

*Comparative analysis of Lithuania and Belarus*

**POVERTY ERADICATION MEASURES  
AND THE ROLE OF CIVIL SOCIETY**

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## **I. International obligations for eradication of poverty and their monitoring**

### **1. Millennium Development Goals**

Since the 60's, the governments of various countries have made considerable progress in eradicating poverty around the globe, often with the support of the United Nations. However, despite of the achievements, over one billion of people are still suffering from severe poverty (in 1990, the income of 1.8 billion people was lower than USD 1.25 per day, and in 2005, such was the income of 1.4 billion people): they lack food, clean water, and essential health care and social services. Life expectancy of the majority of residents of the poorest countries is half the life expectancy of rich countries' residents: the poor live 40 years shorter than the people with sufficient income, who live 80 years. Poverty and inequality are often the causes of armed conflicts, civil wars, and national crises.

**Millennium Declaration.** Eradication of poverty is a priority of the United Nations system. In September 2000, the world leaders gathered in the United Nations Headquarters in New York and agreed to the *United Nations Millennium Declaration* based on the resolutions adopted over the last decade in United Nations conferences and summits. In the summit, when discussing the global development agenda <sup>1</sup>, the main focus was on the Millennium Development Goals (MDG): a list of quantifiable goals and targets with clear deadlines of implementation, which would help to overcome poverty, famine, illiteracy, disease, environmental degradation, and discrimination of women. These goals are the framework followed by the international community working towards the common end: making sure that human development reaches everyone, everywhere. The Millennium Goals are based on the essential human rights to health care, education, housing, and safety. The following key goals were set:

- ❑ Eradicate extreme poverty and hunger;
- ❑ Achieve universal primary education;
- ❑ Promote gender equality and empower women;
- ❑ Reduce child mortality;
- ❑ Improve maternal health;
- ❑ Combat HIV/AIDS, malaria and other diseases;
- ❑ Ensure environmental sustainability;
- ❑ Develop a global partnership for development.

The eight MDGs break down into 21 *quantifiable targets* that are measured by 60 *indicators*. Eight goals, eighteen targets, and 48 indicators – such was the initial idea approved by the global community in 2001. Later on, the list was supplemented by three targets and 12 indicators related to eradicating poverty, improving maternal health, combating HIV/AIDS, and environmental sustainability. More information on MDG indicators is available in the official website of MDG indicators (<http://unstats.un.org/unsd/mdg/default.aspx>). This site presents

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<sup>1</sup> Beyond the Midpoint: Achieving the Millennium Development Goals. UNDP, January 2010

the official data, definitions, methodologies and sources for more than 60 indicators to measure progress towards the Millennium Development Goals.

Since the adoption of MDG agenda, the governments, international and national support agencies, and civil society organisations (CSO) of different countries have amended their activity strategies based on the set goals. Most of CSOs have been working to meet the objectives represented by the Millennium Development Goals for a long time now: promotion of gender equality, fighting poverty, contagious diseases, environmental degradation, and illiteracy. The activities of civil society in recent decades have been very significant in achieving the international consensus for poverty reduction targets<sup>2</sup>

At the midpoint in Millennium Goals timeline (2010), great progress has already been made. It is expected that the poverty in the world will be reduced by half. In all regions of developing countries, primary school enrolment is at least 90 percent; 80 percent of children in developing countries are vaccinated against measles. 1.6 billion people have gained access to clean drinking water since 1990. However, despite of the success with some goals, the greatest work is still ahead. Some goals and targets are likely to be missed unless additional action and more efficient measures are taken<sup>3</sup>.

Achieving MDGs is now a more complex task as the development is facing more challenges than ever before. Global economical recession, food safety crisis, the scale and duration of which is still difficult to foresee, climate change - all this has a direct effect on the attempts to eradicate poverty and achieving MDGs at the widest scale possible.

*The 2010 MDG Summit*, which targeted to bring the Millennium Development Goals to the focus of the society once again, reaffirmed that consensus across Member States can be reached on issues of global importance. This is crucial in the current phase of globalisation, when the world realises that it needs a strong multilateral system more than ever. The summit recommitted the governments, businesses, non-governmental organisations (NGOs), UN agencies and donors to accelerate MDG implementation in the last five years before the end of MDG implementation timeline.

