for innovation, greening the economy, competitiveness and prosperity. It calls for the development of world-class knowledge infrastructures and the retention and repatriation of top scientific talent from the EU and beyond.

Philippe Herzog, founder of the **Confrontations Europe** think-tank, said the 2020 strategy is too "short-termist". Herzog, a former French MEP for the far-left GUE group in the European Parliament, said the public consultation period was far too short, and the plan fails to take a long-term view of investment.

"Concretely, you don't see any policy prescriptions for restructuring in the next two or three years," he said. What is required is "a complete review of productivity in the EU," outlining which parts of the productive sector should be sustained.

Hans van der Loo, head of European Union Liaison at **Royal Dutch Shell**, has stressed the importance of improving Europe's competency in mathematics in order to improve competitiveness. He draws a direct link between technical knowledge and economic growth, but notes that interest in maths and sciences tends to decline as countries become more prosperous.

"Education has long been acknowledged as the cornerstone of Europe's success. With the challenges ahead, it will become even more important in determining the future of Europe's prosperity and role in the world. Competency in mathematics, science and technology (MST) is becoming more and more fundamental as strategic enabler for a sustainable, innovative and competitive Europe. Yet shortages in these disciplines are already imminent, calling for measures to substantially curbing this downward trend in enrolment in technical studies and restore the health of the European talent pipeline," said van der Loo.

The **European Telecommunications Network Operators' Association (ETNO)** believes that the digital agenda must be given a central role if Europe 2020's goals are to be achieved. ETNO director **Michael Bartholomew** said that success will depend greatly on the development of high speed broadband infrastructure and the capacity of the private and public sector to exploit its benefits.

"In order to accelerate private investment in high speed networks, these objectives must be translated into practice by national regulators, under the guidance of the European Commission, by developing a more targeted and proportionate regulatory environment," he added.

European standards organisations (CEN, CENELEC, ETSI) highlight the role standardisation can play to support the objectives of the EU 2020 strategy and in particular the further development of the single market.

WWF, the global conservation organisation, said the Commission's Europe 2020 plans showed "little ambition". "We welcome some of the bolder elements such as resource efficiency, but there isn't sufficient guidance for such a long-term strategy," said the WWF in a statement. "The real regret is that the strategy fails to give any clear direction on some of the biggest policy overhauls coming up in the next few years, including agriculture (Common Agricultural Policy reform), fisheries (Common Fisheries Policy reform) and rural development, which are barely mentioned in the document."

The **European Environmental Bureau (EEB)**, a network of green NGOs, welcomed the central place in the proposal for promoting a more resource efficient, greener and more competitive economy, including in the research and industry "flagship initiatives". However, it regretted that there was "nothing new" on climate change and deplored the "very weak reference to the role of biodiversity protection as a basis for a healthy economy".

"Respecting ecological limits by enabling economic activity without depleting natural resources or burdening our planet's ecosystems, are key to the sustainable creation of jobs and a sustainable economy," the WWF said. "Instead of exploiting nature, we should be making space for it."

(source: Europe 2020: Green Growth and Jobs?, Euractive. Available at:

<http://www.euractiv.com/priorities/europe-2020-green-growth-jobs-links dossier-280116>

<http://www.euractiv.com/priorities/europe-2020-green-growth-jobs-links dossier-280116>)

Further reading:

The Global Crisis: Causes, Responses and Challenges (ILO Report). 2011. Available at:

http://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/@publ/documents/publication/wcms_155824.pdf.

Europe 2020: Competitive or Complacent?. (Daniel Hamilton). 2011. Executive Summary available at: http://transatlantic.sais-jhu.edu/publications/books/europe_2020_exec_summary.pdf.

Requirements for Europe 2020 – an overview. (Eva HÖGL). 2010. Available at:

<http://www.thenewfederalist.eu/Requirements-for-Europe2020-an-overview>.

Youth

As the economic crisis worsens, young people worldwide call for a return to humanitarian values – latest Red Cross Red Crescent poll

Published: 24 November 2011

As young people continue to feel the effects of the global economic crisis, racial tension and the negative impacts of alcohol and other drugs, they are calling for a return to education based on humanitarian values, according to a poll released by the International Federation of Red Cross and Red Crescent Societies (IFRC). The results were released today at the organization's 18th General Assembly in Geneva, Switzerland.

The poll, which was shared through the global network of Red Cross Red Crescent youth, canvassed the views of people aged 18 to 30 on factors that contribute to a culture of violence in their countries. It also examined what they believe would help create a culture of peace and non-violence.

"The results of this poll bear out what I see among my peers and young people with whom the Red Cross works," says Anca Zaharia, head of the international department for Romanian Red Cross. "The boom times are gone and we are left with a generation questioning where to find inspiration and purpose in their lives," added Zaharia

European youth, hit hard by the economic crisis have highlighted unemployment and a lack of self esteem as the biggest contributors to increased violence in some communities. In Latin America, alcohol and other drugs were cited most often, whilst in the Middle East, racial tension and discrimination were the most noted. Most respondents called for a return to education based on humanitarian values as a solution to violence in society.

"Our education system emphasizes intellect and analysis: maths and language. It doesn't help children and youth to learn how to live peacefully together and make informed choices later in their

adult lives that will contribute to their health, well-being and happiness,” says Dr. Katrien Beeckman, head of the IFRC’s principles and values department.

Whilst the most significant contributory factors to a culture of violence among many young people were unemployment and a lack of self esteem according to the poll, but stress caused by financial or economic problems was the one of the lowest rated factors.

“What these young people are saying is financial stability alone is not enough; values must be nurtured to build self-confidence, and a sense of belonging and togetherness,” added Beeckman.

For values such as these to be promoted among today's young people, school curricula need to reflect this. The IFRC has already taken major steps in providing national Red Cross and Red Crescent societies with non-formal education tools via a global flagship initiative, Youth as agents of behavioural change (YABC), which provides young people with the skills they say they need, such as empathy, active listening and non-violent communication.

(Source: As the economic crisis worsens /.../. 2011. International Federation of Red Cross and Red Crescent Societies. Available at: <http://www.ifrc.org/en/news-and-media/press-releases/general/as-the-economic-crisis-worsens-young-people-worldwide-call-for-a-return-to-humanitarian-values--latest-red-cross-red-crescent-poll/>)

World economic crisis has spurred a record increase in youth unemployment says ILO

Global youth unemployment has reached its highest level on record, and is expected to increase through 2010, the International Labour Organization (ILO) said in a new report issued to coincide with the launch of the UN International Youth Year on 12 August.

Press release | 11 August 2010

GENEVA (ILO News) -- Global youth unemployment has reached its highest level on record, and is expected to increase through 2010, the International Labour Organization (ILO) said in a new report issued to coincide with the launch of the [UN International Youth Year](#) on 12 August.

The report [ILO Global Employment Trends for Youth 2010](#) says that of some 620 million economically active youth aged 15 to 24 years, 81 million were unemployed at the end of 2009 -- the highest number ever. This is 7.8 million more than the global number in 2007. The youth unemployment rate increased from 11.9 percent in 2007 to 13.0 percent in 2009.

It adds that these trends will have “significant consequences for young people as upcoming cohorts of new entrants join the ranks of the already unemployed” and warns of the “risk of a crisis legacy of a ‘lost generation’ comprised of young people who have dropped out of the labour market, having lost all hope of being able to work for a decent living”.

According to the ILO projections, the global youth unemployment rate is expected to continue its increase through 2010, to 13.1 per cent, followed by a moderate decline to 12.7 per cent in 2011. The report also points out that the unemployment rates of youth have proven to be more sensitive to the crisis than the rates of adults and that the recovery of the job market for young men and women is likely to lag behind that of adults.

The report indicates that in developed and some emerging economies, the crisis impact on youth is felt mainly in terms of rising unemployment and the social hazards associated with discouragement and prolonged inactivity.

The ILO report points out that in developing economies, where 90 per cent of young people live, youth are more vulnerable to underemployment and poverty. According to the report, in the lower income countries, the impact of the crisis is felt more in shorter hours and reduced wages for the few who maintain wage and salaried employment and in rising vulnerable employment in an 'increasingly crowded' informal economy.

The report estimates that 152 million young people, or about 28 percent of all the young workers in the world, worked but remained in extreme poverty in households surviving on less than US\$1.25 per person per day in 2008.

"In developing countries, crisis pervades the daily life of the poor" said ILO Director-General Juan Somavia. "The effects of the economic and financial crisis threaten to exacerbate the pre-existing decent work deficits among youth. The result is that the number of young people stuck in working poverty grows and the cycle of working poverty persists through at least another generation."

The ILO report explains how unemployment, underemployment and discouragement can have a long-term negative impact on young people, compromising their future employment prospects. The study also highlights the cost of idleness among youth, saying "societies lose their investment in education. Governments fail to receive contributions to social security systems and are forced to increase spending on remedial services".

"Young people are the drivers of economic development," Mr. Somavia said. "Foregoing this potential is an economic waste and can undermine social stability. The crisis is an opportunity to reassess strategies for addressing the serious disadvantages that young people face as they enter the labour market. It is important to focus on comprehensive and integrated strategies that combine education and training policies with targeted employment policies for youth."

"Today the UN is launching the International Year of Youth. Through this year's themes of dialogue and mutual understanding, we will be better placed to shape viable policies that respond to the need and aspirations of young people for decent work," he added.

Key findings in youth labour market trends at the global level:

Between 2007 and 2009, youth unemployment increased by 7.8 million (1.1 million in 2007/08 and 6.7 million in 2008/09). In comparison, over the course of the ten-year period prior to the current crisis (1996/97 to 2006/07), the number of unemployed youth increased, on average, by 191,000 per year.

The global youth unemployment rate rose from 11.9 to 13.0 per cent between 2007 and 2009. Between 2008 and 2009, the rate increased by 1 percentage point, marking the largest annual change over the 20 years of available global estimates and reversing the pre-crisis trend of declining youth unemployment rates since 2002.

Between 2008 and 2009, the number of unemployed youth increased by 9.0 per cent, compared to a 14.6 per cent increase in the number of unemployed adults. In terms of unemployment rates, however, the impact on youth has proven to be greater than that of adults. The youth rate increased by 1.0 percentage point compared to 0.5 points for the adult rate over 2008/09.

In 2008 young people accounted for 24 per cent of the world's working poor, versus 18.1 per cent of total global employment.

Young women have more difficulty than young men in finding work. The female youth unemployment rate in 2009 stood at 13.2 per cent compared to the male rate of 12.9 per cent (a gap of 0.3 percentage point, the same gender gap seen in 2007).

The projections show a longer expected recovery for youth compared to adults. Youth unemployment numbers and rates are expected to decline only in 2011. The ILO forecasts a continued increase in global youth unemployment to an all-time high of 81.2 million and a rate of 13.1 per cent in 2010. In the following year, the number of unemployed youth is projected to decline to 78.5 million with a 12.7 per cent rate. Meanwhile, the adult rate is expected to peak in 2009 at 4.9 per cent and then decline by 0.1 percentage points in both 2010 and 2011 (to 4.8 and 4.7 per cent, respectively).

Regional trends:

Youth unemployment rates increased by 4.6 percentage points in Developed Economies & the European Union between 2008 and 2009 and by 3.5 points in Central & South-Eastern Europe (non-EU) & CIS. These are the largest annual increases in youth unemployment rates ever recorded in any region. The youth unemployment rate of 17.7 per cent in 2009 in the Developed Economies & European Union is the highest the region has seen since regional estimates have been available (since 1991).

In most regions, young women continued to be the hardest hit by unemployment. Only in the Developed Economies & European Union were young males harder hit; the increase in the male youth unemployment rate between 2007 and 2009 was 6.8 percentage points compared to 3.9 points for young women.

In some countries, including Spain and the United Kingdom, there was an increase in inactivity among youth in the crisis years. This implies an increase in discouragement, whereby growing unemployment has led some young people to give up the job search.

In developing economies, the crisis adds to the ranks of vulnerable employment and informal sector employment. There is supporting evidence of such an increase in Latin America where between 2008 and 2009 the number of own-account workers increased by 1.7 per cent and the number of contributing family workers by 3.8 per cent. The region also experienced an increase in the share of teenagers engaged in informal sector employment during the crisis.

For almost all regions, slight improvements are forecast as compared with the peak unemployment years (2010 in most cases). Only in the Middle East and North Africa are youth unemployment rates expected to continue on an upward path in 2011. The largest decrease (1 percentage point) in youth unemployment rates is expected for Central & South-Eastern Europe (non-EU) & CIS. The projected

2011 rate in the Developed Economies & European Union would represent a 0.9 percentage point decrease from the previous year. However, the projected rate of 18.2 per cent would still be higher than was ever seen in the pre-crisis period (1991-2007).

(Source:

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Democratic implications

Far right on rise in Europe, says report

Study by Demos thinktank reveals thousands of self-declared followers of hardline nationalist parties and groups

[Europe's 'nationalist populists' and far right - interactive](#)

[Peter Walker](#) and [Matthew Taylor](#)

guardian.co.uk, Sunday 6 November 2011 17.17 GMT

[The far right](#) is on the rise across [Europe](#) as a new generation of young, web-based supporters embrace hardline nationalist and anti-immigrant groups, a study has revealed ahead of a meeting of politicians and academics in Brussels to examine the phenomenon.

Research by the [British thinktank Demos](#) for the first time examines attitudes among supporters of the far right online. Using advertisements on Facebook group pages, they persuaded more than 10,000 followers of 14 parties and street organisations in 11 countries to fill in detailed questionnaires.

The study reveals a continent-wide spread of hardline nationalist sentiment among the young, mainly men. Deeply cynical about their own governments and the EU, their generalised fear about the future is focused on cultural identity, with immigration – particularly a perceived spread of Islamic influence – a concern.

"We're at a crossroads in European history," said Emine Bozkurt, a Dutch MEP who heads the anti-racism lobby at the European parliament. "In five years' time we will either see an increase in the forces of hatred and division in society, including ultra-nationalism, xenophobia, Islamophobia and antisemitism, or we will be able to fight this horrific tendency."

The report comes just over three months after [Anders Breivik](#), a supporter of hard right groups, shot dead 69 people at youth camp near Oslo. While he was disowned by the parties, police examination of his contacts highlighted the Europe-wide online discussion of anti-immigrant and nationalist ideas.

Data in the study was mainly collected in July and August, before the worsening of the [eurozone crisis](#). The report highlights the prevalence of anti-immigrant feeling, especially suspicion of Muslims. "As antisemitism was a unifying factor for far-right parties in the 1910s, 20s and 30s, Islamophobia has become the unifying factor in the early decades of the 21st century," said [Thomas Klau from the European Council on Foreign Relations](#), who will speak at Monday's conference.

Parties touting anti-immigrant and Islamophobic ideas have spread beyond established strongholds in France, Italy and Austria to the traditionally liberal [Netherlands](#) and Scandinavia, and now have significant parliamentary blocs in eight countries. Other nations have seen the rise of nationalist street movements like the [English Defence League \(EDL\)](#). But, experts say, polling booths and demos are only part of the picture: online, a new generation is following these organisations and swapping ideas, particularly through Facebook. For most parties the numbers online are significantly bigger than their formal membership.

The phenomenon is sometimes difficult to pin down given the guises under which such groups operate. At one end are parties like France's National Front, a significant force in the country's politics for 25 years and seen as a realistic challenger in next year's presidential election. At the other are semi-organised street movements like the EDL, which struggles to muster more than a few hundred supporters for occasional demonstrations, or France's Muslim-baiting Bloc Indentitaire, best known for [serving a pork-based "identity soup" to homeless people](#).

Others still take an almost pick-and-mix approach to ideology; a number of the Scandinavian parties which have flourished in recent years combine decidedly left-leaning views on welfare with vehement opposition to all forms of multiculturalism.

Youth, Demos found, was a common factor. Facebook's own advertising tool let Demos crunch data from almost 450,000 supporters of the 14 organisations. Almost two-thirds were aged under 30, against half of Facebook users overall. Threequarters were male, and more likely than average to be unemployed.

The separate anonymous surveys showed a repeated focus on immigration, specifically a perceived threat from Muslim populations. This rose with younger supporters, contrary to most previous surveys which found greater opposition to immigration among older people. An open-ended question about what first drew respondents to the parties saw Islam and immigration listed far more often than economic worries. Answers were sometimes crude – "The foreigners are slowly suffocating our lovely country. They have all these children and raise them so badly," went one from a supporter of the Danish People's Party. Others argued that Islam is simply antithetical to a liberal democracy, a view espoused most vocally by Geert Wilders, the Dutch leader of the Party for Freedom, which only six years after it was founded is the third-biggest force in the country's parliament.

This is a "key point" for the new populist-nationalists, said [Matthew Goodwin from Nottingham University](#), an expert on the far right. "As an appeal to voters, it marks a very significant departure

from the old, toxic far-right like the BNP. What some parties are trying to do is frame opposition to immigration in a way that is acceptable to large numbers of people. Voters now are turned off by crude, blatant racism – we know that from a series of surveys and polls.

"[These groups are] saying to voters: it's not racist to oppose these groups if you're doing it from the point of view of defending your domestic traditions. This is the reason why people like Geert Wilders have not only attracted a lot of support but have generated allies in the mainstream political establishment and the media."

While the poll shows economics playing a minimal role, analysts believe the eurozone crisis is likely to boost recruitment to anti-EU populist parties which are keen to play up national divisions. "Why do the Austrians, as well as the Germans or the Dutch, constantly have to pay for the bottomless pit of the southern European countries?" asked Heinz-Christian Strache, head of the Freedom Party of Austria, once led by the late Jörg Haider. Such parties have well over doubled their MPs around western Europe in a decade. "What we have seen over the past five years is the emergence of parties in countries which were traditionally seen as immune to the trend – the [Sweden](#) Democrats, the True Finns, the resurgence of support for the radical right in the Netherlands, and our own experience with the EDL," said Goodwin.

The phenomenon was now far beyond a mere protest vote, he said, with many supporters expressing worries about national identity thus far largely ignored by mainstream parties.

Gavan Titley, an expert on the politics of racism in Europe and co-author of the recent book *The Crises of Multiculturalism*, said these mainstream politicians had another responsibility for the rise of the new groups, by too readily adopting casual Islamophobia.

"The language and attitudes of many mainstream parties across Europe during the 'war on terror', especially in its early years, laid the groundwork for much of the language and justifications that these groups are now using around the whole idea of defending liberal values – from gender to freedom of speech," he said.

"Racist strategies constantly adapt to political conditions, and seek new sets of values, language and arguments to make claims to political legitimacy. Over the past decade, Muslim populations around Europe, whatever their backgrounds, have been represented as the enemy within or at least as legitimately under suspicion. It is this very mainstream political repertoire that newer movements have appropriated."

Jamie Bartlett of Demos, the principal author of the report, said it was vital to track the spread of such attitudes among the new generation of online activists far more numerous than formal membership of such parties. "There are hundreds of thousands of them across Europe. They are disillusioned with mainstream politics and European political institutions and worried about the erosion of their cultural and national identity, and are turning to populist movements, who they feel speak to these concerns.

"These activists are largely out of sight of mainstream politicians, but they are motivated, active, and growing in size. Politicians across the continent need to sit up, listen and respond."

Voting trends

As a political party, having tens of thousands of online supporters is one thing but translating these into actual votes can be quite another. However, the Demos survey found that 67% of the Facebook fans of the nationalist-populist groups which put up candidates – some are street movements only – said they had voted for them at the most recent election.

Further analysis found that female supporters were more likely to turn support into a vote, as were those who were employed.

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(Source: Far right on rise in Europe, says report /.../. 2011. Guardian. Available at: <http://www.guardian.co.uk/world/2011/nov/06/far-right-rise-europe-report/print>)

Europe's New Politics of Fear

by [Denis MacShane](#) | April 15, 2010 8:00 PM EDT

There is a new divide in Europe. Not an iron curtain, but an iron intolerance as politicians revert to blaming minorities for their nations' woes. In Western Europe it is Muslims. In Eastern Europe they are Jews, Roma, and gays. In the Netherlands, Geert Wilders surged to an election victory in March on the back of anti-Muslim, anti-Quran populism. In Hungary the Fidesz Party won big in recent elections with attacks on "Jewish capital...which wants to devour the entire world." To the right of Fidesz is the openly anti-Jewish Jobbik Party, which won just two seats fewer than the Socialists. Its leaders want to wear the neo-Nazi uniform of the pre-1939 Hungarian Guard when they take their seats in Budapest's Parliament.

Contemporary political scientists do not like to highlight anti-Semitism. They prefer the term "radical populism," but to anyone with half a sense of European history, the parallels with an older, Jew-baiting politics can no longer be dismissed. Economic dislocation and a rapid loss of confidence in traditional politics gave rise to ultranationalist movements in the first half of the last century. Now a global recession and the hunt for someone to blame as jobs and incomes disappear is producing the same toxic politics.

The Fidesz leader, Viktor Orban, was a youthful evangelist for liberalized open markets after 1990. Now he strikes a much more nationalist tone. His Socialist opponents had to accept an austerity IMF package. Unlike Greece—which is being helped, so far, by its euro-zone partners—Hungary was alone as boom-time euro loans to buy houses and cars had to be paid back in an ever-devaluing forint. Blaming the Socialist government, globalization, and international capital was easy. But Fidesz went further. In a bid for votes on the far right, a Fidesz parliamentarian, Oszkar Molnar, says it's time to give "primacy to Hungarian interests over those of global capital, Jewish capital."

Like Jean-Marie Le Pen's National Front in France, Jobbik has the support of about 15 percent of Hungarian voters. The Czech right-wing ODS Party has had to dismiss its leader, former premier Mirek Topolánek, after he attacked the Jewish origins of the current Czech prime minister and castigated the gay transport minister. In a new book, *The Populist Radical Right in Poland*, the Oxford-educated Warsaw political professor Rafal Pankowski writes: "Antisemitism is crucial to the

Polish populist right. The number of Jews in Poland today is minimal, but the anti-Jewish prejudice serves as a code for a general hostility to diversity and to Polish [liberal] democracy." For the time being, criticism of nationalist politics is suspended as Poles mourn President Lech Kaczynski and other national leaders killed in the air-crash tragedy this month.

But the record of his party activists—including Michal Kaminski, Poland's best-known M.E.P. and leader of a small right-wing group in the Strasbourg Parliament—is disturbing. An admirer of the late Chilean dictator Augusto Pinochet, Kaminski uses ugly language about gays, and says he will apologize for the killing of Jews on Polish soil in World War II when "Jews apologize for killing Poles."

Mainstream political parties have sought to play down the rise of minority bashing. But Fidesz is affiliated with the center-right European People's Party, which groups Angela Merkel's ruling Christian Democratic Union Party in Germany, Nicolas Sarkozy's Union for a Popular Movement government in France, and ruling conservative parties in Sweden, Italy, and Belgium. When Austrian rightist Jörg Haider entered a coalition in Austria a decade ago, the European Union held Vienna in a political quarantine until Haider was removed. But Fidesz has a massive majority built on attacking "Jewish capital" in language even Haider didn't dare utter.

So radical populism—anti-Muslim in Western Europe, anti-Jewish in Eastern Europe, and anti-foreigner and anti-immigrant rhetoric everywhere—is no longer fringe politics. In Britain's general election, all the main parties are seeking to appease anti-foreigner feeling with language on immigrants that they would not tolerate if applied to British citizens living and working abroad. Comparisons with prewar Europe should not be overdrawn. Fascism is dead and not coming back. But a new politics of intolerance is afoot in Europe, and no one knows how to deal with it.

(Source: Europe's New Politics of Fear. 2010. The Daily Beast. Available at: <http://www.thedailybeast.com/newsweek/2010/04/15/europe-s-new-politics-of-fear.print.html>).

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Implications of economic crisis for social peace and security

Unrest in peace: Protests in the West have roots beyond bouts of austerity

Oct 22nd 2011 | from the print edition

AFTER two decades of stable growth and mostly quiet streets the rich world has become an unruly place. Hundreds of protesters have been camped in New York's financial district since September, inspiring similar movements in large cities around the world. In Rome the protests turned violent as demonstrators set cars alight and hurled rocks at police. Greek workers demonstrated again this week against yet another set of austerity measures. Public anger is clearly fuelled by economic troubles, but the link between economic conditions and unrest is complex.

Instability is often blamed on creeping austerity. After the riots in London in August, Ken Livingstone, a former mayor, declared that “the economic stagnation and cuts being imposed by the Tory government inevitably create social division.” A recent paper by Jacopo Ponticelli and Hans-Joachim Voth of Barcelona’s Universitat Pompeu Fabra suggests he may have a point. They assemble a data set of chaotic episodes in Europe between 1919 and 2009—a mix of protests, strikes, assassinations and attempted revolutions—and find a tight relationship between fiscal austerity and unrest. Episodes of instability occur twice as often when spending cuts reach 5% of GDP as when expenditure is rising.

Such dangers are well appreciated in the emerging world, which has much greater experience of austerity. Cuts have often been associated with civil violence. In a separate study of fiscal consolidation in Latin America between 1937 and 1995, Mr Voth pinpoints a tight link between fiscal consolidation and instability, across democracies and autocracies alike.

Protests induced by austerity also attract far more participants than demonstrations sparked by other causes. In a sample of European protests from 1980 to 1995, austerity-focused protests attracted over 700,000 people on average, the authors find. Anti-war protests averaged just under 15,000 attendees. Tax increases do not have a significant effect on the likelihood of unrest, however, which suggests that distributional issues play a role in inciting public ire. Tax rises often have greater impact on the upper-income elite; service cuts are felt more keenly by those on lower incomes who may already feel disenfranchised.

Anger at austerity is likely to be just one component of public dissatisfaction. High debt levels across the rich world owe much to the impact of weak growth on tax revenues. Messrs Ponticelli and Voth control for the impact of growth in their study and find a causal role for changes in GDP alongside that for budget cuts. A 1% increase in GDP reduces the expected number of demonstrations per year by about 0.4 events, roughly half the impact of a similar increase in the government budget. Weak growth and high unemployment rates are an obvious recipe for discontent. In 2010 the International Labour Organisation warned that high levels of joblessness, and of youth unemployment especially, were likely to trigger above-normal levels of social unrest.

Inequality is also an engine of protest. A classic 1994 paper by Alberto Alesina of Harvard University and Roberto Perotti of Bocconi University studied 71 countries between 1960 and 1985 and found that higher levels of income inequality were associated with increased social instability. Their explanation was that unrest often erupts when a wealthy middle class is weakened.

That idea resonates strongly now. By one estimate, 58% of the real economic growth in America of the past 30 years was captured by the top 1% of earners: the Occupy Wall Street demonstrators are embracing a motto of “We are the 99%”. The rise in American income inequality reflected a dramatic “polarisation” of the labour force into high- and low-skill segments at the expense of middle-skill (and middle-wage) positions, according to research by David Autor of the Massachusetts Institute of Technology (MIT). Just as the apparently benign macroeconomic environment of the past two decades masked a build-up of financial instability, it may also have been storing up the elements of prolonged social discontent.

Even where the grass is greener

Much of this hollowing out of the American workforce is down to technology, but some of it stems from globalisation. Structural changes in the world economy can cause instability in countries where output is expanding as well as in sluggish ones. Rapid emerging-market growth is placing pressure on the world's notoriously inefficient food markets, for example. A 2011 IMF study of 120 countries between 1970 and 2007 found that a 10% increase in food prices was associated with a doubling in the number of anti-government protests, though only in low-income countries.

Growth that undermines existing social institutions and dislocates workers is also likely to generate instability. In China mass migrations associated with rapid catch-up growth and urbanisation are often blamed for causing instability. Instances of "mass disturbances" have risen steadily since 1993, even as the Chinese economy has enjoyed scorching growth. Ricardo Hausmann of Harvard University similarly argues that Egypt's steps towards economic liberalisation stimulated an appetite for greater opportunity that fuelled discontent with the ruling regime.

Research by MIT's Daron Acemoglu and Harvard's James Robinson finds that relatively undemocratic governments have historically extended voting rights in order to convince a restive public of the promise of future redistribution. In the West, that is not an option. A bit more growth and a bit less austerity might take the edge off public anger. But if social unrest has its roots in the effects of structural economic changes, a more fundamental societal reckoning may be needed. A study by Patricia Justino of the University of Sussex examined inequality and unrest in India and found that redistribution can quell an outcry. That may well be the outcome of the current turmoil, too.

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The Global Economic Crisis: Riots, Rebellion and Revolution

When Empire Hits Home, Part 3

By Andrew Gavin Marshall

Global Research, April 7, 2010

Part 1: War, Racism and the Empire of Poverty

Part 2: Western Civilization and the Economic Crisis: The Impoverishment of the Middle Class

As nations of the world are thrown into a debt crisis, the likes of which have never been seen before, harsh fiscal 'austerity' measures will be undertaken in a flawed attempt to service the debts. The result will be the elimination of the middle class. When the middle class is absorbed into the labour class – the lower class – and lose their social, political, and economic foundations, they will riot, rebel, and revolt.

Ratings Agency Predicts Civil Unrest

Moody's is a major ratings agency, which performs financial research and analysis on governments and commercial entities and ranks the credit-worthiness of borrowers. On March 15, Moody's warned that the US, the UK, Germany, France, and Spain "are all at risk of soaring debt costs and will have to implement austerity plans that threaten 'social cohesion'." Further, Moody's warned that such 'austerity' measures increase the potential for 'social unrest':

"Growth alone will not resolve an increasingly complicated debt equation. Preserving debt affordability at levels consistent with AAA ratings will invariably require fiscal adjustments of a magnitude that, in some cases, will test social cohesion," said Pierre Cailleteau, the chief author.

"We are not talking about revolution, but the severity of the crisis will force governments to make painful choices that expose weaknesses in society," he said.[1]

In other words, due to the massive debt levels of western nations taken on to save the banks from the crisis they caused, the people must now pay through a reduction of their standards of living. Naturally, social unrest would follow.

This has not been the first or only warning of "social unrest" in the west, and it certainly won't be the last.

The Economic Crisis and Civil Unrest

At the onset of the economic crisis, these warnings were numerous. While many will claim that since we have moved on since the fall of 2008, these warnings are no longer valid. However, considering that the western world is on the verge of a far greater economic crisis that will spread over the next few years, from Greece to America, a great global debt depression, these warnings should be reviewed with an eye on the near future.

In December of 2008, in the midst of the worst period of the crisis of 2008, the IMF issued a warning to government's of the west to "step up action to stem the global economic crisis or risk delaying a

recovery and sparking violent unrest on the streets.”[2] However, governments did not stem or stop the economic crisis, they simply delayed the eventual and inevitable crisis to come, the debt crisis. In fact, the actions governments took to “stem” the economic crisis, or delay it, more accurately, have, in actuality, exacerbated the compound effects that the crisis will ultimately have. In short, bailing out the banks has created a condition in which an inevitable debt crisis will become far greater in scope and devastation than had they simply allowed the banks to fail.

Even the Bank for International Settlements (BIS), the most prestigious financial institution in the world – the central bank to the world’s central banks – has warned that the bailouts have put the global economy in potentially far greater peril. The BIS warned that, “The scope and magnitude of the bank rescue packages also meant that significant risks had been transferred onto government balance sheets.”[3]

The head of the IMF warned that, “violent protests could break out in countries worldwide if the financial system was not restructured to benefit everyone rather than a small elite.”[4] However, he is disingenuous in his statements, as he and the institution he represents are key players in that “small elite” that benefit from the global financial system; this is the very system he serves.

In late December of 2008, “A U.S. Army War College report warn[ed] an economic crisis in the United States could lead to massive civil unrest and the need to call on the military to restore order.” The report stated:

Widespread civil violence inside the United States would force the defense establishment to reorient priorities ... to defend basic domestic order and human security.[5]

Further revealed in the news release was the information that, “Pentagon officials said as many as 20,000 Soldiers under the U.S. Northern Command (NORTHCOM) will be trained within the next three years to work with civilian law enforcement in homeland security.”[6]

Europe in Social Crisis

In January of 2009, it was reported that Eastern Europe was expected to experience a “dangerous popular backlash on the streets” over the spring in response to the economic crisis:

Hit increasingly hard by the financial crisis, countries such as Bulgaria, Romania and the Baltic states face deep political destabilisation and social strife, as well as an increase in racial tension.

Last week protesters were tear-gassed as they threw rocks at police outside parliament in Vilnius, capital of Lithuania, in a protest against an austerity package including tax rises and benefit cuts.[7]

In January of 2009, Latvia experienced the largest protests since the mass rallies against Soviet rule in the late 1980s, with the protests eventually turning into riots. Similar “outbursts of civil unrest” spread across the “periphery of Europe.”[8]

This should be taken as a much larger warning, as the nations of Eastern Europe are forced into fiscal ‘austerity’ measures before they spread through the western world. Just as throughout the 1980s and the 1990s, countries of the ‘global south’, which signed Structural Adjustment Programs (SAPs) with the IMF and World Bank, were forced to undertake neoliberal reforms and harsh fiscal austerity

measures. The people of these nations rioted and rebelled, in what was cynically referred to as “IMF riots”. What our nations have done abroad, in the name of ‘aid’ but in the intent of empire, is now coming home. The west will undergo its very own “IMF riots”.

The fears of civil unrest, however, were not confined simply to the periphery of Europe. In January of 2009, a massive French strike was taking place, as “teachers, television employees, postal workers, students and masses of other public-sector workers” were expressing discontent with the handling of the economic crisis; as “A depression triggered in America is being played out in Europe with increasing violence, and other forms of social unrest are spreading.”[9]

By late January, France was “paralysed by a wave of strike action, the boulevards of Paris resembling a debris-strewn battlefield.” Yet, the ‘credit crunch’ had hit harder in Eastern Europe and the civil unrest was greater, as these countries had abandoned Communism some twenty years prior only to be crushed under the “free market” of Capitalism, leading many to feel betrayed: “Europe's time of troubles is gathering depth and scale. Governments are trembling. Revolt is in the air.”[10]

Olivier Besancenot, the leader of France’s extreme left “is hoping the strike will be the first step towards another French revolution as the recession bites and protests multiply across Europe's second largest economy.” He told the Financial Times that, “We want the established powers to be blown apart,” and that, “We are going to reinvent and re-establish the anticapitalist project.”[11]

In January of 2009, Iceland’s government collapsed due to the pressures from the economic crisis, and amidst a storm of Icelanders protesting in anger against the political class. As the Times reported, “it is a sign of things to come: a new age of rebellion.” An economist at the London School of Economics warned that we could expect large-scale civil unrest beginning in March to May of 2009:

It will be caused by the rise of general awareness throughout Europe, America and Asia that hundreds of millions of people in rich and poor countries are experiencing rapidly falling consumption standards; that the crisis is getting worse not better; and that it has escaped the control of public authorities, national and international.[12]

In February of 2009, the Guardian reported that police in Britain were preparing for a “summer of rage” as “victims of the economic downturn take to the streets to demonstrate against financial institutions.” Police officials warned “that middle-class individuals who would never have considered joining demonstrations may now seek to vent their anger through protests this year.”[13]

In March, it was reported that “top secret contingency plans” had been drawn up to counter the threat posed by a possible “summer of discontent,” which “has led to the extraordinary step of the Army being put on standby.” The report revealed that, “What worries emergency planners most is that the middle classes, now struggling to cope with unemployment and repossessions, may take to the streets with the disenfranchised.”[14]

As the G20 met in London in early April 2009, mass protests took place, resulting in violence, “with a band of demonstrators close to the Bank of England storming a Royal Bank of Scotland branch, and baton-wielding police charging a sit-down protest by students.” While the majority of protests were peaceful, “some bloody skirmishes broke out as police tried to keep thousands of people in

containment pens surrounding the Bank of England.”[15] Protests further broke out into riots as a Royal Bank of Scotland office was looted.[16] The following day, a man collapsed and died in central London during the protests shortly after having been assaulted by riot police.[17]

On May 1, 2009, major protests and riots broke out in Germany, Greece, Turkey, France and Austria, fuelled by economic tensions:

Police in Berlin arrested 57 people while around 50 officers were hurt as young demonstrators threw bottles and rocks and set fire to cars and rubbish bins. There were also clashes in Hamburg, where anti-capitalist protesters attacked a bank.

In Turkey, masked protesters threw stones and petrol bombs at police, smashing banks and supermarket windows in its biggest city, Istanbul. Security forces fired tear gas and water cannon at hundreds of rioters and more than a hundred were arrested with dozens more hurt. There were also scattered skirmishes with police in the capital, Ankara, where 150,000 people marched.[18]

There were further protests and riots that broke out in Russia, Italy, Spain, and some politicians were even discussing the threat of revolution.[19]

As a debt crisis began spreading throughout Europe in Greece, Portugal, and Spain, social unrest followed suit. Riots and protests increasingly took place in Greece, showing signs of things to come to all other western nations, which will sooner or later have to face the harsh reality of their odious debts.[20]

Is Civil Unrest Coming to America?

In February of 2009, Obama’s intelligence chief, Dennis Blair, the Director of National Intelligence, told the Senate Intelligence Committee that the economic crisis has become the greatest threat to U.S. national security:

I’d like to begin with the global economic crisis, because it already looms as the most serious one in decades, if not in centuries ... Economic crises increase the risk of regime-threatening instability if they are prolonged for a one- or two-year period... And instability can loosen the fragile hold that many developing countries have on law and order, which can spill out in dangerous ways into the international community.[21]

What this means, is that economic crises (“if they are prolonged for a one or two year period”) pose a major threat to the established powers – the governing and economic powers – in the form of social unrest and rebellion (“regime-threatening instability”). The colonial possessions – Africa, South America, and Asia – will experience the worst of the economic conditions, which “can loosen the fragile hold that many developing countries have.” This can then come back to the western nations and imperial powers themselves, as the riots and rebellion will spread home, but also as they may lose control of their colonial possessions – eliminating western elites from a position of power internationally, and acquiescence domestically: The rebellion and discontent in the ‘Third World’ “can spill out in dangerous ways into the international community.”

In the same month, the highest-ranking general in the United States, “Adm. Michael Mullen, chairman of the Joint Chiefs of Staff, ranks the financial crisis as a higher priority and greater risk to

security than current wars in Iraq and Afghanistan.” He explained, “It’s a global crisis. And as that impacts security issues, or feeds greater instability, I think it will impact on our national security in ways that we quite haven’t figured out yet.”[22] Rest assured, they’ve figured it out, but they don’t want to tell you.