**The role of UNDP in implementing the MDG agenda** United Nations Development Programme (UNDP) is a global development network uniting 166 countries. This organisation playing an important role in combat against poverty was appointed by the UN Secretary-General to manage and supervise the implementation of MDG in the United Nations system (more information is available in the website: <http://www.undp.org/mdg/>). UNDP cooperates with many partners promoting the formation of pro-change unions, which would support the implementation of the Goals at the global, regional, and national level, assess the results achieved and help the countries to create necessary institutional capacities, political strategies and programmes to implement the Millennium Goals. UNDP closely cooperates with UN organisations at the national level with a view to:

- Inform the society about the Millennium Development Goals and encourage the countries or regions to accept and adapt them;
- Help the countries to develop capacities that would allow assessing necessary means to achieve the Millennium Goals, create a policy, strategies, and plans; To this end, UNDP is organising consultations and training, conducting research, creating planning and information management measures;

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<sup>2</sup> <http://www.unmillenniumproject.org/documents/MainReportChapter8-lowres.pdf>

<sup>3</sup> [http://www.undp.org/poverty/focus\\_mdg\\_strategies.shtml](http://www.undp.org/poverty/focus_mdg_strategies.shtml)

- ❑ Provide assistance to countries to ensure more active implementation of the initiatives to achieve the Millennium Development Goals in such areas as procurement, human resources, and finance management;
- ❑ Help the countries in presenting the performance reports.

**From international obligations to national responsibility.** Millennium Development Goals undertaken to achieve by 2015 are not only global, but also local objectives, adapted by each country to its specific needs of development. International obligations are represented in national development agendas of many developing countries. Since the adoption of Goals in 2001, they have been like a catalyser promoting national poverty eradication and development efforts <sup>4</sup> Adjustment of MDG targets and indicators in accordance with the priorities, conditions and challenges of a country is the first step of a country in assuming responsibility for this development agenda. Moreover, localization of MDG (adapting national goals so that they were relevant, appropriate and achievable at the local level) is prerequisite for strengthening the responsibility of local communities for their development plans and helping them to engage in fulfilment of the Goals at the local level. Localization of MDG allows the local governments to inform the national government about the specific needs in a region. Localization of MDG in medium-income countries helps to draw the focus to more poverty-stricken regions and having identified them, to enhance the efficiency of essential services (e.g. Millennium Development Goals Report for Lithuania <sup>5</sup>). Medium-income countries that have already achieved global targets may set even more ambitious objectives to improve the quality of the results in the same areas or achieve the same success in other areas <sup>6</sup>.

When creating and implementing the MDG agenda, an important role is played by civil society organisations, which promote the adoption of MDG targets relevant at the national level and point out that when implementing the Goals at the national level, the most vulnerable regions and groups (ethnic minorities, poor regions, socially excluded groups) are often overlooked. Moreover, CSO often contribute in preparing shadow MDG reports, which may indicate the gaps in MDG progress in order to encourage the policymakers to give special attention to the most disadvantaged regions and communities in the development agenda. The UNDP overview of the factors influencing the achievement of MDG <sup>7</sup> emphasizes that civil society organisations linking respective goals with the national and local political agenda and promoting a deeper dialogue and better involvement of the citizens play an important role in adapting Millennium Goals to the specific situation and context in a country.

**Funding of MDG agenda** An important aspect of achieving Millennium Development Goals is the mobilisation of sufficient financial resources. This is why the *Millennium Summit* of 2000 was followed by an international conference to discuss the financing for development in 2002 in Monterrey. The Monterrey Consensus established a new commitment: to increase the *official development assistance (ODA)* by approximately USD 16 billion by 2006. United Nations Development Programme Human Development Report 2003 states that Millennium Development Goals will be achieved by 2015 only if the poor countries implement the reforms in various areas and the rich countries help them by providing more favourable trading conditions and increasing the assistance <sup>8</sup>.

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<sup>5</sup> [http://www.undp.lt/index.php?page=national-mdgs-reports&hl=en\\_US](http://www.undp.lt/index.php?page=national-mdgs-reports&hl=en_US)

<sup>6</sup> Social Exclusion and Integration in Poland. Ministry of Labour and Social Policy, 2006, Warsaw

<sup>7</sup> Beyond the Midpoint: Achieving the Millennium Development Goals. UNDP, January 2010

<sup>8</sup> Human Development Report 2003, UNDP, 2003

At the G8 Summit in Gleneagles and UN World Summit in 2005 the donors committed to increase their aid to poor countries and to allocate a certain percentage of gross national income (GNI) to them. Unfortunately, the economical slow-down in 2008 resulted in a lower GNI rate of the developed countries than expected and therefore, monetary commitments for 2010 decreased to approximately USD 126 billion (at constant 2004 prices). Moreover, the economical recession delivered a heavy blow to the budget of developed countries. Although the majority of initial commitments remain valid, some major donors have reduced or postponed the commitments undertaken for year 2010<sup>9</sup>. The aid provided by many donors is still below the 0.7 percent of gross national income level set by the United Nations. In 2009, 0.7 percent or even a larger proportion of GNI was allocated only by Denmark, Luxembourg, the Netherlands, Norway, and Sweden.