Again, in the same month, the head of the World Trade Organization (WTO) warned that, “The global economic crisis could trigger political unrest equal to that seen during the 1930s.” He elaborated, “The crisis today is spreading even faster (than the Great Depression) and affects more countries at the same time.”[23]

In February of 2009, renowned economic historian and Harvard professor, Niall Ferguson, predicted a “prolonged financial hardship, even civil war, before the ‘Great Recession’ ends,” and that, “The global crisis is far from over, [it] has only just begun, and Canada is no exception,” he said while at a speaking event in Canada. He explained, “Policy makers and forecasters who see a recovery next year are probably lying to boost public confidence,” while, “the crisis will eventually provoke political conflict.” He further explained:

There will be blood, in the sense that a crisis of this magnitude is bound to increase political as well as economic [conflict]. It is bound to destabilize some countries. It will cause civil wars to break out, that have been dormant. It will topple governments that were moderate and bring in governments that are extreme. These things are pretty predictable.[24]

Even in May of 2009, the head of the World Bank warned that, “the global economic crisis could lead to serious social upheaval,” as “there is a risk of a serious human and social crisis with very serious political implications.”[25]

Zbigniew Brzezinski, former National Security Adviser, co-founder of the Trilateral Commission and a key architect of ‘globalization’ warned in February of 2009 that, “There’s going to be growing conflict between the classes and if people are unemployed and really hurting, hell, there could be even riots!”[26]

In early May 2009, the New York Times reported on the results of a major poll, suggesting, “A solid majority of people in the major Western democracies expect a rise in political extremism in their countries as a result of the economic crisis.” Of those surveyed, 53% in Italy and the United States said they expected extremism is “certain to happen” or “probable” in the next three years. That percentage increases to 65% in Britain and Germany, and is at 60% in France and Spain.[27]

Over the summer of 2009, the major nations of the west and their corporate media machines promoted and propagandized the notion of an ‘economic recovery’, allowing dissent to quell, spending to increase, stock market speculation to accelerate, and people’s fears and concerns to subside. It was a massive organized propaganda effort, and it had major successes for a while. However, in the New Year, this illusion is largely being derided for what it is, a fantasy. With the slow but steady erosion of this economic illusion, fears of riots, rebellion and revolution return.

On March 1, 2010, Nation of Islam leader Louis Farrakhan warned President Obama about civil unrest, saying:

When we can’t feed our families what do you tell us? Thou shalt not steal? When survival is the first

law of nature? What are you going to do when black people and poor people erupt in the streets of America? It's coming! Will you use the federal troops, Mr. President, against the poor?[28]

A March 8 article in the Wall Street Journal speculated about the discontent among the American people in regards to the economy, suggesting that it is “likely” that the economy has “bottomed” and that it will simply “trudge along” until November. However, the author suggested that given all the growing discontent in a variety of areas, it wouldn't be surprising to see some civil unrest:

Now, contrary to what you may read in the New York Times or the Huffington Post, the ugliness could come from anywhere – the Left, the Center or the Right. Almost everyone in America thinks they've been betrayed.[29]

Clearly, the possibility and inevitability of riots in the United States, and in fact in many western nations becomes increasingly apparent. The middle classes will likely become the most angered and mobilized populace, having their social foundations pulled out from under them, and with that, they are overcome with a 'failure of expectations' for their political and economic clout. With no social foundations on which to stand, a class cannot reach high in the political and economic ladder, nationally or internationally.

As documented in Part 2 of this series, the middle class, for the past few decades, has been a class living on debt, consuming on debt, surviving on debt and existing only in theory. As nations collapse into a global debt crisis, the middle classes and the college students will be plunged into a world which they have seldom known: poverty. As documented in Part 1 of this series, the global social systems of poverty, race and war are inextricably interrelated and dependent on one another. As the middle class is absorbed into the global poverty class – the labour class – our nations in the west vastly expand their hegemony over the world's resources and key strategic points, rapidly accelerating military involvement in every region of the world. As war expands, poverty grows, and racial issues are exacerbated; thus, the government asserts a totalitarian system of control.

Will the Middle Class Become Revolutionary?

In 2007, a British Defence Ministry report was released assessing global trends in the world over the next 30 years. The report stated assuredly that, “During the next 30 years, every aspect of human life will change at an unprecedented rate, throwing up new features, challenges and opportunities.”[30] In regards to 'globalization,' the report states:

A key feature of globalization will be the continuing internationalization of markets for goods, services and labour, which will integrate geographically dispersed sets of customers and suppliers. This will be an engine for accelerating economic growth, but will also be a source of risk, as local markets become increasingly exposed to destabilizing fluctuations in the wider global economy... Also, there will continue to be winners and losers in a global economy led by market forces, especially so in the field of labour, which will be subject to particularly ruthless laws of supply and demand.[31]

Another major focus of the report is in the area of “Global Inequality,” of which the report states, over the next 30 years:

[T]he gap between rich and poor will probably increase and absolute poverty will remain a global

challenge... Disparities in wealth and advantage will therefore become more obvious, with their associated grievances and resentments, even among the growing numbers of people who are likely to be materially more prosperous than their parents and grandparents. Absolute poverty and comparative disadvantage will fuel perceptions of injustice among those whose expectations are not met, increasing tension and instability, both within and between societies and resulting in expressions of violence such as disorder, criminality, terrorism and insurgency. They may also lead to the resurgence of not only anti-capitalist ideologies, possibly linked to religious, anarchist or nihilist movements, but also to populism and the revival of Marxism.[32]

The report states quite emphatically that there is a great potential for a revolution coming from the middle class:

The middle classes could become a revolutionary class, taking the role envisaged for the proletariat by Marx. The globalization of labour markets and reducing levels of national welfare provision and employment could reduce peoples' attachment to particular states. The growing gap between themselves and a small number of highly visible super-rich individuals might fuel disillusion with meritocracy, while the growing urban under-classes are likely to pose an increasing threat to social order and stability, as the burden of acquired debt and the failure of pension provision begins to bite. Faced by these twin challenges, the world's middle-classes might unite, using access to knowledge, resources and skills to shape transnational processes in their own class interest.[33]

Is Revolution the Right Way Forward?

As the world has already experienced the greatest transfer of wealth in human history, the greatest social transformation in world history is soon to follow. The middle classes of the west, long the foundations upon which the consumer capitalist system was based, are about to be radically reorganized and integrated into the global labour class. As this process commences and accelerates, the middle classes will begin to protest, riot, rebel, and possibly revolt.

We must ask ourselves: Is this the right way forward?

History is nothing but an example that when revolution takes place, it can quickly and effectively be hijacked by militant and extremist elements, often resulting in a situation worse than that prior to the revolution. Often, these elements themselves are co-opted by the ruling elite, ensuring that whatever regime rises in the ashes of the old, no matter how militant or radical, it will continue to serve and expand the entrenched interests of elites. This is the worst-case scenario of revolution, and with history as a guide, it is also a common occurrence. To understand the nature of co-opted revolutions and entrenched elites, one need only look at the revolutions in France and Russia.[34]

While the righteous indignation and anger of the western middle class population, and in fact, the global population as a whole, is entirely justified, there is an extreme danger in the possibilities of how such a revolutionary class may act. It is imperative to not take violent action, as it would merely be playing directly into the hands of states and global institutions that have been preparing for this eventuality for some time. Nations are becoming 'Homeland Security States', setting up surveillance societies, increasing the role of the military in domestic issues and policing, expanding the police state apparatus and militarizing society in general. Democracy is in decline; it is a dying idea. Nation states are increasingly tossing aside even the remaining vestiges of a democratic façade and

preparing for a new totalitarianism to arise, in conjunction with the rise of a 'new capitalism'.

Violent action and riots by the people of these nations will only result in a harsh and brutal closing of society, as the state clamps down on the people and installs an oppressive form of governance. This is a trend and process of which the people should not help speed along. Violent acts will result in violent oppression. While peaceful opposition may itself be oppressed and even violently repressed by the state apparatus, the notion of a clamp down on peaceful protesters is likely to increase dissatisfaction with the ruling powers, increase support for the protesters, and may ultimately speed up the process of a truly new change in governance. It's difficult to demonize peaceful action.

While people will surely be in the streets, seeking to expand their social, political, and economic rights, we must undertake as a global society, a rapid and extensive expansion of our mental and intellectual rights and responsibilities. We cannot take to the streets without taking on the challenges of our minds. This cannot alone be a physical change in governance that people seek – not simply a political revolution – this must be coupled and driven by an intellectual revolution. What is required is a new Enlightenment, a new Renaissance. While the Enlightenment and Renaissance were western movements of thinking and social change, the new global Enlightenment must be a truly transnational and worldwide revolution in thinking.

Western Civilization has failed. It will continue to insist upon its own dominance, but it is a failure in regards to addressing the interests of all human civilization. Elites like to think that they are in absolute control and are all-powerful; this is not the case. For every action, there is an equal and opposite reaction. Take, for example, the integration of North America into a regional bloc like that of the European Union, an entirely elite-driven project of which the people largely know little or nothing about. Elites seek to force the people of this region to increasingly identify themselves as 'North American', just as elites in Europe increasingly push for a 'European' identity as opposed to a national identity. While the intended purpose of this social reorganization is to more easily control people, it has the effect of uniting some of these people in opposition to these elite-driven projects. Thus, those they seek to unite in order to control, are then united in opposition to their very control.

As the 'globalization project' of constructing a 'new world order' expands, built upon the concepts of global governance, elites will inadvertently unite the people of the world in opposition to their power-project. This is the intellectual well that must be tapped as soon as possible. Ideas for a truly new world, a true human 'civilization' – a "Humane Civilization" – must be constructed from ideas originating in all regions of the world, from all peoples, of all religions, races, ethnicities, social groups and standings. If we are to make human civilization work, it must work for all of humanity.

This will require a global "revolution in thinking", which must precede any direct political action. The global social, political, and economic system must be deconstructed and built anew. The people of the world do not want war, it is the leaders – the powerful – who decide to go to war, and they are never the ones to fight them. War is a crime against humanity, a crime of poverty, of discrimination, of hate. The social, political and economic foundations of war must be dismantled. Socially constructed divides between people – such as race and ethnicity – must be dismantled and done away with. All people must be treated as people; racial and gender inequality is a crime against humanity itself.

Poverty is the greatest crime against humanity the world has ever known. Any society that permits

such gross inequalities and absolute poverty, which calls itself 'civilized', is only an aberration of the word, itself. As Dr. Martin Luther King, Jr. stated:

I am convinced that if we are to get on the right side of the world revolution, we as a nation must undergo a radical revolution of values. We must rapidly begin the shift from a "thing-oriented" society to a "person-oriented" society. When machines and computers, profit motives and property rights are considered more important than people, the giant triplets of racism, materialism, and militarism are incapable of being conquered.[35]

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(Source: The Global Economic Crisis: Riots, Rebellion and Revolution. 2010. GlobalResearch.ca, Andrew Gavin Marshall. Available at: <http://www.globalresearch.ca/index.php?context=va&aid=18529>).

Further Reading:

Peace index: Economic woes breed social unrest. 2010. Euractiv. Available at: <http://www.euractiv.com/enterprise-jobs/peace-index-economic-woes-breed-social-unrest-news-494952>.

Sustainability of Welfare systems

Fundamental pillar of certainty of every single citizen. Security in tough times. Fulcrum at times full of changes. These are the synonyms for a program that provides assistance to needy individuals and families – welfare system. This program involves the health care, food stamps, unemployment compensation, housing assistance and child care assistance. It's a net of many companies we cannot live without. For instance health insurance, pension insurance, all forms of subsidies... If we did not have any of this, we would have no retirement, subsidies, we would not underwrite ourselves, we would not have any real certainty. The fail of welfare system means the fail of the state of community. This system is one of the most perfect systems as ever exist. But nothing is strong enough for staying all nowadays changes. Welfare systems are not as stable as is thought.

In welfare systems, there are black holes in case of unchangeability. The clock is ticking and things are changing, but welfare systems are the same all the time. It can reflect some problems. European Union is well-known for its attempt to unify all states which take the part in it. Beautiful idea but unifying of welfare systems can get some problems. However, the problems are just small particles of the oceans of real problems that are present in today's European welfare system.

Parts and types of welfare system

Subsidy - Subsidizing a good is one way of redistributing wealth to the poor. It is money that is paid usually by a government to keep the price of a product or service low or to help a business or organization to continue to function. Some people do not want to use subsidies because they want the poor to consume the subsidized good or service in a specific way or because subsidizing goods (such as health care) can lead to an over consumption of the good.

Voucher - is like a subsidy that can only be consumed in a specific way. Voucher programs can make us worse off because of the cap on our ability to spend on 'all other goods' our indifference curves could limit us.

Direct Cash - this is straight cash with no restrictions on how it can be consumed. Direct cash may cause greater budget constraint because the recipient can spend the cash subsidy on all 'other goods' or on a 'subsidized good'. Direct cash increases the entire budget constraint and shifts the indifference curves outward allowing us to maximize individual utility.

The best known representative of welfare systems are social insurances that are any government-sponsored programs with the following four characteristics:

the benefits, eligibility requirements and other aspects of the program are defined by statute,

explicit provision is made to account for the income and expenses (often through a trust fund),

it is funded by taxes or premiums paid by (or on behalf of) participants(although additional sources of funding may be provided as well),

the program serves a defined population, and participation is either compulsory or the program is heavily enough subsidized that most eligible individuals choose to participate.

Social insurance has also been defined as a program where risks are transferred to and pooled by an organization, often governmental, that is legally required to provide certain benefits. Let's look at the most important similarities and differences to private insurance.

Typical similarities between social insurance programs and private insurance programs include:

wide pooling of risks;

specific definitions of the benefits provided;

specific definitions of eligibility rules and the amount of coverage provided;

specific premium, contribution or tax rates required to meet the expected costs of the system.

Typical differences between private insurance programs and social insurance programs include:

Equity versus Adequacy: Private insurance programs are generally designed with greater emphasis on equity between individual purchasers of coverage, while social insurance programs generally place a greater emphasis on the social adequacy of benefits for all participants.

Voluntary versus Mandatory Participation: Participation in private insurance programs is often voluntary, and where the purchase of insurance is mandatory, individuals usually have a choice of insurers. Participation in social insurance programs is generally mandatory, and where participation is voluntary, the cost is heavily enough subsidized to ensure essentially universal participation.

Contractual versus Statutory Rights: The right to benefits in a private insurance program is contractual, based on an insurance contract. The insurer generally does not have a unilateral right to change or terminate coverage before the end of the contract period (except in such cases as non-payment of premiums). Social insurance programs are not generally based on a contract, but rather on a statute, and the right to benefits is thus statutory rather than contractual. The provisions of the program can be changed if the statute is modified.

Funding: Individually purchased private insurance generally must be fully funded. Full funding is a desirable goal for private pension plans as well, but is often not achieved. Social insurance programs are often not fully funded, and some argue that full funding is not economically desirable. In the next paragraph I will explain the welfare systems in several very developed countries.

Outline of the problem

A social welfare system is a program that provides assistance to needy individuals and families. It is a system that was created to secure those who cannot secure themselves.¹ The world has already found out that neither pure socialism nor laissez-faire and absolute capitalism is the best way to run a functional state. We have found out that some welfare system is indeed important. If not because it improves society's welfare as whole, then at least on the grounds of human empathy as basic sign of our species. However sustainability of current welfare systems is questionable.

1 <http://www.investopedia.com/terms/s/social-welfare-system.asp>

In order to understand situation we need to know bases and principals of today's welfare systems. We differentiate European and US social model. The European social model is not united and we can divide it to four basic groups: Nordic model, Continental model, Anglo-Saxon model and Mediterranean model.²

Social model of the US

The American welfare state was designed to supplement private sector in providing welfare. Unlike welfare states built on social democracy foundations US social model is not supposed to redistribute power and wellbeing from capitalist to labour. It was not built to balance class struggle.. Although the United States has higher income inequality than many European countries, its welfare programs are not trying to ensure equality. In 1998, the United States government's expenditures on subsidies and transfers constituted 11% of its GDP, whereas the average government expenditures on subsidies and transfers constituted 19% GDP in countries in the European Union.

The main programs are mandatory and universal primary and secondary education, subsidized college education, unemployment and disability insurance, income subsidies for low wage workers, housing subsidies, food stamps, pensions and health insurance programs that cover public employees. The Social Security system, is the largest and most prominent entitlement program.³

Currently total social welfare expenditure constitutes 35% of GDP, with purely public expenditure constituting 21%, publicly supported but privately provided welfare services constituting 10% of GDP and purely private services constituting 4% of GDP. This compares to European countries like France and Sweden whose welfare spending ranges from 30% to 35% of GDP.⁴

European social model

European states do not all share one single social model. However all European states share some broad characteristics, which make them unique in comparison to social models elsewhere. These generally include a commitment to full employment, social protections for all citizens, social inclusion, and democracy.⁵ The main difference between US and European social model is the effort of European social model to ensure social equality. Because different European states focus on different aspects of the model, it has been argued that there are four distinct social models in Europe — the Nordic (33% of GDP), Anglo-Saxon (24% of GDP), Mediterranean (23% of GDP) and the Continental (29% of GDP).⁶

2 Sapir, André (2005); "Globalization and the Reform of European Social Models", Bruegel Policy Brief, Issue 2005/1

3 Krugman, P. (2007). *The Conscience of a Liberal*. New York: W. W. Norton

4 http://en.wikipedia.org/wiki/United_States_welfare_state

5 <http://www.guardian.co.uk/books/2008/may/17/politics1>

6 http://en.wikipedia.org/wiki/European_social_model

The Nordic model (in Denmark, Finland, Norway, Sweden and the Netherlands)

Numbers clearly show that this model holds the highest level of social insurance. Its main characteristic is its universal provision of welfare which is based on citizenship. Therefore, there exists a more generalized access to benefits with low requirements on recipients.

Main characteristic of these countries are important expenditures in active labour market policies whose aim is a rapid reinsertion of the unemployed into the labour market. These countries are also characterized by a high share of public employment and are perfect examples of strong states. Trade unions have many members (In 2008, labour union density was 67.5% in Finland, 67.6% in Denmark, and 68.3% in Sweden. In comparison, union membership was 11.9% in the United States and 7.7% in France) and great power to effect decision making. Because of strong trade unions Nordic countries have low wage dispersion and equitable income distribution. The Nordic model is also characterized by a high tax wedge.⁷

Characteristics of Nordic model are generous social safety net, free healthcare and education, strong property rights, contract enforcement, and overall ease of doing business. Well-designed public pension schemes. Low barriers to free trade. This is combined with collective risk sharing (social programmes, labour market institutions) which has provided a form of protection against the risks associated with economic openness. OECD ranks Nordic countries as countries with very high product market freedom and little product market regulations. Nordic countries have low levels of corruption. In Transparency International's 2010 Corruption Perceptions Index all five Nordic countries were ranked among the 11 least corrupt of 178 evaluated countries.[11]

Sweden at 56.6% of GDP, Denmark at 51.7%, and Finland at 48.6% reflects very high public spending. One key reason for public spending is the very large number of public employees. These employees work in various fields including education, healthcare, and for the government itself. They often have lifelong job security and make up around a third of the workforce (more than 38% in Denmark). The public sector's low productivity growth has been compensated by an increase in the private sector's share of government financed services which has included outsourcing. Public spending in social transfers such as unemployment benefits and early-retired programmes is high. In 2001, the wage-based unemployment benefits were around 90% of wage in Denmark and 80% in Sweden, compared to 75% in the Netherlands and 60% in Germany. The unemployed were also able to receive benefits several years before reductions, compared to quick benefit reduction in other countries.

Public expenditure for health and education is significantly higher in Denmark, Sweden, and Norway in comparison to the OECD average. Overall tax burden are among the world's highest; 51.1% of GDP in Sweden, and 43.3% in Finland, compared to 34.7% in Germany, 33.5% in Canada, and 30.5% in Ireland.

7 <http://www.etuc.org/a/2771>

Continental model (in Austria, Belgium, France, Germany and Luxembourg)

The Continental model has some similarities with the Nordic model. However it significantly differentiates as it has a higher share of its expenditures devoted to pensions. The model is based on the principle of "security" and a system of subsidies which are not conditioned to employability (for example in the case of France or Belgium, there exist subsidies whose only requirement is being older than 25).

As regards the labour market, active policies are less important than in the Nordic model and in spite of a low membership rate, trade-unions have important decision-making powers in collective agreements. Another important aspect of the Continental model are the invalidity subsidies.⁸

Anglo-Saxon model (in Ireland and Great Britain)

Expenditures are lower than those of Continental and Nordic model. Its main particularity is its social assistance of last resort. Subsidies are directed to a higher extent to the working-age population and to a lower extent to pensions. Access to subsidies is (more) conditioned to employability (for instance, they are conditioned on having worked previously).

Active labour market policies are important. Instead, trade unions have a smaller decision-making power than in the previous models, this is one of the reasons explaining their higher income dispersion and their higher number of low-wage jobs.

Mediterranean model (in Greece, Italy, Portugal and Spain)

This model corresponds to southern European countries who developed their welfare state later than the previous ones (during the seventies and eighties). It is the model with lowest share of expenditures and is strongly based on pensions and a low level of social assistance. There exists in these countries a higher segmentation of rights and status of persons receiving subsidies which has as one of its consequences a strongly conditioned access to social provisions.

The main characteristic of labour market policies is a rigid employment protection legislation and a frequent resort to early retirement policies as a means to improve employment conditions. Trade unions tend to have an important membership which again is one of the explanations behind a lower income dispersion.⁹

Problems

Globalization

The first shock for welfare systems comes from globalisation. Capital mobility puts pressure on governments to keep their taxes low. The problem is that it is that neither companies, nor people are tied with countries. When rich people do not like taxes of a country they can move to another country and companies can do the same. The evidence on this is, however, rather mixed. Global

8 http://en.wikipedia.org/wiki/European_social_model

9 <http://www.etuc.org/a/2771>

trade (but especially technological change) weakens the position of low-skilled workers who, with youth, are the main constituents of contemporary mass-unemployment. Low skilled workers have to compete for their jobs with low skilled workers in other, cheaper countries. For the welfare state, then, the main challenge that emanates from globalisation is the need to keep public finances sound, and to lower structural unemployment.¹⁰

Demography

The second shock comes from population ageing. Most prognoses suggest that the cost of retirement as a percent of GDP will double by 2040 (OECD, 1988). The ratio of contributors to pension beneficiaries is rapidly deteriorating. The number of contribution years has shrunk, the number of beneficiary years expanded. Italy is the first country to arrive at parity 1:1. Equally alarming is the growth of the highly care-intensive, ultra-aged (80+) population which is doubling every twenty years. The ageing problem is, however, frequently misdiagnosed. The real problem lies not in the number of old people, but in low fertility, early retirement, delayed first-job entry, and low overall employment rates. It makes a huge difference for welfare states' financial prospects whether fertility rates are low (1.2 or 1.4, as in Italy, Spain, Germany, or Japan), or about 1.8-2.0 (as in Scandinavia, Ireland, and North America). It also makes a difference whether typical retirement age is at 62-64, as in Continental Europe, or 65-67, as in Scandinavia. What really counts is the activity rate. In the Nordic countries the ratio of contributors to pension recipients is around 2.5:1 even if the proportion aged is roughly similar to Italy, chiefly because employment-population rates are high (70-75 percent): 10-20 percentage points above countries like France, Germany, or Italy. The real problem, then, is how to stimulate fertility and maximize employment. The ageing problem in Continental Europe is especially acute because of the preference for labor reduction as a strategy to manage industrial decline.¹¹

Lengthening life expectancy and slumping fertility rates are leaving a shrinking pool of workers to pay the costs of pensions and healthcare for rapidly greying populations. In 2035, by estimation almost one third of EU27 population will be older than 65, and, although it may sound like a cliché, there simply will not be enough workers for these old people to receive their benefits. It is not only a problem of the EU but a problem of the whole developed world; the predictions for US welfare system show its collapse in 2037. The average total fertility rate in the European Union (EU-27) has been calculated at 1.59 children per woman in 2009.¹²

Giuseppe Carone and Declan Costello of the International Monetary Fund projected in September 2006 that the ratio of retirees to workers in Europe will double to 0.54 by 2050 (from four workers per retiree to two workers per retiree). William H. Frey, an analyst for the Brookings Institution think tank, predicts the median age in Europe will increase from 37.7 years old in 2003 to 52.3 years old by 2050 while the median age of Americans will rise to only 35.4 years old.

10 http://www.economist.com/blogs/bagehot/2010/11/sustainable_welfare_systems

11 <http://www.independent.ie/opinion/editorial/welfare-system-is-unsustainable-2866136.html>

12 http://en.wikipedia.org/wiki/Fertility_rate

The Organisation for Economic Co-operation and Development estimates only 39% of Europeans between the ages of 55 to 65 work. If Frey's prediction for Europe's rising median age is correct, Europe's economic output could radically decrease over the next four decades.

Austria's Social Affairs Minister said in 2006 that, by 2010, the 55 to 64 year old age bracket in the European Union would be larger than the 15 to 24 year old bracket. The Economic Policy Committee and the European Commission issued a report in 2006 estimating the working age population in the EU will decrease by 48 million, a 16% reduction, between 2010 and 2050, while the elderly population will increase by 58 million, a gain of 77%.

The U.S. Census Bureau estimates the European Union will experience a 14% decrease in its workforce and a 7% decrease in its consumer populations by 2030.¹³

Among the reasons frequently cited are the welfare state, feminism and secularism, since traditional minded families usually have bigger families in every country across Europe. Although every country is affected differently. Scandinavian countries such as Norway and Sweden do have elaborate welfare states, high degrees of feminism, yet have some of the highest birth rates in the Western world (though still below replacement level.) They are certainly much higher than those in Catholic Poland, perhaps the most conservative religious country in Europe. The gap between the Western world and the Islamic world in birth rates is clearly caused by religious factors, but the differences between industrialized nations are far more difficult to explain.

Many are worried about the decline in the rate of population growth of the native European peoples since the end of World War II. It is contended by some that the declining birth rate of the population of the native European people's needs to be reversed from its present level of about 1.4, which, if continued, would mean a population decline of the native European peoples by nearly half in each generation, back to a replacement level of 2.1, to prevent the overwhelming of Europe by what has been described as "hordes of legal and illegal immigrants". It has been (and would continue to be) considered necessary to allow migrants to settle in the homeland of the native European peoples in order to prevent labor shortages. It has been argued that immigration leads to ethnic conflicts, such as the 2005 civil unrest in France.¹⁴

Role of women in society

The third shock comes from family change and women's new economic role. Families are much less stable and women often face severe trade-offs between employment and family obligations. Given that women's educational attainment today matches (and surpasses) males', the opportunity cost of having children becomes very high (if care services are unavailable). The new, 'a-typical' family forms (especially single parent) are often highly vulnerable to poverty; a high cost of children means low fertility. Almost all Scandinavian women work (the rate is 80 percent among mothers with small children) because of ample day care provision. Where two-earner households have become the

13 <http://www.ovguide.com/ageing-of-europe-9202a8c04000641f8000000005bde030>

14 <http://www.economist.com/node/18681806>

norm, not only are activity and fertility rates higher but the risk of child poverty is drastically reduced.¹⁵

Current state of welfare system (With the main focus on EU solutions)

The problem of sustainability of welfare systems is truly wide. Therefore it is not a surprise that European Union is also looking into this issue and trying to propose reasonable solutions. This problem, affecting the whole Europe, needs to be treated efficiently and coordinated and the only governing body capable of imposing such laws is the European Union. In this chapter the role of EU in social policies of Member States according to Treaty on Functioning of the European Union is to be discussed, then the propositions made in strategy Europe 2020 should be explained. The solutions of the US are briefly outlined at the end of the chapter.

Treaty on functioning of the European Union / Treaty of Lisbon

By the Treaty on Functioning of the European Union, recently amended by Treaty of Lisbon, the EU has shared competences with the Member States in various areas, including social policies, enabling it to initiate legal acts affecting the policies of Member States. The European Union is bind to support and complement the activities of Member States in this area as defined by the Article 153:

...the Union shall support and complement the activities of the Member States in the following fields:

- (a) improvement in particular of the working environment to protect workers' health and safety;
- (b) working conditions;
- (c) social security and social protection of workers;
- (d) protection of workers where their employment contract is terminated;
- (e) the information and consultation of workers;...
- (f) representation and collective defence of the interests of workers and employers, including co-determination,...;
- (g) conditions of employment for third-country nationals legally residing in Union territory;
- (h) the integration of persons excluded from the labour market, ...;
- (i) equality between men and women with regard to labour market opportunities and treatment at work;
- (j) the combating of social exclusion;
- (k) the modernisation of social protection systems without prejudice to point (c). ...

15 The sustainability of welfare states into the 21st century, Gosta Esping-Andersen, University of Trento
1998

The EU support can take form of initiatives or directives which affect national systems and policies defined above. In the point (k) the modernisation of social protection is stated as a main issue, nevertheless the solutions or proposals how to treat this problem are scarce. As an example to get a better insight on functioning of the EU proposal is social policy area, the EU has addressed specific issues involving sustainability of pension system indirectly by defining how private pension providers can benefit from the Internal Market, promoting gender equality, combating discrimination and obstacles to the free movement of people and others. None of these solutions is mentioning unification or melding the European various social system. Since the EU consist of various countries with different policies, ranging from the Nordic model of social democracy to traditional anglo-saxon model, theirs autonomy and diversity must be taken into account as stated in the Article 152.

The Union recognises and promotes the role of the social partners at its level, taking into account the diversity of national systems. It shall facilitate dialogue between the social partners, respecting their autonomy ...

The EU intervention in the Member States national social policies is further restricted by Article the 153 so that deep systematic changes can not be initiated.

... 4. The provisions adopted pursuant to this Article:

shall not affect the right of Member States to define the fundamental principles of their social security systems and must not significantly affect the financial equilibrium thereof,

shall not prevent any Member State from maintaining or introducing more stringent protective measures compatible with the Treaties.

The results of these policies are that EU cannot legislatively enforce change of social systems in the Member States - even if the sustainability of it is put in a question. What EU can do is to promote cooperation between Member States and facilitate the coordination of national policies in fields discussed above (Article 156)¹⁶ which may be effective in long term improvement of the social systems - by the introduction of policies that are working in other Member States the one's national system can be significantly improved while still maintaining the one's uniqueness. As the link between the Member States and European Commission, the Social Protection Committee was established with roles

to monitor the social situation and the development of social protection policies in the Member States and the Union,

to promote exchanges of information, experience and good practice between Member States and with the Commission,

..., to prepare reports, formulate opinions or undertake other work within its fields of competence, ... (Article 160)

16 Consolidated Version of the Treaty on the Functioning of the European Union.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:115:0047:0199:en:PDF>

The SPC was formally created in years 2000 and 2004 and is composed of two delegates from each Member State and the Commission. Current chairperson of SPC is Lauris Beets.

The last aspect of the functioning of the EU in terms of welfare is the aspect of regulation. In Article 157 and 158 the EU sets anti-discrimination regulations involving the gender-equality and holiday schemes.

Each Member State shall ensure that the principle of equal pay for male and female workers for equal work or work of equal value is applied. ... (Article 157)

Member States shall endeavour to maintain the existing equivalence between paid holiday schemes.(Article 158)

These regulations tries to ensure the same working conditions for all citizens of the EU and secure the basic human rights, which create comparative working environments between states based on same principles of democracy, equal opportunities and free market.

The Treaty of Lisbon doesn't particularly solve problem of sustainability of welfare - nevertheless, there are few trends worth of close lookup - establishment of European Social Protection Committee, vaguely defined support of the EU in solving problems with welfare in Member States but also reluctance to interfere with the Member States social system and promoting autonomy. The role of EU according to this treaty should focus on supporting and improving the current state through exchanging experiences and dialogue rather than unification of Member states' system throughout the Union.¹⁷

Europe 2020

One of the recent initiatives of the European Commission is the strategy Europe 2020. This strategy offers complex solutions to problems in European Union caused by the recent financial and economic crisis. Apart from others it establishes European platform against poverty and social exclusion, which offers solutions to social challenges European Union is currently facing. At the time, there are approximately 80 million people under poverty line in the European Union, which is considered as unacceptable figure. Therefore, the main objective of the strategy Europe 2020 is to reduce poverty by 20 million people by the year 2020.¹⁸

The main problems were identified as unemployment and discrimination (exclusion) of particular social groups such as ethnic minorities, disabled or homeless people. The social problems are however far more complex, therefore solving only these issues would not suffice.

At this point it is necessary to mention that the variety of steps European Union can take is limited, as the solutions require change in legislation of the member states, which is right of neither

17 Consolidated Version of the Treaty on the Functioning of the European Union.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:115:0047:0199:en:PDF>

18 European Commission (2011) European Platform against Poverty and Social Exclusion. Luxembourg: European Publications Office. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0758:FIN:EN:PDF>

Commission, nor Parliament. However, European Union is still able to provide help on various levels. Europe 2020 strategy offers three concrete scopes, where it is able to help. These include:

more substantial and more effective use of European funds

support of social innovations backed up by adequate evidence

improvement in coordination of individual policies of the member states

The key fund in the first point is the European social fund. Through this fund, more than €10 billion were invested in the program period 2007-2013. These funds are used mainly directly to establish new jobs and to support the socially excluded groups. Each year are 5 million unemployed people and 1 million of socially excluded people supported from this fund.¹⁹

Social innovations and scientific research are a field, where the European Union is already long particularly active. Union has capacities to carry out its own research and is planning to further support research in these areas. Besides that, European Union can financially support research and social experiments in member states and coordinate it more effectively. It also aims to work as a centre for gathering results and advising specific policies to the member states.

European Union plans to work more closely with individual member states. Member states should develop their own national reform programs, which would be then consulted with the European Commission. Commission would annually analyse progress made in social issues in the particular state and then suggest improvements to policy and also help to implement these new ideas.

All these suggested policies, new ideas and approaches to social issues have a direct impact on the sustainability of welfare systems, which may though not be obvious at first sight. The target group for all these solutions are people, which are more or less dependent on welfare systems. May it be unemployed people, getting unemployment benefits, or people below poverty line, which in many countries get special funding, these people get money from welfare systems but do not contribute to them at all. Therefore, if the countries would be able to re-employ them or re-integrate them into society, the pressure on welfare systems would be eased. More people would contribute and less receive, which would add to the sustainability of the systems.

However, these solutions cannot be considered as sufficient, as they do not reform the system, but only reduce the problem and shift the necessity of real solution to future.

More specific solution are suggested in the White Paper - An agenda for adequate, safe and sustainable pensions, which was produced by the Commission in 2011 as a result of European platform against poverty and social exclusion. In this study, specific suggestions how to solve the sustainability of pensions systems are offered for the member states. As the paper states,

19 European Commission (2011) European Platform against Poverty and Social Exclusion. Luxembourg: European Publications Office. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0758:FIN:EN:PDF>

Commission recommended to:

- (a) link the retirement age with increases in life expectancy;
- (b) restrict access to early retirement schemes and other early exit pathways;
- (c) support longer working lives by providing better access to life-long learning, adapting work places to a more diverse workforce, developing employment opportunities for older workers and supporting active and healthy ageing;
- (d) equalise the pensionable age between men and women; and,
- (e) support the development of complementary retirement savings to enhance retirement incomes.²⁰

The point (a) suggests that the age of retirement should shift upwards. This shift should be linked to the rise in life expectancy. When the welfare systems were designed, life expectancy was lower than it is now. Rise in expectancy caused that the people live on their pension longer, which requires more money from the welfare systems. Therefore, if people worked longer, they would pay more into the system and receive less. The system would be thus more sustainable, as the ratio between payments into and payments from would improve.

Second point tries to decrease the number of people, which get to the system too early. Current European systems are in some ways too generous, as they grant people with special benefits, which they do not really need. This in fact causes many problems, as such exceptions are highly expensive. Therefore the Commission suggests cancel such exceptions, to decrease unnecessary payments from the system.

Point (c) and (d) may be understood as a complementary to point (a). If the people are to work longer, they must be able to work longer. In today's world, when constantly more and more jobs require special qualifications, life-long learning is essential part of ability to work of the older employees. Active and healthy ageing also play a vital role in this process, as people must be also physically and mentally able to work. The helpfulness of the employers may also aid the older workers. The equal age of retirement of both men and women is also a good point, as there is no logical reason for these to be different. Women have currently higher age of retirement although their life expectancy is higher than that of men. As a result, women are enjoying much longer pension than men. Aborting this difference is therefore a wanted solution.

The fifth point supports development of alternative pension funds to ease the pressure on common budget state's systems. This is one of the most important points in the solution of welfare systems

20 European Commission (2012) White Paper (An Agenda for Adequate, Safe and Sustainable Pensions). European Commission.

<http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCIQFjAA&url=http%3A%2F%2Fec.europa.eu%2Fsocial%2FblobServlet%3FdocId%3D7341%26langId%3Den&ei=yM5wT8WzOIKphAfO1r2SBw&usg=AFQjCNGtGcDcj155d9M2bLcLzWTeuj4k4A&sig2=SLI3yESp6qeIP50Y17-3rQ>

problems. As the ratio between contributors and receivers shift to less and less favourable figures, developing alternative systems may be the best solution. The point also suggests decreasing payments from the state's system, which could provide further decrease of the burden on the welfare systems.

The White Paper also offers suggestions of solutions from some of the member states. These include setting number of years the person has to work in order to receive full pension. This solution helps to exclude people that live on welfare systems all their lives and do not contribute to them at all. It also works as an incentive for people to find job and contribute to the system. Such system works for instance in Czech republic, France or Italy.

Other states tie the level of received benefits with the current financial balance of the pension funds. This system greatly helps the sustainability as it adjust the ratio between incomes and expenses of the system onto a more favourable level. It is very similar to balancing the state's budget. However, if the financial balance of the systems will worsen, which is an expected trend, there is a real risk that the payments would decrease onto an unacceptable level. This system works in Denmark or Sweden, which is probably the cause why it works, as these countries have relatively small problems with unemployment and high incomes to welfare systems due to higher taxes and levies.

The solutions the White Paper offers are very reasonable. However, the paper is only a suggestion and it is not binding the member states to implement these solutions into their policies. Therefore the question remains, if these solutions will cause any good after all.

US

The Social system in the US is based on the Social Security act passed in 1935 by F.D.Roosevelt. This act was the first federal act in the US that ensured the old-age pensions, unemployment insurance, aid to families with dependent children, maternal and children welfare, public health services and assistance to the blind. The last major overhaul of this system was in 1996 during Bill Clinton's administration. The Personal Responsibility and Work Opportunity Act included proposals that ended welfare as entitlement federal program, required the recipients to begin working after two years of receiving the support, placed a lifetime limit on paid support and benefits to two-parent families. The most important was the shift of control from federal government to states. Since the federal government doesn't give flat rate of money to states based on population to support their system, the states must meet certain criteria to ensure the recipients have enough work opportunities and are encouraged to work.

The Clinton's reform of social security in 90' was a success - the observed effects included rise of the employment rate, reduction of child poverty, drop of the number of people on welfare rolls and increased income of families.²¹ Since government funding of welfare was made more efficient indirectly through reduction of people in need of unemployment benefits, the increased long term sustainability can be observed. However, this is only solution to problem of unemployment, the problem with pension system and health care remain.

21 Welfare Reform: Searching for a Pattern of Efficiency.
http://pol.illinoisstate.edu/downloads/icsps_papers/2006/Hutcheson2006.pdf

Analysis of solutions

Then Lisbon Treaty such as White paper and Green paper provide many solutions for today's situation getting better in many points in case of ageing population. These thought-out solutions were prepared with the best meaning but no every well meant solutions can has just postivite and mainly effective consequences. We worked out analysis of the solutions for early investigating of negative consequences.

First point is about how private pension providers can benefit from the Internal Market, promoting gender equality, combating discrimination and obstacles to the free movement of people. There are many questions if private insurance are able to give help to state or will situation be worse? The private insurance has many positive and effective points. Governments don't invest into pension contributions. In theory, people pay taxes to make pension contributions, but, government rarely invests this money. Instead they pay pension payments out of current expenditure. This means with an ageing population, they will struggle to pay the pension commitments.