## **2. Poverty assessment indicators**

The standards of social statistics were first set in the United Nations reports published in the 50s. These documents emphasised the necessity for the researchers, policymakers, and especially international community to follow international social and economical indicators.

The particularity of the United Nations and UNDP activities require complex indicators to assess various aspects of complicated and multiple social phenomena. One of the most often used indicators is the *Human Development Index* (HDI) proposed by UNDP. This index was introduced in Human Development Report 1990 and by combining three essential aspects into a composite index:

- ❑ Life expectancy (measured by lifespan);
- ❑ Education (measured by the mean of literacy of adults);
- ❑ Income (GDP per capita by PPP (purchasing power parity)).

This index is by no means a comprehensive indicator of human development (the notion "human development" is accepted in the literature of development economy and means the development of human possibilities, enhancing the opportunities of choice, strengthening the freedom, and fulfilment of human rights). This index based on the above components is not only related to economical wealth like GDP. When calculating this index, it is attempted not only to assess the income, but also take into account two important aspects of life: life expectancy and basic education. The welfare and freedom are affected by many factors: political, economical, social, legal, and other interrelated factors. HDI is based on several specifically selected factors and some factors have more weight than others when calculating this index. If more factors were included in this index, they would reduce the significance of already included variables<sup>10</sup>.

However, the advantage of HDI is that it allows seeing the progress of people and the complex relation between the income and welfare of people more widely<sup>11</sup>. HDI represents a positive relation between the income on one side and health and education on the other side and demonstrates that the residents of richer countries are usually healthier and have more possibilities to learn. This index also discloses that some countries are able to turn their wealth into the possibilities to receive health care and education better than others<sup>12</sup>.

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<sup>9</sup> The Millennium Development Goals Report, UN, 2010

<sup>10</sup> Readings in Human Development: Concepts, Measures and Policies for a Development Paradigm. UNDP 2003

<sup>11</sup> Human Development Report 2006, UNDP

Based on the principle of HDI, several other indicators were proposed to assess the gender equality and rights: *gender-related development index (GRDI)* to assess the inequality of achievements of women and men; *gender empowerment measure (GEM)* to assess the possibilities of women and involvement in political and economical decision-making as well as the power in terms of economical resources; and the *human poverty index (HPI)*, which measures the deprivation in three essential dimension of human development introduced in Human Development Report 1995.

Human Development Report 2010<sup>13</sup> introduced three new indicators, including important aspects of distribution of welfare assessing the inequality, gender equality and poverty:

*The Inequality-Adjusted Human Development Index (IAHDI)* adjusts the Human Development Index (HDI) according to the inequality of distribution of each dimension among the country residents. Using this index, the inequality in HDI dimensions is assessed by deducting the average value of each dimension according to its level of inequality. IAHDI is equal to HDI when there is no inequality among the residents, and as the inequality increases, this index becomes lower than HDI.

*Gender Inequality Index (GIE)* represents the disadvantageous situation of women in three dimensions - reproductive health, rights, and labour market. This index may be used to assess any number of countries if only necessary data of adequate quality is available. GIE demonstrated the lag of human development due to the inequality of achievements of women and men in these dimensions. The index value varies between 0, which means that women and men are equally successful, to 1, which means that the achievements of women in analysed dimensions are as bad as they can be.

*Multidimensional Poverty Index (MPI)* helps to determine the multiple deprivation sustained by people, which affects their health, education, and the standard of living. When calculating this index, the microdata collected in surveys of households are used. All indicators necessary to calculate the MPI have to be obtained from the same survey. Each resident of a household is classified as poor or not poor depending on the deprivations suffered by his/her household. Then this data are used in calculating the National Poverty Index. It was established that multidimensional poverty is suffered by approximately 1.7 billion people (one third of residents in 104 countries, where the MPI is calculated). The number of people living in such poverty is 0.4 billion higher than that of people receiving USD 1.25 or less per day.

### **3. The importance of national poverty monitoring and assessment systems**

Solving the problems of poverty and seeking to achieve MDG requires effective policies to promote inclusive development. The design and efficient implementation of policies for social inclusion require a good system of information to analyse and understand various aspects of poverty and social exclusion and their development and to find out what impact do development policies and programmes have on poverty. Setting up a national poverty monitoring and assessment system is fundamental to the design of effective poverty reduction policies and helping the governments and the international community to keep track of progress towards the MDGs<sup>14</sup>.

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<sup>13</sup> <http://hdr.undp.org/en/reports/global/hdr2010/>

<sup>14</sup> [http://www.undp.org/poverty/focus\\_poverty\\_assessment.shtml](http://www.undp.org/poverty/focus_poverty_assessment.shtml)

UNDP helps the developing countries to set up comprehensive poverty monitoring systems and to promote evidence-based design of poverty eradication policy (based on available information and data).

#### **4. The role of civil society in implementing the MDG agenda**

It is essential that national policies for implementation of Millennium Development Goals were supported by civil society organisations, the role of which in the field of development is very different from other interested parties. These organisations represent important segments of residents and answer to the needs of various communities.

**UN(DP) mandate for cooperation with civil society.** The importance of UN(DP) cooperation with civil society is emphasized in the United Nations Charter as well as in several UN resolutions with a special focus on civil society. The necessity to engage the members of civil society is also emphasized in the *Millennium Declaration*.

UNDP mandate for cooperation with civil society is approved by the UNDP strategic plan (2008-2011), which emphasizes the involvement of civil society to promote involvement-based development, good management, integrated growth, and national responsibility.

Finally, the fundamentals for involvement of civil society in increasing the efficiency of aid were laid after the adoption of Paris Declaration and Accra Agenda for Action<sup>15</sup>. Both documents emphasize the importance of cooperation with civil society and encourage to provide favourable conditions for its activities.

*The Millennium Project*<sup>16</sup> was initiated in 2002 by the United Nations Secretary-General with a view to create a particular global action plan to achieve the Millennium Development Goals and overcome severe poverty, hunger and disease, suffered by billions of people across the globe. In 2005, an independent advisory body presented to the Secretary-General the completed recommendations set forth in the book *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*<sup>17</sup>. The experts from around the world (researchers and scientists, policymakers, NGO representatives, UN agencies, World Bank, IMF, and representatives of the private sector) worked in designated topical groups to prepare particular recommendations. The recommendations presented by the experts (the summary is provided below) indicate how social society organisations could amend their activities to contribute to achieving the MDGs. However, the experts emphasize that this can only be done if the organisations have the political freedom, clear institutional functions, cooperation methods for implementation of programmes, and, in some cases, financial and educational resources.

At the national level, civil society organisations may contribute to the MDG-based poverty eradication strategies at least in four ways:

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<sup>15</sup> [http://www.oecd.org/document/18/0,3343,en\\_2649\\_3236398\\_35401554\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html)

<sup>16</sup> <http://www.unmillenniumproject.org/index.htm>

<sup>17</sup> <http://www.unmillenniumproject.org/reports/fullreport.htm>

- 1) public encouragement to solve the most painful development problems;
- 2) helping to design strategies for achieving each objective;
- 3) cooperating with the governments in implementing more effective investment programmes;
- 4) monitoring and assessing the implementation of Millennium Development Goals.

At the international level, civil society organisations may educate global society about the Millennium Goals, share the good practice and know how with the governments and provide the services directly.

- 1) **Informing the society.** In each country, civil society organisations may try to draw the focus of society to Millennium Development Goals and planned or possible measures to achieve them. CSOs may team the people up and encourage them to demand the accountability of decision makers thus encouraging them to include the Millennium Development Goals into the national agenda. CSO strategic alliances/national platforms cooperating with national governments, local authorities and international community may inform the society about the commitment of the government to achieve the Millennium Goals and to strengthen the support for implementing these Goals inside the country, emphasize the priority questions of development, which should be immediately addressed by the government, and ensure that the needs of various groups, and especially most vulnerable ones (ethnic minorities, socially excluded people, residents of poor regions, etc.), are taken into account. Informing the society is also very important in developed countries – it helps to strengthen the support of society members to achieve the 8th Goal: Develop a global partnership for development. This Goal may be achieved by encouraging the government to provide more and better quality aid for development to the poor countries.
- 2) **Assistance in creating the policy.** Civil society organisations play an essential role in creating the policy. These organisations should be officially involved in creating MDG-based poverty eradication policies. The experience of various countries indicates that the degree of openness when creating a policy may have a direct impact on the quality of policy and efficiency of its implementation. CSOs may contribute by indicating the priority areas for investment, priority regions and communities, helping to design efficient implementation strategies and define the priorities of national and local funding, involving the women in creation and implementation of these strategies, and ensuring that poor and marginalised groups are the main beneficiaries. CSOs may also provide the information on the barriers faced in achieving the Goals and help to identify various resources necessary in organising the interventions. If the problems of socially excluded and marginalised groups are not taken into account in political debate, national MDG-based poverty eradication policies will leave out the most vulnerable groups, satisfying the needs of which those policies are aimed at.
- 3) **Increasing the efficiency and scale of services.** Based on the recommendations of the Millennium Project experts, civil society should cooperate with the government to increase the efficiency and scale of investing in the following ways: 1) involving local communities, which in practice would mean the involvement of direct beneficiaries and underrepresented groups (especially women) in the decisions related to the provision of services; 2) increasing human capacities: training of teachers, community workers and health care specialists; 3) strengthening local governing: close cooperation of local community and government in creating the mechanisms, which would help the local community to use the existing institutions more efficiently; 4) paving a new path in the