Private Sector is thought to be more efficient. Private sector has profit motives to gain best return for investors, otherwise people will look elsewhere. This means in theory, private pension firms will take good care of the investments. Avoid Higher Taxes. Private pensions enable the government to lower taxes. Arguably lower income tax may increase incentives to work. Lower corporation tax may increase incentives for business investment in the UK.²²

Ageing Population. A real problem the government faces is that the % of people over 65 is going to increase. This means an increase in the dependency ratio. Basically, there will be more people receiving pension compared to the number of people working and paying income tax. This is going to leave a black hole in government finances, relying on private pensions would avoid this problem.

On the contrary there are also some problems with private insurance and certainty is not the strongest base of private pension.

Private Schemes sometimes fail. The financial crisis highlights the fact that private finance firms can go bankrupt. If people invest in a private scheme, that scheme may go bankrupt and people will be left with nothing for retirement. This has already happened with some private pension schemes. Therefore, there is an expectation the government will step in and rescue those pensioners who have seen their private scheme fail. The point is you can't rely on the free market to guarantee pensions.

It will take time to change. The government has made a commitment to people in work they will receive a state pension. The government can't turn round and tell people nearing retirement age that they are not going to honour these commitments. They could say to young people that they have to get a private pension, but, this means the government will still be paying state pensions for 20,30 or 40 years.

Market Failure. You could say saving for a pension is a merit good. People may be unable or unwilling to save. Therefore, when people reach retirement they will have insufficient funds and will be

22 http://www.ehow.com/about_5336889_advantages-disadvantages-private-insurance.html

relatively poor. If there is no safety net, they could be absolutely poor. A state pension means everyone is forced to contribute to their pension by taxes.

Equity. The problem with relying on the private sector, is that it would lead to great inequality. Some well paid workers can afford to save to a private pension. But, low paid workers, with high living costs, may not be able to afford much pension contributions. Therefore, when they retire, they are left with nothing – increasing inequality within society.

It is for consideration of every Member state the risk which can be brought by private insurance and for consideration of European union if forcing of Member states is the best way.²³

Next step that can improve the situation is coordination of national policies. European Union is different in comparing with the others union. In the European union are states not forced to one policies even though one policy can be the solution for many problems. The common social policy has an important impact on labour law, health and security at work, free movement of workers and equal opportunities for men and women in the poor regions of the Union. European research programmes develop research capabilities in weaker Member States strengthening their scientific and technological base and accelerating innovation and economic development. The common agricultural policy has also a positive cohesion effect, with the cohesion countries receiving net transfers through it.

The possibilities for coordinating the objectives and means of enterprise policy with those regional policy are utilised in the creation and management of Business and Innovation Centres (BICs) in towns and cities of the EU. The BICs are public or private professional structures which offer a multiservice assistance to innovative SMEs. Their integrated range of business services includes: basic assistance with management, technical approval, innovation, marketing strategy, raising of capital, development of business skills; SME access to venture capital; and provision of premises for SMEs. The BICs are linked in a European Business and Innovation Centre Network (EBN) which helps them with their management and promotes cooperation. Around two thirds of the Centres are cofinanced by the ERDF.

But the coordination of national policies also means the coordination of fiscal and monetary policy. We have to focus on current status of Member states in European union. None every Member state is at the same level in these policies. So the changes which could be taken can definitely destroy the state system which is used in that countries. The developing stages of all member states are the most important signs we have to focus on.

Third step in Lisbon Treaty and the others mentioned documents is about the same working conditions for all citizens. The same working conditions are comparable with the coordination of

23 Innovations in Health Care Financing: Proceedings of a World Bank Conference, March 10-11, 1997, p.77 on, http://books.google.sk/books?hl=en&lr=&id=bDIl8bDJXe0C&oi=fnd&pg=PA77&dq=advantages+of+private+insurance&ots=JoJNxkd-um&sig=VALvjUXxjAGYfHhUr2pXmvdTtCA&redir_esc=y#v=onepage&q=advantages%20of%20private%20insurance&f=false

nation in previous step. But this step is a little bit different. It touches only the labour market so the changes in the countries won't be so dangerous. Coordination of working condition should solve the problem with employing of older people, women and too young people that are the vulnerable groups of population. This step can promote the provider of working places for employing the older people and balancing the dependency ratio. Next benefit of the common working condition is improving of equality of genders and better conditions for women because in today's situation just 1/100 of properties of the world is owned by women that is really catastrophical. This step can help the situation get better. By common international [European] working conditions, the chance for employment of young people will increase. All these benefits are valuable for consideration about legitimation of the same working condition for all citizens without any exceptions.

One of the next big programmes is about European platform against poverty and social exclusion. This programme focuses on the vulnerable people. Nowadays 80 million people in the EU are on the verge of poverty-including 20 million children- so the situation is really urgent. One of the main programmes is about Better use of EU funds to support social inclusion and combat discrimination. There are lots of international programmes that provide funds in European regions for improvement of local life. Member states create possibilities for families at risk of poverty to study and have the same condition as children which live in families with batter economic situations. There are ordered some boxers with funds to every single Member states and all the time they are available for poor citizens. Despite this help the processes against poverty are not enough. There are problems with identifying best practices and promoting mutual learning, with setting up EU-wide rules and making funding available. These are the step which should be improved as fast as possible. Some steps are made but without any success. Many times the best programs are stopped at the are of member states and they don't continue to the lowest part of population to the poorest citizens. If European Union starts with transfer of funds and setting up EU-wide rules the results will be visible soon.

The theme connected to the previous one is about getting more substantial and more effective use of European funds. European funds are the amazing and graceful activities which are provided to Member states that help with realisation of many project which cannot exist without them. But there is a problem. In fact just small amount of funds are really gotten to people which there are addressed. There are two names of problems: corruption and nepotism. Many times are funds sent to region where are not as necessarily as in the others regions. With the motto : My family my Money, are Money in form of funds sent to wrong hands. So the steps which were managed by European Union till this time are a quite unsuccessful. Divisions of the funds by state sector is no the best way. More effective use of European funds is a very nice idea but till this time European Union doesn't provide any successful solutions just suggestions.²⁴

Next part of Lisbon treaty is about the support of social innovations backed up by adequate evidence. Social innovations are designed to meet social goals, and identify and address social problems. The purpose and desired outcome is to alter one or more of the cultural, normative, institutional and regulatory structures to bring about change that benefits society as whole. This is is needed for for the situation getting better. The benefits of support of social innovations are hidden in three broad outcomes:

24 http://www.europedia.moussis.eu/books/Book_2/5/12/02/index.tk1?all=1&pos=137

1. The provision of solutions to pressing social needs

This is concerned with issues like work insertion for vulnerable groups; health care and health; education (e.g. school retention, truancy, teenage mothers); childcare; aged care; homelessness; and indigenous issues. Grameen Bank, which pioneered microfinance to (re)integrate marginalised people into the formal economy, is amongst the most prominent examples. The Community of San Patrignano in Italy and the Basta Arbeits Kooperativ (Sweden), which are drug rehabilitation communities, are other successful examples.

2. Solutions to societal and environmental challenges

Examples include the Red Cross, founded by Henri Dunant in 1863 to help injured civilians; the Open University, which provides access to knowledge and university degrees to persons not otherwise able to follow a classic academic course; and Finnish Complaints Choirs that allow people to come together and list their grievances, set them to music and perform them in what is an innovative form of consultation and community building.

3. Social innovations for systemic change

Amongst which are participatory budgeting (Porto Alegre, Brazil and Cologne, Germany) which facilitates a more even redistribution of resources; and initiatives aimed at changing behaviours to reduce people's environmental footprints and encourage sustainable behaviours and consumption and new approaches to urban development

This group of social innovations exhibits a strong socio-political governance dimension that focuses on the social change potential of new institutions and practices to promote responsible and sustainable development of communities as well as more democratic governance structures and anti-globalisation movements. For these reasons is the support of social innovations necessarily for today's situation.²⁵

The White paper is mainly focused on ageing population and the problems which are taken by it. First solution is about link the retirement age with increases in life expectancy. In very practical point of view is this the only one possible solution of the nowadays events. The amount of pensioners increasing and till the year 2050 will two people work for one pensioner that is a really scary imaginary. The link can reflect the solutions. The amount of pensioner will be decreasing and number of working people will be higher. This is the result which we are trying about. There is a small difference between the number of working and effectiveness of worked product. If today is the average age of exit to pension 62-67 and adding 5 years can change this number to 67-72 the effectiveness of work will decreased. Older people are not able work as well as younger people and 70s years people are not strong enough to do manual work. There will be big unfairness between people in working age and effectiveness of their work with effectiveness of work of pensioners. A salary should be the same but is possible to give the same amount of Money for different

25 <http://www.socialinnovations.co.za/>

effectiveness of work? This is the question which should be considered by European Union and Member states.

Next part of White paper is about equalization of the pensionable age between men and women. This help and the other about emancipation between genders have the basis in international agreement which were produced by European Union. According to given solution the age for exist to pension should be the same for both of the genders. This is the way of equality. In order in which men and women have the same chance for getting the same amount of retirement. But we must focus on the events in women's life like pregnancy and much more problem with health care. All these events can cut off the working years and take out part of pension which in unfair to women. Despite this fact the way of equalizing the pensionable age between men and women is the best way how to stop the catastrophic affairs brought by ageing population.

The last part of documents is about a reduction of people in need of unemployment benefits. This is summary of all aims of the European Union. There is visible strong participation in reduction of people in need of unemployment benefits but there are no some precise and specifically solutions or recommendations to Member States. While each state has its own policy of employment there is no possibility of reduction. The effort is really admirable but not enough in this case.²⁶

Firstly, the coordination looks very good at the Europe-wide level. All countries can make an agreement ideal for all sides when the issue of sustainability of welfare systems is discussed in any of the European Institutions. Large group of mostly pensioners, who were without their pensions even if they had the right to get them. These pensioners lived mostly in the border areas of several Member States. They worked for many years, but the problem why they don't get their pensions is simple: they worked in different country that they live in. Here are several examples, e.g. Slovaks who worked in the Czech Republic, Hungarians who worked in Austria, Irish who worked in the UK or people from Baltic States who worked in Russia (at the time of the Soviet Union). The attitudes of the mentioned states are completely different; often they are reason of increasing the tension of their two-sided relationships. For example, the situation of Slovaks who worked in the Czech Republic. Slovakia didn't want to pay their pensions, because they worked in another country. The Czech government said: In spite of the fact that those Slovaks worked in our country, we can't pay their pensions because they pay their insurance and contributions in another country. The EU law and institutions enable them to sue these countries and get their proper pensions. These solutions, and making them happen improved the living conditions for all pensioners affected by it and it strengthened the relationships between the nations as well.

The European platform against poverty and social exclusion sets out actions to reach the EU target of reducing poverty and social exclusion by at least 20 million by 2020. The platform is part of the Europe 2020 strategy for smart, sustainable and inclusive growth.

Methods

26 http://www.usatoday.com/news/nation/2011-05-17-unemployment-economy-benefits_n.htm

Although combating poverty and social exclusion is mainly the responsibility of national governments, the EU can play a coordinating role by:

- identifying best practices and promoting mutual learning
- setting up EU-wide rules
- making funding available

Key actions

- Improved access to work, social security, essential services (healthcare, housing, etc.) and education
- Better use of EU funds to support social inclusion and combat discrimination
- Social innovation to find smart solutions in post-crisis Europe, especially in terms of more effective and efficient social support
- New partnerships between the public and the private sector²⁷

These 4 points (named in key actions) are very important and their implementation will rapidly increase the living standard for all EU citizens. There are many regions in the EU, where the rate of unemployment is above 20%, mostly in former communist countries, but also in Spain, Southern Italy, Portugal and Greece. The EU should support those regions by making new job opportunities according to their potential, e.g. tourism, exploitation of natural resources, farming, industry etc. This must be done in close cooperation with the Member States, and the most possible ways to do so are giving tax reliefs for business and increasing propagation and competitiveness of a given product or service.

The problem of social security varies from country to country. Some countries have a good and easily sustainable social security (mostly countries with the Nordic model – Sweden, Denmark, Finland + Germany, the UK). The pensions are still growing in these countries. On the other hand, countries with social – democratic model will find it hard to sustain or to improve their social security in future, e.g. Greece, Italy, Spain and Portugal.

Healthcare and education are two huge problems, with which mostly former communist countries cope with nowadays. In many less-developed regions, the lack of healthcare and education is notable. In these regions, there is not any form of high schools or colleges, and people have to go a long distance (100 km or more) to the nearest health centre. What the EU should do in this case is to support in any way all the initiatives that will occur, because they are the only way to improve the development of the poorest regions of the EU.

The EU offers a wide range of financial support (funds) to each of the Member States. It is up to them in what way will they use them. The efficiency of use of the EU funds varies from country to country;

27 <http://ec.europa.eu/social/main.jsp?langId=en&catId=961>

unfortunately, Slovakia is one of the weakest users of the EU funds (about 25%). On the other hand, Slovakia has already used about 1.5 billion euro from the Cohesion Fund and other EU supported funds since 1999, when the Treaty of Copenhagen named it as a candidate country. The most common ways of using them are building infrastructure, agriculture environment, Industry and Power Engineering, research and development in general, development of countryside, Transport, supporting tourism and regional development, supporting cross-border cooperation and improving the availability of education and healthcare.²⁸

The cooperation between public and private sector can be improved again in close cooperation with the Member States. In this case, the diplomacy is the most important tool to achieve this goal, but the main aim is up to Member States to establish new contacts with any country all around the world, the EU can only provide the role of mediator between the Member States and the other countries.

As it was mentioned before, the European Commission offers six recommendations.²⁹ The linking of the retirement age with the increases to the life expectancy is a good way to improve the sustainability of welfare systems in each of the Member States. This is currently implemented in the welfare systems of many well-developed countries, such as Sweden, Denmark, Finland, the UK and France. The welfare systems of these countries is the best in the whole EU, so it is a good example for another Member States to consider whether they could change their own welfare systems, because they are not as efficient as the welfare systems of the countries mentioned above.

The restriction of access to early retirement schemes and other early exit pathways is a very controversial topic. Here we have two important points of view: the view of a single person and the global view of the EU. Why a person, who worked hard for 40 or more years, can't leave the job a few years earlier? A person working in physically demanding job is much more tired in 55-60 years than person working in office. On the other hand, we want equal rights for all people in the EU, no matter which job they work in.

Equality between both genders. An issue, discussed for many years, but still with no change. The European Union wants to remove all the possible signs of discrimination. The main goal is to provide equal living conditions for men and women (equal payments, equal job opportunities).

28 <http://eurofondy.com/>

29 European Commision (2012) White Paper (An Agenda for Adequate, Safe and Sustainable Pensions). European Commision.

<http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCIQFjAA&url=http%3A%2F%2Fec.europa.eu%2Fsocial%2FblobServlet%3FdocId%3D7341%26langId%3Den&ei=yM5wT8WzOIKphAfO1r2SBw&usg=AFQjCNGtGcDcj155d9M2bLcLzWTeuj4k4A&sig2=SLI3yESp6qeIP50Y17-3rQ>

Conclusion

The question of the sustainability of welfare systems is extremely hard to resolve. As you could see in this content material, EU and other countries are trying to manage the problem as quickly as possible, mainly because of the urgent character of the change in welfare systems. However, national and European mechanism are often too rigid, and aims that are being set often remain future plans and are not being implemented as swiftly as they should. Also the very character of the EU sets many barriers to more radical development in this question, since all the member states have considerable say in the decision-making process and hence it is very hard to emit any hard-law every member state would agree on and that would not damage individual economies and national systems in any way.

Youth poverty

General Background

Europe 2020 is the EU's growth strategy for the coming decade. One of its targets is to reduce poverty, at least 20 million fewer people in or at risk of poverty and social exclusion to be more specific. United Nations defines poverty as a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation. The most vulnerable victims of poverty are children.

Child poverty refers to the phenomenon of children living in poverty. This applies to children that come from poor families or orphans being raised with limited, or in some cases absent, state resources. Children that fail to meet the minimum acceptable standard of life for the nation where that child lives are said to be poor. In developing countries these standards are lower and when combined with the increased number of orphans the effects are more extreme. Of the estimated 2.2 billion children worldwide, about a billion, or every second child, live in poverty. The impact of unemployment and poverty on children and young people, in both western and eastern Europe, is of particular importance. Youth unemployment is often associated with social and health problems such as violence, suicide, alcohol and drug abuse, and crime. From that we can only conclude that the situation is very devastating and something has to be done.

The organization Eurochild has expressed their concern about the absence of strategies and policies related to children's rights and children's well-being in the Europe 2020 Strategy. "While recognizing that 19 million children are at risk of poverty in the EU, the proposed flagship initiative of a European platform against poverty fails to identify children among the at-risk groups". The number of children with disabilities is proportionally high among those affected by poverty.

Eurochild represents a network of organizations working on the improvement of quality of life of children across Europe. In a recent press release Secretary General, Jana Hainsworth argued that *"one in five children living at risk of poverty is unacceptable. It's a denial of children's rights, and a waste of human potential. Breaking the inter-generational inheritance of poverty must be a number one priority, not an after-thought."*

They further criticize that in the past week's meeting of Employment and Social Affairs Ministers, several stressed the need for "more explicit sub-targets could better address the specific national situation". But in fact, "attention to children was scant, despite the repeated commitment to fight child poverty".

The EU 2020 Strategy aims at leaving the economic crisis and its repercussions behind. One major goal is to provide support for sustainable growth and enhance the system of education. In this context the EU 2020 Strategy also intends to reduce poverty and fight social exclusion.

Jana Hainsworth stated that *"reducing overall poverty levels does not automatically mean child poverty will fall. A sensible target for poverty needs to be broken down by age groups."* The number

of children is proportionally high among those living in poverty. Therefore, Eurochild calls on Heads of State to adopt a specific target to reduce child poverty by 50% by 2020, as a first step towards its full eradication.

According to reports from UNICEF, statistics from South-Eastern Europe and the former Soviet countries in the Commonwealth of Independent States show that 25 % of children still live in absolute poverty. These children have not benefited from economic recovery to the same extent as other groups in society. In the richer parts of Europe, child poverty also exists. Few children are living in extreme poverty, but the percentage of children in households with incomes below half of the national median is still above 15 % in countries such as UK, Ireland, Italy, Spain and Portugal. Child poverty also remains a hot topic in Estonia and that is also the reason to conduct this research packet.

These figures give an indication of the scope of the problem. Unfortunately, a more precise measurement is not possible as data on relevant aspects has not been possible to obtain. Even if the basic statistics about incomes and social benefits are reliable, it is difficult to assess their full impact on living standards. Also, poverty is not only about purchase power - other indicators are necessary to measure quality of life.

That is why the UNICEF studies into poverty in Europe have focused on issues such as unemployment, health and safety, educational well-being, the family and the risk of violence. The picture emerging from these studies is that children who grow up in poverty are much more vulnerable than others. They are more likely to be in poor health, to underachieve in school, to get into trouble with the police, to fail to develop vocational skills, to be unemployed or badly paid and to be dependent on social welfare.

This does not mean that all poor children are failing in their development. However, they risk being disadvantaged..

Child poverty is usually connected to poverty among those adults who care for them. It should, however, be understood that poverty has a more profound impact on children. It affects them not only in their immediate present, but also in the long term. Moreover, children themselves can do little to improve their situation. As a consequence, they greatly depend on public policy to grow out of poverty. This is particularly true when it comes to access to education and health services.

The UNICEF studies also show that there are large differences on child poverty between European countries, also between those with a similar economic situation in general. This seems to underline that the problem to a large extent relates to political priorities – child poverty can and should be reduced through determined policy measures.

An action plan against child poverty should of course seek to define vulnerable groups and risk situations. Single parent families and children with special needs may belong to this category. We know that children in rural areas, children of migrants and Roma communities have been deeply affected by poverty.

Direct subsidies to these risk categories are necessary and, indeed, the rationale for much of the social and family benefits. Such support has to be appropriately targeted and sufficient to lift children – and their parents – out of poverty.