field of providing the services, i.e. some civil society organisations may invent new efficient models of providing the services, which could be used at a wider scale by the government, learning from the organisations to reach the hard-to-reach locations and regions of conflict.

- 4) **Monitoring and assessment.** Civil society organisations may also monitor and assess the progress - it is very important in increasing the accountability. These organisations may indicate the regions where the progress is slow and where additional measures are necessary. CSOs could participate in transparent preparation of governmental expenditure statements. Moreover, these organisations could inform the society about the progress already made. In order to ensure better monitoring of the progress, CSOs should be granted access to budget documents, which could be publicised by those organisations. Civil society organisations that contribute to monitoring and assessment of MDGs implementation should be allowed to be involved in the assessment of governmental activities by participating in national MDGs overviews and implementing budget monitoring and audit.

*International* civil society organisations also play an important role in achieving the Millennium Goals as they mobilise transnational assistance, share good practice and know-how and contribute to providing direct services. International civil organisations implementing the activities of support and information dissemination may also help to draw attention to the countries facing challenges in the field of development and influence the governments and donor community. International CSOs may provide technical and political assistance to developing countries and serve as know-how centres.

They also organise the services of health care, education and infrastructure in several most dangerous regions of the world, often in cooperation with multinational assistance providers. Civil organisations are often the first to reach the regions devastated by conflict or natural disasters and react even faster than the governments.

## II. European Union social policy and its development

### 1. Origin of EU social policy

One of the policies of the European Union, which is not entirely in the remit of the EU, is social policy. In this field, the European Union cannot dictate the countries how to manage their social affairs, but it does set certain guidelines. The European Union was founded so that the Member States had common interests and social policy is one of them, although in many aspects it is exclusively dependent on the national outlook of a country. Despite of poor authority of the European Union institutions in the field of social policy, common social policy is relatively successfully developing. Social regulation of the fields related to the single market, i.e. labour law, occupational safety requirements, social rights of migrant employees, and gender equality, have been among the top factors of social progress of the countries since the establishment of EU. European Union institutions emphasize it in their directives to the Member States.

Although the social policy was never entirely in the remit of the EU, EU institutions helped the EU Member States to find a compromise and create a united social policy.

The provisions for social policy are included in the **European Coal and Steel Community Treaty** of 1951. The Treaty establishing the European Community (hereinafter – EC) provided for improvement of living and work conditions as one of the goals of integration. The legal basis of the social policy was established in the **Treaty establishing the EC** signed on 25 March, 1957 in Rome: the preamble states that the EU was established having "*resolved to ensure the economic and social progress of their countries by common action to eliminate the barriers which divide Europe*". Article 2 of the Treaty states that the Community "*shall have as its task <...> to promote throughout the Community a harmonious, balanced and sustainable development of economic activities, a high level of employment and of social protection, equality between men and women <...> and economic and social cohesion and solidarity among Member States.*"

Fields of Community activities:

- a. the promotion of coordination between employment policies of the Member States with a view to enhancing their effectiveness by developing a coordinated strategy for employment;
- b. a policy in the social sphere comprising a European Social Fund;
- c. the strengthening of economic and social cohesion;
- d. a contribution to the attainment of a high level of health protection.

These objectives were intended to be achieved through the **European Social Fund** (hereinafter ESF) and coordination of activities and cooperation of Member States. The establishment of the Fund was the next step towards the creation of social policy. The main role of the Fund established in 1960 was to improve the employment opportunities for labourers. The newly established Fund used to fund transferring and retraining measures and first of all was beneficial

to wealthier Member States, which were more skilled in preparing applications for assistance: until 1972, half of the financing from the Fund was allocated to the Federal Republic of Germany. In 1972, strict national quotas were introduced to ensure that a large proportion of Fund resources were allocated to poorer Member States. Later on, in the 80s, the majority of resources were allocated to help young people find a job.

In 1961, in Turin, taking into account the higher development level of European countries and seeking to ensure better and more concrete social rights of people and the efficiency of their protection, the European Council (hereinafter – EC) initiated the signing of the **European Social Charter**. It was a declaration of social rights and work conditions of the employees. The Charter significantly contributed to the development and humanisation of economical and social relations in European countries.

At the beginning of the 70s, EU institutions started seeking to ensure the social dialogue in Europe. This conception was first introduced in the Single European Act (Article 118b and later on specified in Article 3 of Maastricht Treaty Social Protocol) and it means that the countries maintaining a social dialogue should cooperate in creating a single market and social policy. The social dialogue may be also referred to as social partnership at the European level. From the beginning of the 70s, the social dialogue became an essential part of social policy.

Before 1974, when the first “social action programme” was adopted, the actual EU social policy came into effect, which was previously limited to the activities of ESF. A system ensuring social benefits to persons working in another Member State was introduced. It was done seeking to achieve one of the key goals of the single market – free movement of labourers. From the middle of 70s, the social policy focused most on particular action programmes, such as occupational health and safety, ensuring equal opportunities for women, integration of disadvantaged groups into employment relations. Only several fields of activities of this social policy had a specific legal foundation. Social policy programmes were based on the provisions of general competences and required a univocal approval of EC.

The development of united social policy in the 70s was slow due to one reason: some Member States did not want to grant a lot of authority to the EC in adopting the legislation for social policy. It was only at the end of the 80s that the Member States, with the exception of Great Britain, agreed on the new Social Charter protocol. In 1989, an additional protocol to the 1961 Charter was signed, which supplemented the Charter with new rights: the right of hired employees to have equal opportunities for work and vocation without discrimination by gender, the right to information and consultation in companies, the right for the representatives of employees to participate in establishing and improving work conditions, and the right of elderly people to social support. In 1991, the **Maastricht Treaty** was supplemented by this mandatory protocol for social policy. Although the goals of social policy are set forth in the Treaty, it is noteworthy that there are no wider labour rights established; moreover, the provision that the decisions related to labourers' rights and social protection have to be made unanimously remains. The application of social protocol allowed the EC secondary legislation, which is only applicable to some Member States, to occur for the first time in the Community history.

In 1993, the Commission presented a consultative document and in July 1994, on the basis of the Green paper, published the **White paper** on the issues of social policy, growth, competitiveness and employment in Europe. However, the most important date and phenomenon of the 90s was the **Amsterdam Treaty** of 1997. In the Second Summit of the European Council social cohesion was defined as one of the key priorities for the future. It was

decided that the formation of the social cohesion strategy would be the responsibility of the European Social Cohesion Committee. Moreover, the social protocol was reintroduced in the Treaty, as after the change of government of Great Britain, the country finally agreed to adopt the social protocol policy. In 2001, the Committee of Ministers approved the social cohesion strategy prepared by the Committee. It sets forth the precise action programme of the European Council for the next years. In 2004, the **EU Constitution** was formed on the basis of all treaties.

## **2. EU social policy goals and objectives**

**Keeping up with the pace of change.** Modern economies are based on knowledge rather than raw materials or physical labour. To compete successfully with new emerging economies, Europe must create the jobs needed by a dynamic, knowledge-based society. This requires investments in education and in science, as well as in employment policies geared to keep up with the pace of change and see the EU through the global economic crisis. EU countries work closely together to meet these challenges, sharing objectives and policies which are mutually supportive.

### **Creating economical growth and jobs**

The Lisbon Strategy, the EU's strategy for creating growth and jobs in a sustainable manner, promotes innovation within businesses and investment in people to create a knowledge-based society. A special focus is on lifelong learning and promoting research and development.

The strategy also seeks to attract more people into employment, keeping them in work longer as life expectancy rises. Moreover, improving the adaptability of workers and enterprises, providing better education and skills and adapting social protection systems to the challenges of innovation, globalisation and mobility are also necessary. The new approach must combine flexibility and mobility in labour markets with robust social security guarantees, i.e. ensuring the flexicurity in the labour market.

The Lisbon Strategy took on a new importance when an economic crisis hit Europe in 2008. It will help for economical recovery by boosting demand and restoring confidence in the European economy. The EU also puts in effort to reduce the short-term employment impact of the economic crisis and improve the long-term job prospects of the EU workforce. It is done by matching jobs to vacancies better and by anticipating labour market needs. For example, if there is a current surplus of textile workers but a foreseeable shortage in the tourist industry, textile workers could be retrained.