However, it is equally important to ensure that the schools, the health services, the day-care centres and other public welfare institutions function without discrimination and do benefit those most marginalised or otherwise disadvantaged. A policy of privatization of such services should not be allowed to block access by the poor.

One of the first steps to reduce child poverty is to guarantee free access to education. Even when schools are free of tuition fees, education sometimes has hidden costs such as uniforms or books which have to be bought. In some countries, parents have even to pay for the heating in the school. Education policies should particularly target school drop-out rates and youth unemployment by providing appropriate training and employment-related education.

Access to basic health services often remains impossible for many children living in poverty. Due to a lack of health insurance by their parents, proper registration with the national system or sufficient resources, children are excluded from health care. Experiences of free of charge medical and dental check-up at schools have been very positive.

One attitude has to be rejected strongly: that poverty is the fault of the poor. This “argument” is ill-conceived, as far as adults are concerned, and also totally invalid in relation to children. Some people have so far been denied basic welfare – for different reasons, mostly beyond their own influence.

We need to acknowledge that reality of poverty is deprivation of a broad spectrum of human rights. Anti-poverty policies should promote access to human rights, including the right to education, training and employment, decent housing, social services and health care.

The fight against child poverty and social exclusion is at the core of Eurochild’s work programme. A key element of this is the monitoring of the National Action Plans on Social Inclusion (NAPs/Incl) from a children’s rights perspective. This report is a synthesis of the country analyses produced by NGOs and national experts of Member States’ national action plans for social inclusion.

Most of the national reports on strategies for social protection and social inclusion identify child poverty as a priority. This is an increasing and welcome focus on child poverty, creating an opportunity for mutual learning and to develop new policies for action and change. This heightened status has the potential to affect a real impact upon Member States’ social and economic policies.

Disappointingly, few Member States have referenced children’s rights within the context of the NAP/Incl. There was also a lack of commitment shown to including children and young people in the policy development of the national plans as a ‘relevant actor’. Even those Member States with young people’s rights enshrined by law and policy memorandums on children’s rights didn’t consult with children and young people on the NAP/Incl.

Enhancing children’s lives and improving child wellbeing should be the central objective of children’s policy. ‘Wellbeing’ describes the quality of childhoods as they are lived. Wellbeing draws in the many different factors which affect children’s lives: including material conditions; housing and neighbourhoods; how children feel and do at school; their health; exposure to dangerous risks; and the quality of family and classmate relationships children develop. Although child poverty is a different concept to wellbeing, poverty influences each aspect of wellbeing and is a major impediment to delivering better wellbeing.

This briefing draws on the results of a new league table of child wellbeing in European countries. Produced by researchers from the University of York, the league table covers 29 European countries (EU 27 countries plus Norway and Iceland). It includes 43 separate indicators, summarised in seven domains of child wellbeing. The Netherlands comes top of the table of overall child wellbeing, followed by Norway and Sweden. The UK came 24th, well below countries of similar affluence. Only Romania, Bulgaria, Latvia, Lithuania and Malta do worse.

Beyond 2010 CPAG has laid out a ten step plan to tackle child poverty and help deliver the child wellbeing we should expect for all children:

Protect jobs. Parental job loss is a fast track to child poverty, generating immediate stress and long-term damage. The Government must protect existing jobs by investing in people, as well as institutions. Putting money into people's pockets enables them to spend cash, thereby boosting community businesses and protecting employment.

2. Mend the safety net. The current safety net leaves many families struggling well below the official poverty line, with some families actively excluded from provision. Benefits and tax credits need to be increased to ensure they meet an acceptable minimum income standard the public says is necessary just to get by. Much more effort is needed to increase take-up of benefits and tax credits.

3. Move away from means tests. Tax credits and means-tested benefits are complex and expensive to administer. They generate high levels of error, which prevents families from getting their full entitlement. By contrast, universal benefits, such as child benefit, are simple, effective and popular. When combined with progressive taxation, universal benefits do not squander money on those who do not need it; they ensure that everyone who is entitled gets what they need.

4. Remove barriers to work. Decently paid jobs can provide a route out of poverty, but not for those who are excluded from the labour market. Unsuitable and expensive childcare, low skills and discrimination by employers generate tremendous barriers to work – even before the recession. High quality, personally tailored support is needed to enable those unable to access work to acquire the skills they need to do so. The Government must get tough with employers who continue to discriminate against some groups.

5. Stop in-work poverty. More than half of poor children have a parent in paid work. Employment can only provide a route out of poverty when it is decently paid and barriers to working additional hours are tackled. In-work benefits make a huge difference to those in poorly paid jobs, but it is not right that the taxpayer is left to subsidise poorly paid jobs.

6. Put in place a child-first strategy for childcare. Childcare lies at the heart of a child poverty agenda that has focused on paid employment as the route out of poverty. But a work-first rather than a child-first approach is at odds with the current every child matters agenda. The provision of childcare and extended school services in which children thrive and parents trust is essential to reduce child poverty in the short and the longer term. But expensive, inaccessible and inadequate provision excludes some of the poorest children and may damage others. Children's needs, not just parents' employment, must be placed at the forefront of childcare strategies.

7. End the classroom divide. Children growing up in poverty do worse on average at school. Barriers to schooling, such as selection, high costs and stigma, blight children's educational experiences and

reduce future opportunities. Increasing per-pupil spending and reducing extra school costs are essential, but a great deal of learning also takes place outside school. Ending child poverty outside the school gates will help reduce educational inequalities in the classroom.

8. Provide fair public services for those who need them most. Low-income families rely on public services to provide the sort of educational, health and social support that better-off families take for granted. But the 'inverse care law' results in poorer families who need more support getting less out of public services. Tracking patterns of service usage, targeting funding and ensuring that services reflect and meet the needs of poorer communities will help extend valuable support to families and reduce the educational and health divide.

9. End poverty premiums in taxes and services. Poor families pay more for basic goods, utilities and services. Low-income families also pay a greater proportion of gross income in taxes. Premiums, pre-pay rates and high interest rates increase prices, while special deals are often available only to those who can pay upfront or through direct debits. Regulators need to get tough on unfair practices. Tax policy must get fair too. Loopholes, dodges and special treatment for the 'low-tax elite' must be replaced with fairer taxes for the poorest groups.

10. Ensure a decent home for every family. The quality of the home environment is important to children's health, socialisation and education. The UK needs more decent and affordable family houses to end overcrowding, reduce housing costs and provide safe, healthy environments for children and families. Now is the time to invest in a programme of 'social housing' that ensures that all children live in good homes.

Text originates from

http://www.eurochild.org/fileadmin/user_upload/files/NAPs_report_2006_final.pdf

<http://www.cpag.org.uk/info/ChildWellbeingandChildPoverty.pdf>

<http://www.e-include.eu/en/news/504-child-poverty-ignored-in-europes-2020-strategy>

Further reading

Measure by measure. The world's richest country tries to count its poor

<http://www.economist.com/node/17961878>

A question of character. The government is right that parenting matters, but "nudges" alone will not work

<http://www.economist.com/node/17673947>

Rich nations 'must increase aid'

<http://news.bbc.co.uk/2/hi/business/6386805.stm>

Debate: This House Would sponsor children in developing countries.

Sponsoring a child is a popular way of supporting charity work in the developing world - countries where people don't have much money. Many charities run schemes which link a person in a more wealthy country (the donor, or sponsor) with a particular child in a developing country. The sponsor gives a little bit of money (a donation) every month to support that child, it's usually between \$20 and \$40. Some charities focus their sponsorship work on orphans, but most choose children living at home with their families, and the money is often spent by the charity rather than given directly to the child's family. Usually the child benefits through education, health care, and perhaps food aid. Some charities use the sponsored children as a way of assisting a whole community, while others focus more on the individual child and their family.

Communication is an important part of sponsorship schemes. As well as their regular donations, sponsors usually send letters to the child they are supporting, and perhaps occasional gifts. In return they can expect to receive regular reports and photographs from the charity about the child's progress and how their money is making a difference to his or her life. Often the child is also expected to write to their sponsor, if they are able to do so.

Although sponsorship is a major source of funding for charities working overseas, it does have critics. Most of the largest aid agencies choose not to offer child sponsorship schemes, this discussion looks at why that is, and whether or not sponsorship is a good form of charitable giving.

Sponsorship is better than other kinds of charity because it is a long term commitment.

AFF - Over the years \$30 a month, or perhaps even more, adds up to thousands of dollars' worth of aid spending - this is different to other forms of charity because the main focus here is on "long-term changes". Unlike a one-off donation, this method of giving ensures that poor people get support for a long time without costing people too much in one go. It also ensures that people keep giving to these needy causes, and makes people realise that they can afford to make a difference.

NEG - The long term nature of sponsorship implies that it does not fix the problems that cause poverty. Instead, many argue it can create dependency, meaning that the child and family will come to rely on their sponsor. This may discourage them from using their own efforts to escape poverty. For example, even if leaving their village to find work elsewhere could be best for them, they may stay where they are to keep receiving the sponsorship money and other benefits. By linking a single child to a single wealthy (rich) person it also creates a situation in which it is easy for the child to compare their own lives with those of their sponsors. This could make them unhappy or even jealous. In the end it is still possible to help children through charitable giving, but sponsorship schemes create a more complicated relationship that could sometimes go wrong

Child sponsorship brings about greater understanding between people from different countries and cultures.

AFF - Personal letters, charity reports, photographs and even visits help to build a bridge between the developed and developing world. More and more people are able to talk to each other around the world, and it is important that less fortunate people in poor countries are connected to the rest

of us and have the opportunity to communicate with us. Sponsorship creates a personal connection - the children get to learn about their sponsors and the sponsors get to learn how their money helps people. This continued attention to the positive effects of sponsorship is really important to help poorer countries, especially at a time when worldwide economics are in trouble and charities are most at risk from being forgotten.

NEG - Whilst it is important for people to remember the terrible troubles people have surviving in very poor countries, we must also remember that direct sponsorship is perhaps not the best way to help people out of poverty - there are a lot of downsides. Would it not be better to hear of how an entire community was improved rather than just a single child or family? Ultimately you can't force people to give to charity, and at times like these when even in wealthy countries people have trouble getting enough money it must be expected that charitable giving will drop.

Sponsorship also contributes to all aspects of life.

AFF - This includes drinking water, food, education, medical care, shelter and sanitation - often charitable donations are more specific (they only provide for one of these aspects of life). By putting children at the heart of charity programs it is hoped that a stronger foundation will be made for the future - the young people who are helped today can maintain a better lifestyle in the future. Giving all this to an individual child also produces more tangible results than giving to a vast organisation, whose work is can often over-ambitious and more open to corruption.

NEG - The problem once with this form of giving is that it only provides for a single child, not an entire community - this is why many organisations refuse to offer single child adoption, and instead spend the money they receive on developing poor places for everyone that lives there. By sponsoring a child rather than giving the money directly to a cause or organisation you add a layer of uncertainty to the process - you can't be sure exactly how your money is being spent, or if it really is being used to help all aspects of life. Some organisations only work through missionaries and churches. Although giving to a single child may produce more tangible and immediate results, the work done by large charity organisations is likely to have more important long term benefits to many more people.

Sponsorship is a good way of getting people who otherwise wouldn't give to charity to donate their money.

AFF - Unlike most other forms of charity, sponsorship creates a direct link between the person giving money and the person receiving it. People are able to see the ways in which their money is helping others, and this makes them feel good about it - as World Vision International says - "You get to see and feel the difference your support makes". Although this is probably not the best reason for people to give their money to those in need, practically speaking (in the real world) it is one of the most effective (it works very well) in encouraging people to give.

NEG - People should not need this kind of "feel good factor" in order to give to charity - it is very selfish. People all over the world need help from richer people, and instead of helping just one they have the ability to help many. By focusing in on one single example, people may also get a very narrow view of life in poorer countries - they may feel that the developing world can't look after itself and as a result won't support very important changes to things like government that could

actually help the people more than their sponsorship. The “personal connection” is also sometimes made up by the charity organisations, who translate and edit letters sent between the rich and poor to make sure they do not get too emotionally attached to one another.

Available at

<http://idebate.org/debatabase/debates/international-affairs/aid/house-would-sponsor-children-developing-countries-junior>

Domestic Violence and Its Impact on the Youth

Introduction

Domestic violence is an issue that is largely covered by a certain barrier of silence, since people who are involved in it are often reluctant to speak about it. It also seems to be omnipresent – it appears in all social strata, on all levels of education, in urban and rural areas. It also defies national borders. Domestic violence is an issue that no country can credibly claim to have solved.

This is why this problem calls for transnational cooperation and why the European Union is exactly the institution which should play a decisive role in solving it. The EU can provide a platform for public officials, NGOs, experts and concerned citizens from all over Europe to exchange their views, ideas and experiences. This is the most promising way in which we can come up with solutions that work and avoid mistakes of the past.

This paper is divided into five chapters. The first one deals with the type of situations in which children are being directly abused. The second is concerned with the impact of violence between parents on their children. The third chapter analyzes various policy proposals. The fourth describes the problem of detection of domestic violence and the risk of false accusations. The last chapters inform about pros and cons of the aggressor's separation from the family.

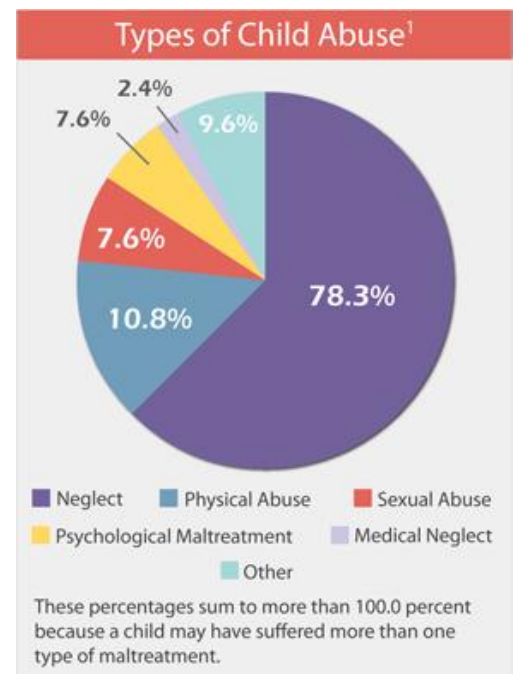
Child and Youth Abuse and How to Recognize It

Definition:

Child abuse consists of any act of commission or omission that endangers or impairs a child's physical or emotional health and development. Child abuse includes any damage done to a child which cannot be reasonably explained and which is often represented by an injury or series of injuries appearing to be non-accidental in nature.

Types of abuse:

- Physical abuse
 - Any non-accidental injury
 - E.g. hitting, kicking, burning, hair pulling, biting, choking
- Sexual abuse
 - Any sexual act between an adult and child
 - E.g. fondling, penetration, exploitation, pornography, child prostitution, forced observation of sexual acts
- Neglect
 - Failure to provide for a child's physical needs
 - E.g. lack of supervision, inappropriate housing, inadequate provision of food and water, abandonment, denial of medical care
- Emotional abuse
 - Any attitude or behavior which interferes with a child's mental health or social development



- E.g. yelling, name-calling, telling them they are “bad, no good, worthless” or “a mistake”, ignoring, lack of appropriate physical affection (hugs), lack of praise and lack of positive reinforcement

Signs and symptoms of abuse:

- Shows sudden changes in behavior or school performance
- No received help for physical or medical problems brought to the parents' attention
- Learning problems (or difficulty concentrating) that cannot be attributed to specific physical or psychological causes
- Always watchful, as though preparing for something bad to happen
- Lack adult supervision
- Is overly compliant, passive, or withdrawn
- Comes to school or other activities early, stays late, and does not want to go home

Signs of neglect when child:

- Is frequently absent from school
- Begs or steals food or money
- Lacks needed medical or dental care, immunizations, or glasses
- Is consistently dirty and has severe body odor
- Lacks sufficient clothing for the weather
- Abuses alcohol or other drugs
- States that there is no one at home to provide care

Signs of sexual abuse when child:

- Has difficulty walking or sitting
- Suddenly refuses to change for gym or to participate in physical activities
- Reports nightmares or bedwetting
- Experiences a sudden change in appetite
- Demonstrates bizarre, sophisticated, or unusual sexual knowledge or behavior
- Becomes pregnant or contracts a venereal disease, particularly if under age 14
- Runs away
- Reports sexual abuse by a parent or another adult caregiver

Signs of emotional maltreatment when child:

- Shows extremes in behavior, such as overly compliant or demanding behavior, extreme passivity, or aggression
- Is either inappropriately adult (parenting other children, for example) or inappropriately infantile (frequently rocking or head-banging, for example)
- Is delayed in physical or emotional development
- Has attempted suicide
- Reports a lack of attachment to the parent

Consequences of abuse

Long-term consequences:

- Depends on
 - The child's age and developmental status when the abuse or neglect occurred
 - The type of abuse (physical abuse, neglect, sexual abuse, etc.)
 - The frequency, duration, and severity of abuse
 - The relationship between the victim and his or her abuser

Physical health consequences:

- Shaken baby syndrome
 - The injuries caused by shaking a baby may not be immediately noticeable and may include bleeding in the eye or brain, damage to the spinal cord and neck, and rib or bone fractures
- Impaired brain development
 - Cause important regions of the brain to fail to form or grow properly, resulting in impaired development
- Poor physical health
 - Adults who experienced abuse or neglect during childhood are more likely to suffer from physical ailments such as allergies, arthritis, asthma, bronchitis, high blood pressure, and ulcers

Psychological consequences:

- Poor mental and emotional health
 - Depression, anxiety, eating disorders, and suicide attempts, panic disorder, dissociative disorders, attention-deficit/hyperactivity disorder, depression, anger, posttraumatic stress disorder, and reactive attachment disorder
- Cognitive difficulties
 - Abused children tend to score lower than the general population on measures of cognitive capacity, language development, and academic achievement
- Social difficulties
 - Children who experience rejection or neglect are more likely to develop antisocial traits as they grow up. Parental neglect is also associated with borderline personality disorders and violent behavior

Behavioral consequences:

- Difficulties during adolescence
 - 25% more likely to experience delinquency, teen pregnancy, drug use, and mental health problems
 - more likely to engage in sexual risk-taking as they reach adolescence, thereby increasing their chances of contracting a sexually transmitted disease
- Juvenile delinquency and adult criminality
 - 11 times more likely to be arrested for criminal behavior as a juvenile
 - 2.7 times more likely to be arrested for violent and criminal behavior as an adult

- 3.1 times more likely to be arrested for one of many forms of violent crime
- Alcohol and other drug abuse
 - Smoke cigarettes, abuse alcohol, or take illicit drugs during their lifetime
 - Two-thirds of people in drug treatment programs reported being abused as children
- Abusive behavior
 - Abusive parents often have experienced abuse during their own childhoods

Societal consequences:

- Direct costs
 - Investigate and respond to allegations of child abuse and neglect, expenditures by the judicial, law enforcement, health, and mental health systems
- Indirect costs
 - Juvenile and adult criminal activity, mental illness, substance abuse, domestic violence, loss of productivity due to unemployment, the cost of special education services, and increased use of the health care system

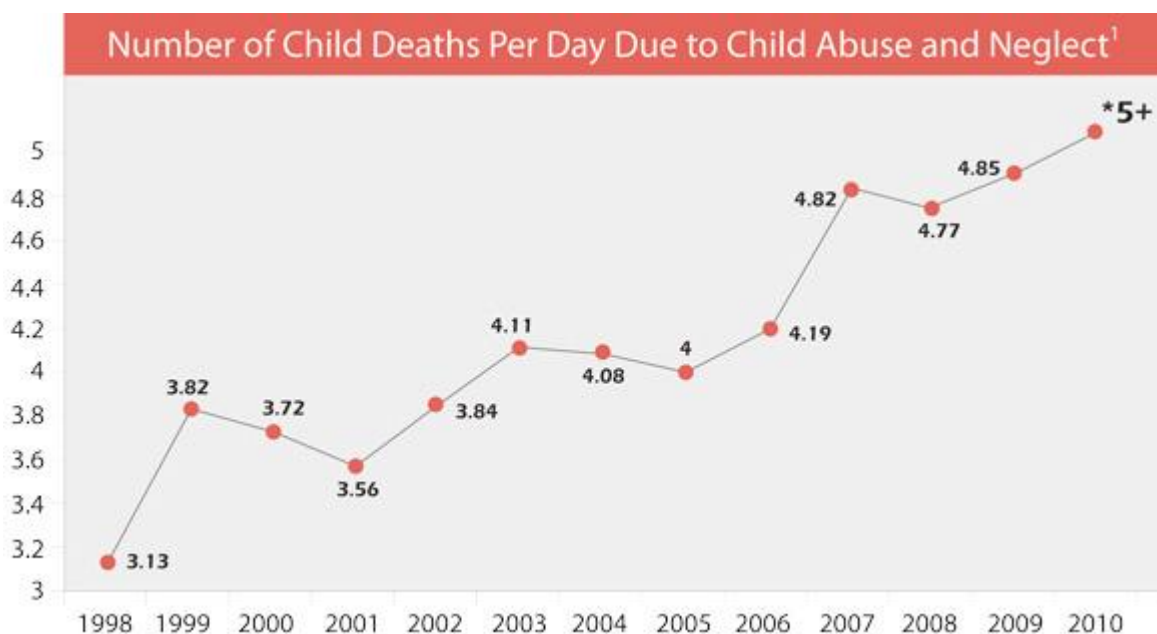
Numbers

Basic statistics:

- Report of child abuse is made every 10 seconds
- More than 5 children die every day because of abusing
 - 80% of them are under 4 years old
- More than 90% of juvenile sexual abuse victims know their perpetrator in some way

Consequences:

- 30% of abused children will later abuse their own children
- 80% of 21 years old that were abused as children met criteria for at least one psychological disorder



Sources:

<http://www.childwelfare.gov/pubs/factsheets/signs.cfm>

<http://www.childhelp.org/pages/statistics>

http://www.childwelfare.gov/pubs/factsheets/long_term_consequences.cfm

Effects of Domestic Violence on Children

Specifics of indirect domestic violence

Childhood is in the Western civilization recognized as a part of human life which is entitled to special care. It is paradoxical, therefore, that most attention is devoted to direct domestic violence committed on victim, with insufficient regard to the so-called indirect domestic violence, which covers witnesses of assaults etc., and who are very often children.

„Several studies have found that 85-90% of the time when a violent incident took place in a domestic situation, children were present and children were also abused during the violent incident in about 50% of those cases.“³⁰ Thus it goes without saying, that domestic violence represents an important factor in coexistence within a family and children are in majority of cases involved as well.

Table

MDG (Millennium Development Goals) region	Estimated Number of Children Exposed to Domestic Violence – Range
Global Estimate	133 to 275 million
Developed countries	4.6 to 11.3 million
Commonwealth of Independent States	900,000 to 3.6 million
Northern Africa	No Estimate
Sub-Saharan Africa	34.9 to 38.2 million
Latin America & Caribbean	11.3 to 25.5 million
Eastern Asia	19.8 to 61.4 million
Southern Asia	40.7 to 88.0 million
South-eastern Asia	No Estimate
Western Asia	7.2 to 15.9 million
Oceania	548, 000 to 657,000

1.:

*Estimated number of children exposed to domestic violence in MDG regions.*³¹

Except for the potential direct, physical harm to victims, there is also very strong mental harm caused by domestic violence. Atmosphere in a family is disrupted, filled with fear, anxiety and distrust. Home

³⁰ Queensland Domestic Taskforce, 1998; Cleaver et al, 1999,

cited in Fleischer, 2000) – quoted in Domestic Violence and Its Impact On Childrens' Development

³¹ Behind Closed Doors: The Impact of Domestic Violence on Children

offers a „safe haven“ for children no longer. On the contrary, it becomes a place where child's self-confidence, so important in today's dog-eat-dog society, is permanently undermined.

Effects on specific age groups:

Pregnancy

Although pregnancy is considered as a period when women deserve special protection, many figures show that pregnant women are very often subjected to domestic violence („Some studies put the figure at 42%, with 20% of women experiencing domestic violence for the first time when they are pregnant“³²). Despite the fact that a fetus is not fully developed, the harms resulting from physical assaults or mental terror are very serious.

An experiment made by Dr Julie Quinlivan from Australia has proven that higher level of hormone cortisol (in the consequence of direct exposure to domestic violence) causes poor growth of fetus and makes slow development of brain resulting in deficit of brain cell number. As a consequence, adult diseases and hyperactive childhood syndromes may occur.

Infancy

When there is a domestic violence happening, infants are exposed to extreme danger. Their body is at the beginning of development, not strong enough to defend itself.

Mothers attacked by a violent partner often use infants as „living shields“, which subjects them to a risky situation with danger of physical injury. Even when such a situation ends peacefully, it will cause a traumatic experience for the infant, who needs to sense love from in parents' behavior.

Infancy is also a period during which child's brain develops the most (after birth: 25% of its adult weight, at the end of infancy: 66%). Therefore, witnessing domestic violence can also cause changes in infant behavior by showing higher irritability, sleep disturbances etc.

Pre-school age

Early childhood (around three years of age) is a time when a child meets people outside of its family circle for the first time and starts to communicate with its peers in kindergarten, for instance.

Neglected issues in interpersonal relationship are exhibited. Because of the unfilled need for safety and security, children incline to perceive intentions of others as hostile and they do not trust them.

A child does not know how to react and often reacts inadequately. Its response is often either aggressive or indifferent, in cases in which the child is more distressed.

Primary-school age

³² Australian Women's Safety Survey, quoted in Laing, 2000; p.9 – quoted in Domestic Violence and Its Impact On Childrens' Development

At primary school age, children who have encountered domestic violence have problems with the key ability for doing well in school: concentration. According to one study, 40% of them had lower reading abilities than children living in non-violent families.³³

Behavioral problems of children can turn into depression, psychosomatic illnesses, bedwetting or suicidal tendencies. They are more likely to abuse narcotic substances, are subjected to higher risk of criminality or juvenile pregnancy.

Adolescence

We should distinguish between children who have been witnessing domestic violence since early childhood and for whom it represents an ongoing problem, and those who experience it for the first time as adolescents. Surveys are showing that adolescents brought up in families with presence of domestic violence tend more to become homeless than other children³⁴.

Differences according to gender of children:

Some surveys suggest that boys generally react more actively, in specific by means of physical aggression. Targets of such aggression are e.g. classmates, teachers or siblings. They tend to „ventilate“ their negative experience. The main difference is that girls exposed to domestic violence usually do not react aggressively, but become insecure and depressed.

Summary – Consequences of Witnessing Domestic Violence

The effects of being present to violent behavior are usually very negative. They can be sorted into following groups: physical, mental and social.

Physical harm can be caused by becoming a victim of domestic violence. Even if children were not supposed to be target of violent behavior, they would be exposed to violent attack in cases in which they wanted to defend their mother or just because of aggressor's lack of self-control. The younger the child is, the more serious the harms which can arise.

Mental harms are very serious and difficult to overcome. A negative experience staying in memory can influence the sub consciousness of an individual forever. It becomes a solid obstacle for interpersonal relationships in the adult age. The individual is insecure and suffers from critical lack of self-confidence.

Social harms cover problems with socialization process. Children have problems in communication with their peers, which leads to their isolated position. As a reaction, they either resign or tend to compensate it by bullying or aggressively attacking their classmates etc. One Australian study

³³ James, M., 'Domestic Violence as a Form of Child Abuse: Identification and Prevention', Issues in Child Abuse Prevention, 1994

Prevention', Issues in Child Abuse Prevention, 1994

³⁴ Department of Education Training and Youth Affairs 2000

showed that up to 40 per cent of chronically violent teenagers have been exposed to extreme domestic violence.³⁵

Policy proposals

Basically the ways how to fight domestic violence may be divided into three groups. The first one tries to prevent domestic violence, the second is trying to find victims and the last one consists of not allowing criminals to commit violence again and of making the impact on victims smaller. Some of the existing policies may be in more of those groups. We will go through them, name some examples and see what are the advantages and disadvantages of those policies.

The most important policy has already been introduced in many countries. Domestic violence is officially defined and recognized. It means that aggressors may be punished for psychically or physically harming victim at home, which was not possible before. That gives victims higher chance to really win the conflict. The punishment may be for example prison or prohibition of coming close to the victim.

Preventing domestic violence

In order to be able to prevent domestic violence, we need to think of the motives and circumstances in which it is being committed. Victims are usually not informed enough – they are not aware at the beginning and later, when they realize there is a problem, there is no possibility to change the situation or simply run away. This also applies for family and friends that are not able to support the victim. Therefore we see proposals to inform people more through some kind of campaigns. The best thing about this is the scale in which you can do it – you can inform nearly all people. On the other hand it will cost a lot of money and we cannot be sure whether it will really help anyone.

The other thing is that in about 70% of all cases the attacker is under influence of alcohol. Hence some people proposed a ban on alcohol to protect the victims. Despite many good things this may bring (no drunk drivers...) we see a great limit being put on people's freedom. For people who didn't commit anything wrong, this is unfair. Another problem with this is that we are not solving the real problem – to be able to hit a person you share bed with, you need to lack some kind of barriers that society should have given you and therefore we cannot really blame alcohol. The last disadvantage would be the fact that manifested itself during the prohibition in the USA – people are still able to buy and consume alcohol and we would be harming only those who are obeying laws.

Helping suffering victims

If we want to solve the ongoing violence, we need to firstly know about it. That is possible in two ways – either allow women to tell the police or forcibly try to “help them”.

Currently women may go to the police and report domestic violence, but many choose not to, because they are afraid of what will happen after that. They fear their husband, they are not sure

³⁵ James, M., ‘Domestic Violence as a Form of Child Abuse: Identification and Prevention’, Issues in Child Abuse Prevention, 1994

about their economic situation and they don't want to harm inner stability of the family, mainly because of children. We have many options how to help them. We can offer personal protection, housing and food and psychological help. All that can help a woman to leave her husband and start a new life. It also has a few cons. Firstly, often the situation of the woman is not objectively bad. When it is, her behavior might be irrational and therefore our promise of help might not make her leave the abusive partner. It would also cost a big amount of money. On the other hand, the money would be spent well and go directly to the suffering woman.

A person who often knows about domestic violence taking place is a doctor. Thus some people would make them mandatorily report domestic violence. Of course it sounds great. Up to 40% of women visited doctor with visible signs of domestic violence, but doctors didn't deal with it anyhow, because it would be complicated for them. If we introduce such a law, doctors may help many victims. The great advantage here is that we don't need the woman herself to tell us. But here arises a question whether the state really has a right to do such a thing. Shouldn't be the woman allowed to make her own decision? And what if she loves the aggressor so much that she is able to forgive him? Then it seems that the state shouldn't intervene into the private life of its people. But most importantly, we may expect that many victims would decide not to go to the doctor or that the abuser would not allow them to go, even if they had serious injuries, which may even endanger their lives. The last problem with this is that we would have to visit many reported families to control the situation, because the doctors will probably report more than would be necessary, in order not to get punished. So maybe we should rather try to help directly to those who want our help.

Similar option as the one above is to give some kind of reward to people who know about domestic violence and decide to tell the police. They would have a motivation to report it and this way we may help the victims of domestic violence. The main danger here is that the victim may close up and not communicate with friends or family.

Breaking the vicious circle of violence

We've come probably to the most important part now. The question of how not to allow people to commit the crime repeatedly is tied to the part about prevention, but still it is a bit different. Here we talk about people already engaged in domestic violence; therefore there is the highest possibility of really solving this situation.

Firstly we will focus on people committing domestic violence. One way how to prevent them from repeating abusive behavior is giving them higher punishments than now. It means that they will stay in prison longer or that they will not be allowed to see the person they abused at all. That is directly stopping them from committing it again. It has one more benefit – potential abusers will fear higher punishment. This may sound reasonable, but in the real life it has some problems. Couples may have children together and then the abuser may sometimes want to take care of them and therefore the two have to meet again. And it is also unfair, when comparing punishments for other crimes – for example if you had higher punishment for domestic violence than for manslaughter.

The other way is to provide the perpetrators with psychological help. Even though they are abusive now, it is kind of a mental illness that may be cured by psychologists. Therefore they will be able to come to normal life again and find a new partner. A con of this plan would be the fact that it will be really expensive to provide professional help to all aggressors. And there is also a question

whether this is really a mental illness or just a crime that is committed by a person who deserves to be imprisoned.

And the last way of fighting domestic violence connects all of the groups above, because it concerns children. They are the ones who know nearly in all cases about domestic violence and are able to help. But they are also the ones who are most influenced by it in their future life. Hence we may introduce psychologists into all primary schools to teach children how not to be violent in their future lives. This will mainly influence those who are abused. Numerous studies showed that nearly 90% of all abuser were witnesses of domestic violence in childhood and also that 60% of girls that are actually abused saw that when they were younger. This all happens because of the fact that family fails to build barriers in the child and therefore it tolerates more violence than others do. This would be solved by the psychologists and we may break that circle of abuses. Moreover, the child may also realize how wrong the situation at home is and call the police. Therefore we can again help the whole abused family and overall they may have happier life than ever before. We can also prevent other negative impacts on the child such as damaged social development, losing the ability to feel empathy for others, social isolation, inability to make friends as easily due to social discomfort or confusion over what is acceptable. But we also can see it will be really expensive to have psychologists in every school and the money could be used for direct help to the victims. There also may be trouble with the fact that children will not accept the psychologist and therefore he will not be able to help them at all.

The Problem of Detection and False Accusations

Domestic violence is one of the most fundamental problems of the modern and evolved society. In this modern age, the society already possesses the possibilities like psychiatrists or therapies. However, domestic violence remains with us nonetheless. In this particular chapter, the question of detection of the domestic violence in certain families will be examined, and as the big issue of these days, the false accusations will be examined as the second larger point.

To deal with the basics of this topic, it is crucial to mention that 25% percent of women around the globe has experienced or was part of an act of domestic violence. It is estimated that in the year 1999, 960,000 to 3 million women or men were physically or mentally abused. In these cases, 85% of victims are women and approximately 15% are men, because women appear to be easier targets³⁶. Other sources suggest that 600,000 to 6 million women are abused per year and 100,000 to 6 million men per year³⁷. From these numbers, one thing is obvious. Domestic violence concerns vast amounts of people, and it also concerns both genders, even though females are more likely to be victims of domestic violence than men. To take another number, 74% of American citizens know somebody

³⁶ U.S. Department of Justice, Violence by Intimates: Analysis of Data on Crimes by Current or Former Spouses, Boyfriends, and Girlfriends, March 1998. The Commonwealth Fund, Health Concerns Across a Woman's Lifespan: 1998 Survey of Women's Health, 1999

³⁷ (Rennison, C. (2003, Feb). Intimate partner violence. Us. Dpt. of Justice/Office of Justice Programs. NXJ 197838.

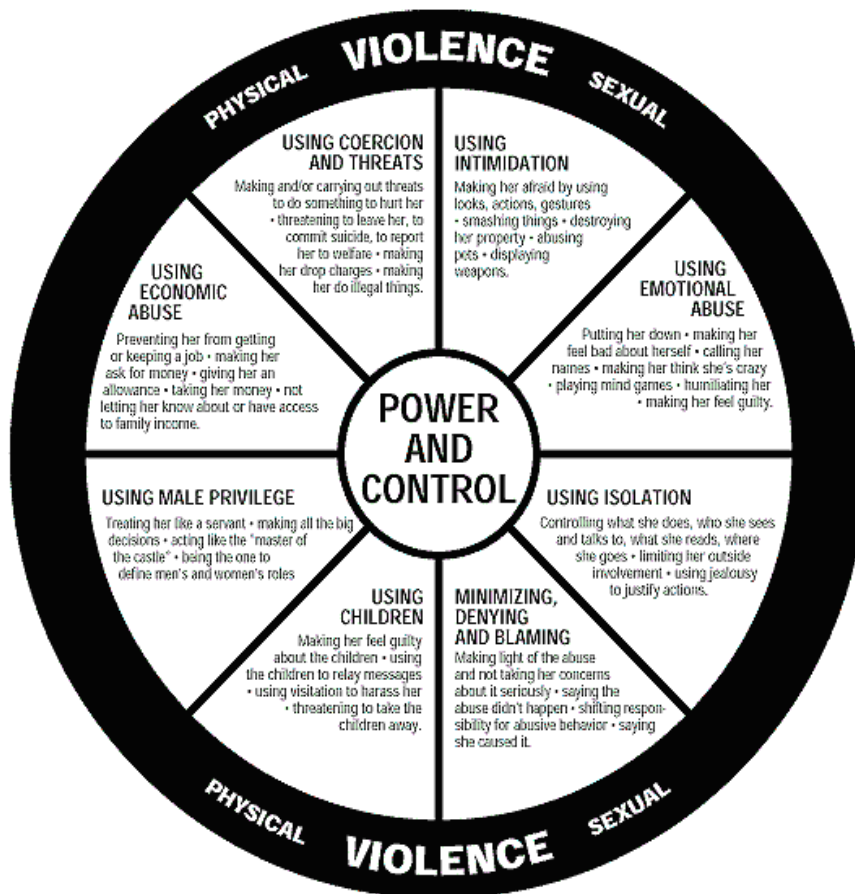
Straus, M. & Gelles, R. (1990). Physical violence in American families. New Brunswick, N.J.: Transaction Publishers.

Tjaden, P., & Thoennes, N. (2000). Extent, nature, and consequences of intimate partner violence. National Institute of Justice, NCJ 181867 [http://www.dvrc-
or.org/domestic/violence/resources/C61/](http://www.dvrc.org/domestic/violence/resources/C61/)

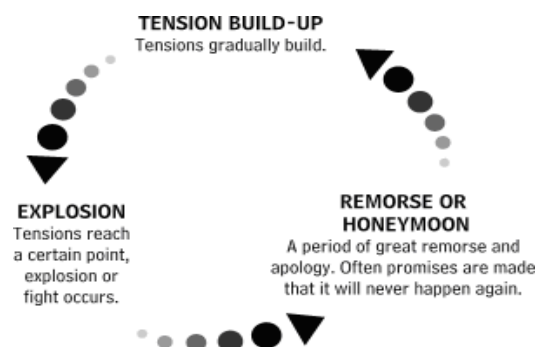
who is an actor in domestic violence. From this example, it is obvious that this problem is severe and needs to be dealt with.

Because this problem is very important to the people who take part in it, it is not likely that 100% of cases are reported to the police or to the government. This detection of domestic violence is hard because of several reasons. First and foremost, in a majority of cases the partners feel affection for each other. They love each other and they need each other for life. It is not sure, therefore, that the crime will be reported, because obviously the particular person does not want to have his or her partner in prison. This is the very reason why this system is not working in a majority of cases, because the person does not want to lose a partner.

Yet the second issue is far more complex. The reason why so many cases of domestic violence are forgotten and not reported is because of a very economic reason. The woman cannot simply report her husband, because the family's economy would be destroyed without the father (or mother) who earns money and spends it for the benefit of the family. In the case that even one of the parents is missing, it can significantly damage the financial stability of each particular family. This is the reason why the aggressor would not be reported in some cases, because victim would be against himself or herself. We can see the analysis of this and the 'evolution' of domestic violence cases and of more problems below on the pictures. The pictures are showing the stages and phases of the domestic violence act, then the development of this problem.