**Workers' rights and social protection** The drive for more and better jobs is not at any cost. The European Union's long tradition of ensuring a decent working environment throughout the EU and of protecting workers' rights continues to hold good. Common standards for all cover minimum rules on working conditions, collective redundancy, part-time and temporary work, health and safety at work, maternity and parental leave, equal pay for equal work, and protection against sexual harassment.

Social dialogue between worker representatives and employers is also a cornerstone of EU policy. Reliable labour relations strengthen worker protection and contribute to competitiveness. In addition, the European Commission encourages corporate social responsibility, which requires companies to take social and environmental concerns into account when doing business.

The EU has also advanced social welfare systems and there is no question of jettisoning these, although safety nets should not be a disincentive to work. EU leaders have also agreed that pensions and quality health care are basic rights, though the cost must be sustainable.

**Equal opportunities.** Equal opportunities for all are a basic tenet of EU policy. Across the EU, common legislation outlaws discrimination on the basis of gender, racial or ethnic origin, disability, sexual orientation, age, religion or belief. The EU has specific strategies for combating discrimination and xenophobia and for promoting social inclusion.

**Investing in people.** Investing in people is crucial to the jobs and growth strategy. The European Social Fund is the main instrument here, spending EUR 77 billion between 2007 and 2013 to improve access to employment, increase the adaptability of workers and enterprises and develop institutional capacity in disadvantaged regions. The European Globalisation Adjustment Fund has EUR 500 million available annually to provide personalised support to workers made redundant as a result of global trade liberalisation and increased competition. The Fund will also be used to help workers who have lost their jobs due to the financial crisis to retrain and find new employment.

**The right to mobility.** One of the European Union's major achievements has been to ensure that the right of its citizens to live and work anywhere in the EU carries with it the entitlement to social benefits, including healthcare. The EU encourages worker mobility for the benefits it brings to the individual in terms of personal and career development and as a means to match skills to demand. To make job mobility easier, the public employment services of all EU countries advertise job vacancies through the EURES website, a one-stop-shop where more than a million vacancies are advertised.

### **3. EU social policy development directions**

#### **1) Freedom of movement**

The analysis of the creation of EU social policy and the related labour market policy should be started at the beginning of European integration in year 1958-1973, when the labour market policy was only under creation. Under capital restructuring and important changes in the labour market, i.e. creation of a common labour market, one of the EU goals was to use these advantages to the maximum. Therefore, the Treaty of Rome meant not only that EU citizens had the right to be employed everywhere, but also that the citizens of other countries could not be discriminated against in terms of salary and work conditions.

The Directive of 15 October 1968 – a framework of measures. A worker having arrived to another country of the Community may engage in any economical or social activities and receive payment for them, regardless of the Member State he/she has arrived from. The Directive distinguishes the following measures to implement free movement of workers:

- the right to equal pay (the right to choose to work);
- the right to come to a Member State (validity of personal documents, passport);
- the right live permanently in a Member State (at least 5-year visa);
- the right to remain in a Member State.

The European Court of Justice recognized free movement of workers as one of the fundamental human rights representing its social or "humane" meaning in this conception. Therefore, the Court has extensively developed the social results of this right.

## 2) Equal rights of men and women

The European Union is lately putting in increasingly more effort to achieve equal opportunities for men and women. Now the Member States of the Union are striving to have the achievements of women's rights applied in associated states as well.

The fundamental principal of equality integrated in the Treaty in order to prevent unfair competition is also recognized in the EC Treaty. It sets forth that men and women must receive equal pay for equal work. Equal pay without discrimination by gender means that:

- in the event of remuneration by units of work, the pay for equal work must be calculated using the same measurement unit;
- in the event of hourly remuneration, the pay for equal work must be equal.

Moreover, one should not forget the European Court has declared the principle of equal opportunities as fundamental law in the Community law. Therefore, the directives implementing the principle of equal opportunities are considered of special importance in the internal legislation system.