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The last trouble with detection of this problem is that the victim is often afraid of the consequences and retribution. As simple as it sounds, human beings feel fear whenever their lives can be harmed, and this is exactly the case. If the victim reports the aggressor, some retribution is often implied. After a sentence, the aggressor can come out and physically abuse the victim again, no matter if he or she was in prison or not. As a result, the aggressor will not be reported, because the victim is simply too afraid to do so, and the victim will suffer again and again just because he or she is afraid to

speaking about the issue out loud. As a result of this, nothing happens and the problem is stagnating in one place with no hope for a solution.

The second issue is the false accusations that appear when it comes to the domestic violence issue. The very first and obvious reason for this is that the victims do want to somehow punish the 'aggressor'. It happens very often that when one of the partners stands off from the relationship, the other person wants to get him back or to remind this leaver that he or she is still here waiting for him or her. This can very well happen in the divorcing process, when one of the partners does want to make his or her position a little bit stronger, so this particular person accuses the other of domestic violence to make him or her look bad. This is in the end very bad for everybody, because the reputation of all of the people involved is being worsened and the whole process of detecting who is who takes a long time and government money³⁹.

The very last reason why this is happening is because the victims want to be taken care of. It usually happens to people in a difficult financial situation, who simply need care or money. In most of the states in the world, certain procedure is prepared for the victims of domestic violence. They have to undergo a certain therapy, they are given money and food for them to spend and eat. In this case, it is very easy to fake the domestic violence to get all of this, because until it will be recognized that no one has committed this, I will already have money and food, because I faked this case of domestic violence. This is the next and the last reason, why the false accusations happen and under what circumstances.

This chapter mainly focused on the detection of domestic violence and why do people resist speaking about it – out of passion for the partner, financial situation or because they are afraid. Then, false accusations were examined and under what circumstances do they happen. Mainly as a revenge of one partner or because of the bad financial situation of a poor citizen without help or care.

The Effects of the Aggressor's Separation from Family on Children

Children are the ones most affected by divorce and separation. It can lead to psychological problems, problems in mental development and social exclusion⁴⁰. There are many studies that discuss problems which occur to kids during parental separation. Hence separation should be the last solution to family problems. On the other hand some families that are experiencing serious problems such as domestic violence find that separation might be the best solution. Then there is a question: What is better for children, to live in a family with an aggressor or to live in an incomplete family?

In the UK there are almost 110 000 children under the age of 16 whose parents separate each year. Almost 20% of them are under 5 years old. Younger kids deal with the separation worse than older ones; it depends mostly on the level of understanding of the reasons why parents divorced/separated.

This is the list of the most common feelings of such children:

³⁹ <http://www.lawfirms.com/resources/criminal-defense/criminal-defense-case/falsely-accused-domestic-violence.htm>

⁴⁰ Mostly occur in school.

a sense of loss - separation from a parent can mean you lose not only your home, but your whole way of life

different, with an unfamiliar family

fearful about being left alone - if one parent can go, perhaps the other will do the same

angry at one or both parents for the relationship breakdown

worried about having caused the parental separation: guilty

rejected and insecure

torn between both parents.

These are feelings that may harm their future development especially in case of younger kids which don't have any siblings. There are many arguments that can be made about harmful effects of a loss of one parent.⁴¹

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(figure 1) focused

Here we can see

daily and 17% meet

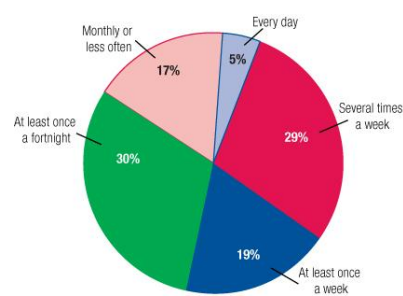
There can be

parent loss. Kids can

involved in criminal

we can see that kids

parents and can have behavioral problems caused by not living with both parents.



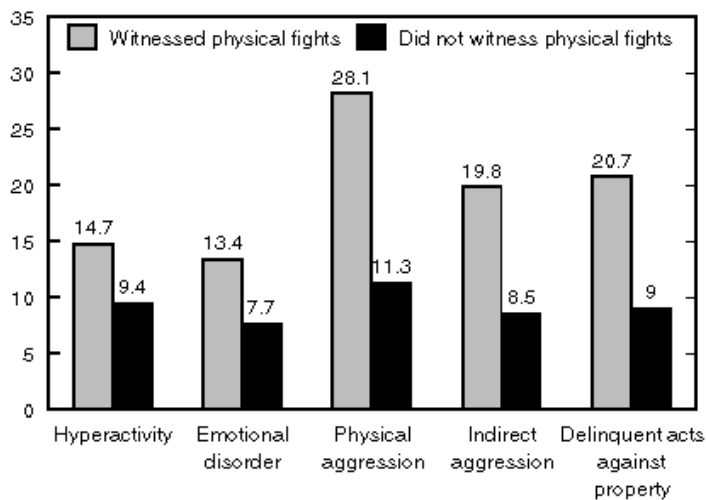
Graph provided by an Australian agency on children living only with one parent. that only 5% of parents see their children their kids only monthly or even less often. significant harm caused to kids through be uncontrollable and more likely to get actions without actual parent care. There may feel even more alone without both

⁴¹ <http://www.rcpsych.ac.uk/mentalhealthinfo/mentalhealthandgrowingup/divorceandseparation.aspx> - The royal college of psychiatrists.

⁴² <http://www.aifs.gov.au/growingup/pubs/newsletter/participants/2010/guianews2010.html> - The longitudinal study of children in Australia

Child behaviour¹ in homes where children witnessed and did not witness physical fights

% of children



¹Those who fell within the bottom 10% of the scales were considered to have behavioural problems.

On the other hand, there are many cases when children witness domestic violence and it causes them behavioral problems.⁴³

Graph shows that kids who have witnessed domestic violence are more likely to have problems with physical aggression when compared to children which have not witnessed domestic violence.

Although the greatest difference in behavioral problems is aggression; probability of other problems such as hyperactivity, delinquent acts, etc. is also

greater.

Witnessing domestic violence can affect children's emotional development. Their emotional development may then cause problems at school and furthermore affect the way how they will be treating other people including their future families.

Those emotions that occur during witnessing domestic violence are:⁴⁴

Powerless - because they can't stop the abuse

Guilty - believing that they somehow caused the abuse

Angry - blaming mom/dad that somehow it was her/his fault

Angry - at Dad for hurting Mom⁴⁵

Helpless - because they feel a need to solve the problem but only end up getting hurt when they try to help

Confused - because parents may try to get children to choose sides

Afraid - for themselves and other family members

Isolated/Insecure - often making up excuses so they don't have to go home

Dishonest/Embarrassed - because they make up excuses to family and friends for mom's/dad's bruises

Overwhelmed - by the situation, often leading to poor school performance and avoiding friends

⁴³ Figure 1

⁴⁴ http://sfrc.com/your_children.html - Family resource center

⁴⁵ It can be also other way round, but cases hen aggressor is man are more common.

In conclusion, we can see that the question we ask at the beginning of this chapter has no simple answer.

Conclusion

This paper dealt with the problem of domestic violence and its impact on children and youth. It tried to cover the most important aspects of the question, but let us admit here that it is not possible to exhaust such a broad topic in its entirety. The purpose of this piece is to provide the background for further deliberation on the issue.

Internet Piracy and Internet Freedom

©



Outline of the Problem

a) Piracy in numbers

- Awareness

70% of online users find nothing wrong in online piracy with 22% of all global Internet bandwidth being used for online piracy.

98.8% of Data transferred using P2P networks is copyrighted

Websites hosting pirated content receive more than 146 Million visitors per day.

- What it costs us

\$12.5 billion are lost each year due to Piracy in the music industry; roughly 70 000 jobs lost in the United States and 185 000 jobs lost in EU every year due to online piracy.

\$2.7 billion in workers' earnings are lost each year due to Online Piracy

95% of music downloaded online is illegal; an average iPod contains pirated music of \$800

- Content

42% of Software running in World are illegally downloaded

More than 75% of computers have at least 1 downloaded illegal application

Pornography is the most pirated item on web with 35.8% followed by Movies with 35.2%

Hollywood Movie "Avatar" is the most pirated movie of 2010 and was downloaded more than 17,000,000 times

China has the highest online piracy rate of 91% in world followed by Columbia with 90% and Russia with 80% online piracy rate.

b) Internet Freedom throughout the world.

Bahrain, Belarus, Burma, China, Cuba, Iran, North Korea, Saudi Arabia, Syria, Turkmenistan, Uzbekistan & Vietnam are the internet black holes of today according to Reporters without Borders. These are the countries in which internet freedom is censored in abusive ways. – At the other end of the spectrum We find Estonia and Germany in first and second, followed by the US

Freedom House has produced two editions of its report Freedom on the Net. In 2009 27% countries were rated as "free", 47% as "partly free", and 27% as "not free". In 2011 22% countries were rated as "free", 49% as "partly free", and 30% as "not free".

Proposed EU and international Solutions

a) Euro 2020

The Euro 2020 is a 10 year plan created to buff up EU's economy. It aims at smart, sustainable and inclusive growth.

Smart Growth sets as a flagship the "Digital agenda for Europe"- It's trying to implement widespread internet access with creating a single digital market based on fast/ultrafast internet and interoperable applications:

By 2013: broadband access for all; By 2020: access for all to much higher internet speeds (30 Mbps or above); By 2020: 50% or more of European households with internet connections above 100 Mbps. This means the EU is quickly pacing towards a future with a much more internet aware, internet dependent and internet using population.

b) ACTA, SOPA, PIPA

ACTA, SOPA and PIPA are all laws that were made to try and limit the amount of illegal downloading, torrenting or filesharing that happens over the internet. They make internet providers liable for content transfer of their customers and give more legal rights of action to the private entities whose copyright has been infringed. Skeptics of the laws say they may lead to extremely abusive situations where one's laptop might be checked for copyrighted material or that artistic creation will drop significantly due to a constant fear of plagiarism.

Met with very impactful negative popular outbursts, none of these laws is yet to pass.

Efficiency and consequences

a) Probable impact on copyright holders

Copyright holders are most probably going to be impacted in a positive way through this method. Record sales are expected to increase significantly although an overall diminishing of product spread will be sighted.

b) Probable impact on copyright infringers and general public

Views are split on the issue. Some believe that due to the very nature of the bureaucratic-capitalist machine, the rich, the big fishes of the industry would easily get away with copyright infringement while the minor offenders – the 16yr old mp3 downloaders – would be the only ones to get caught and punished. On the other hand, some state that these laws would be centered around big copyright infringers and that small offenders actually do consistent amount of damage through internet piracy and hence we should be trying to stop them.

c) Legitimizing oppressive regimes

The problem with laws akin to ACTA and SOPA is that they legitimize the oppressive policies of the “Internet Black Holes”. It’s hard to take the higher moral ground against China’s censorship of Google when your own government is limiting the very same internet freedom.

Alternative means of solving the issue

a) Striving towards a world free of Intellectual Property

Theories are being passed around that maybe the world should strive towards freeing ourselves from the bonds of Intellectual Property. Seeing as one cannot extract information from your mind and deprive you of it – as would a thief of your valuables, some say the very concept of Intellectual Property is a fraud – they concur that the world would be a better place if there would be no price on information – that culture should be completely and absolutely free.

b) Accessibility & Awareness

One possible way to solve the issue of online piracy without taking away from internet freedom is to increase accessibility and awareness of online possibilities. The thesis states that people are incentivized to pirate media or software due to the inexistence of a social habit of paying for this type of media, also fueled by the inconvenient of having to actually go buy software off the shelf of a store. Thus, once a community starts becoming more internet aware and internet capable, it would start paying for their merchandise from the very comfort of their homes

c) A problem fueled by need

Another theory states that people’s high need of culture will push them into breaking any barriers that the legal system might apply against copyright. This is to say that that no matter how well enforced an anti-copyright infringement law is, people will always find ways to bypass it due to the very nature of the products being pirated. Music and movies are as vital for today’s youth as bread and water – and if one will not find a solution to provide oneself with these products – he or she will resort to simply downloading them.

Debate - Internet Piracy and Internet Freedom

One of the problems that gain importance in the recent months is the one of internet piracy, which represents the crime of illegally copying and selling books, tapes, videos, computer programs or the crime of making illegal television or radio broadcasts. However, the solutions proposed by the states

or by the intergovernmental entities are very controversial, as are the examples of SOPA in the United States and ACTA in the European Union, as well as internationally. It remains the task of reducing, if not stopping the internet piracy, without invading personal privacy, which would be thoroughly analyzed in the following lines.

It is important to state that 22% of all global internet band width is used for online piracy and in 2010 42% of all computer applications were obtained through piracy, the same as in 2009. The regions with the most items pirated are Central and Eastern Europe and Latin America, with a level of 64%, both in 2009 and in 2010. They are followed by the Asia – Pacific region, with 59% in 2009 and 60% in 2010. The following region is Middle East and Africa, with 59% in 2009 and 58% in 2010. In the European Union the level of piracy was 35% both in 2009 and in 2010, while in the Western Europe there was a short decline in 2010, the level of piracy decreasing from 34%, in 2009, to 33%, in 2010. The region with the least percentage of piracy is North America where the level of 21% remained the same in 2010, as in 2009.

The most pirated items on the internet are pornography (35.8%), movies (35.2%), TV shows (14.5%), PC/console games (6.7%), software (6.7%) and music (2.9%). Moreover, 67% of digital piracy sites are hosted in North America and Western Europe. It is interesting to see that although the lowest level of piracy is in Western Europe and North America, these regions host most of the sites destined to illegal download. This may lead to the conclusion that although the level of awareness is higher in these regions towards the problems generated by online piracy, the knowledge towards creating pirated items is also higher in these areas.

On a state level, the countries in which piracy is at its peak are Armenia (93%), Azerbaijan (92%), Moldova (92%), Bangladesh (92%) and Zimbabwe (91%). The countries with the highest level of piracy in the European Union are Bulgaria and Romania (both with 68%), followed by Greece with 58% and Poland with 57%. As we can see the countries with a high level of piracy (both globally and regionally) are the ones with the most severe economic problems and with the lowest standard of living and power purchasing parity. Correlating this remark with the high level of prices for the original products, we can see why this problem of piracy reached such a high level in these countries.

In order to understand the problem of piracy is important to understand the losses that occur due to this illegal activity. There are serious losses for the companies that are creating and commercializing these products, because the level of their sales is decreasing, so as their profits. For example, it is estimated that an average iPod contains pirated music of 800\$. Furthermore, 95% of downloaded music is pirated, which generates \$12.5 billion in economic losses each year.

This may lead to a vicious circle in which companies may be obliged to raise the prices of their products (already very high, especially for the people that live in the regions with the highest level of piracy), in order to maintain their market share and their profits. In this way, less internet users will be able to afford those products.

Another interesting fact is the one that although the United States of America and the Western European states have the lowest level of piracy, they elaborated the plans for stopping the online piracy, by proposing the SOPA, PIPA and ACTA agreements. For example, ACTA (Anti – Counterfeiting Trade Agreement) proposed to create a new governing body outside the existing ones (World Trade Organization, United Nations, etc) in order to protect intellectual property. The agreement was

signed in October 2011 by Australia, Canada, Japan, Morocco, New Zealand, Singapore, South Korea, United States, European Union and 22 of the member states (the ones that did not sign were Cyprus, Estonia, Germany, Netherlands and Slovakia).

However, ACTA was met with a lot of criticism, not as much for the point of stopping the piracy, but for the way in which the states would implement the measures agreed in the treaty. It is argued that the fact that every internet provider should monitor and report all the activity conducted on the internet by their users limits a lot the freedom of expression and the right to privacy. Moreover, the fact that the negotiations and the measures of the treaty were conducted secretly, without a public debate, has generated protests in most of the EU states that signed the treaty and also in the states that avoided taking a final decision on this matter. In a sign of protest, the European Parliament's appointed chief investigator, Kader Adif, resigned from his position.

The European Union has started the fight against piracy with the provisions of the Lisbon Treaty, which were designed in order to strengthen the IP and data protection. Moreover, a more secure legal framework was implemented in order to protect in a more efficient way the intellectual rights. Regarding the long term strategy, the European Union's target for 2020 is to spread the high speed internet in order for each household to benefit from the advantages that it brings. However, there is a wide debate about how to fight piracy, moreover in this context of internet connection spreading. There have been also propositions such as to cut off the internet connection for those who are committing acts of piracy. According to the Business Software Alliance, an industry group, reducing software piracy over four years could inject €33 billion in new technology spending into the European economy, creating more than 61,500 new jobs and generating nearly €10 billion in new tax revenues for governments. However, the effects of these measures are still not visible, as the level of piracy remained pretty much the same in the EU in the recent years, questioning the efficiency of these policies.

To sum up, it is clear that the problem of piracy exists and something should be done about it, considering the losses of the companies and the economic gains that would occur if this practice of online counterfeiting is stopped. However, the solution seen by the European countries generated massive protests due to the secrecy of the negotiations, the lack of public debate on this matter and the intrusion into the personal lives of the users that would occur if ACTA would come into force. As it was presented in the beginning, the piracy level tends to stagnate in the recent years, meaning that such a radical solution may not be the key for this problem. Massive protests regarding such an act would also pose problems for the states, already confronted with many protests generated by the austerity measures adopted in most of the European countries. At this point ACTA seems not to be the right answer to the problem of piracy and the law makers should seek some alternative plans in order to solve this matter.

Firstly, as we have seen in the beginning of the presentation, the countries that have the highest level of piracy are the ones with a low standard of living for their citizens. In this situation, in which most of the times the computer related products are very expensive, it is very hard for the people from such countries to buy the original products. They may have difficulties in order to buy a computer, thus buying only licensed products would be a massive challenge for them. A possible solution would be for the companies to adapt the prices of their products according to the country, in order to permit everyone to afford them. In this way, although they would have less income for

some specific products, they would still gain something, in comparison to the situation in which they do not gain anything due to the pirated products.

Another potential solution for this problem would be for the countries to identify and to close only the sites that host pirated products available for downloading. Considering that most of the sites are hosted by the USA or the Western European countries, those states would have the necessary technology and knowledge in order to close those sites, without chasing every single person that downloads a certain application and invading his private life. Also, the penalties should be stricter for the owners of those sites, and eventually they should be banned from accessing internet, and not the persons who are only downloading.

The problem could be also tackled by raising the awareness level in the states with the highest level of piracy. In this way, the users would be informed of the dangers that lay in downloading unsecure applications that may contain viruses and other malware that can harm their computers. Many internet users are not aware of the dangers that lay in those downloaded applications and the mentality could be changed through public debates, seminars and other interactive approaches.

To sum up, I consider that although the internet piracy is a hot topic and a serious problem, that affects the intellectual rights, the problem of internet freedom should also be taken into consideration. Thus, whatever solution will be found by the EU, the United States or any country or international organization, the internet user should have his right to privacy. As statistics show, the problem has not increased in the recent years, thus a milder alternative solution could be analyzed in order to tackle this problem without harming the fundamental rights of the citizens.

LINKS TO WATCH OUT FOR

<http://www.euractiv.com/>

<http://www.euroalter.com/>

<http://euobserver.com/>

<http://www.e-include.eu/>

http://ec.europa.eu/europe2020/index_en.htm

http://europa.eu/lisbon_treaty/index_en.htm

<http://www.globalissues.org/>

<http://www.bbc.co.uk/news/> (check out the Q&A section)

<http://www.foreignpolicy.com/>

<http://www.pp-international.net/>

http://eacea.ec.europa.eu/education/eurydice/documents/thematic_reports/122EN.pdf

<http://irevolution.net/>

<http://www.ilga-europe.org/>

<http://www.japonartesesencinas.org/estudiosjaponeses/articulos/environmentalprotection.pdf>

<http://ideas.repec.org/p/wbk/wbrwps/2510.html>

http://www.eurosfaire.prd.fr/7pc/doc/1311859294_keba11001enc_002.pdf

http://transatlantic.sais-jhu.edu/publications/books/europe_2020_exec_summary.pdf