The main EU directives on equality and non-discrimination emphasize the following problems:

- Equal pay for work. Article 119 of the Maastricht Treaty obligates the EU Member States to pay equal salary - gender discrimination is prohibited everywhere, where the pay and work conditions are concerned: in the laws, employment contracts, and individual contracts.
- Equal employment opportunities. It means equal treatment of women and men when employing them, organising training, promoting, and providing work conditions.
- Equal treatment of self-employed persons. It is attempted to eliminate gender discrimination, when indicating the marital status is required.
- Maternity leave and pregnant employees. The Directive adopted in 1992 provides for fourteen weeks of maternity leave. The Directive also obligates the employers to pay attention to work conditions dangerous to pregnant women and to correct them, transfer a woman to another workplace, or grant her a leave. Pregnant women and women with small children are not required to work at night.
- Equal social guarantees. The Directive that came into effect in 1979 seeks to eliminate direct and indirect gender discrimination when providing support in case of disease, old age, occupational disease and incapacity to work. The Directive also allows the Member States to set a different retirement age for men and women for the time being.
- Gender discrimination. The European Commission proposes to amend the laws on evidence in the cases of gender discrimination. Current laws require that an employee provided evidence that he/she was discriminated against. However, European trade unions want the employers to prove it is not true during the process. The EC proposes a compromise: the legitimacy should be proved by both the employee and the employer.

### **3) Social security**

Social integration is the right of a person to all general privileges of being in a particular state of the EU. In other words, working people from other Member States are subject to the same regulations and privileges in terms of accommodation, participation in the activities of trade unions, and provided social guarantees as for local residents. They and their family members are also entitled to social benefits, student scholarships, the guarantees for women raising small children, or exemptions for various social needs.

Social welfare system servants and private entrepreneurs as well as their families are guaranteed not only to receive the compensation for family maintenance expenses, but also respective compensation in the event of disease, disability, accident at work, incapacity to work, etc. Most important is the attempts to ensure that no one loses their rights to available social guarantees and no one becomes disadvantaged only because of free movement within the EU states.

EU Member States have full freedom to develop social security systems. Harmonisation of legislation is not required in any field of social security. They are only coordinated to ensure that migrating workers do not lose some social rights gained in one of the Member States after moving to another Member State. The legislation is coordinated in all fundamental fields of social security: disease and maternity benefits, disability, old age and survivor's pension, accident at work and occupational disease benefits, unemployment and family benefits.

*EU social security provisions are based on four key principles:*

- a. Only the legislation of one country can be applied. This protects the workers from double payment of social contributions and guarantees their insurance in the states of their work.
- b. Equal treatment. EU Member States ensure equal rights and duties to all employees working in the country.
- c. Retaining gained rights. The pension allocated in a Member State is also payable to a person if he/she lives in another state.
- d. All insurance and residence periods are summed up, as the right to benefits depends on qualifying periods in all fields of social security.

### **4) Health care and occupational safety**

Health care and occupational safety in EU Member States has been improved and developed since the previous century. The pace of change was different in individual states, safety and health care improvement measures applied to workers were very different, and the events related to enormous economical expenses and loss of people due to neglect of occupational safety and health care of workers forced the EU politicians to coordinate and improve the legislation in this field.

The requirements in the field of health care are an integral part of other Community policies. Member States coordinate own policies and programmes. The Community encourages the expansion of cooperation with third countries and international organisations.

Naturally, in order to harmonise the legislation among the states, an efficient infrastructure of application covering efficient management of enterprises, appropriate qualification of employees, and qualified inspection of work has to be coordinated. Therefore, labour inspections were founded to ensure the application of legislation and necessary administrative procedures in the field occupational safety and health and they check whether:

- the work in an enterprise is organised so that the defects that could potentially be hazardous to employees at work could be noticed beforehand;
- the employer seeks to prevent accidents and disease;
- the employees and their representatives are encouraged to contribute to creating safe and non-hazardous to health working environment;
- the information provided to the employer and the employees helps to fulfil the requirements of the laws, regulations, and administrative procedures better;
- the neglect of requirements is reported to authorities responsible for administrative requirements applicable to the inspections of occupational safety and health.

## **5) Employment**

Fighting the unemployment is the key problem of the EU, which caused concern and requires constant efforts. Due to high unemployment rate, especially among young people, the social policy is more often seen as the cornerstone of integration. Around a half of unemployment-related issues have to be solved by the governments of EU countries. It is attempted to solve the other half of these problems at the EU level. Creation of a single market marks the beginning of the process, which will encourage the creation of jobs across EU.

It is noteworthy, that for now there are no uniform employment regulations in the Community. National governments and labour laws applicable in individual countries regulate the minimum income, wages, and pensions. The laws regulating the duration of a working week are also different. Some countries do not have them at all. In some countries, the duration of the working week is regulated by special adopted laws, in others – collective contracts. The length of vacation and terms of payment for it are also different. The main problems usually arise due to national traditions, which are hard to combine with a common policy, different economical development, and the differences in the actual purchasing power. Today, developed EU Member States are facing the threat of “social dumping”: the import of cheap goods, the influx of cheap labour force, and the transfer of national companies to the countries with cheaper labour force.

Due to high unemployment rate, especially among young people, the social policy is more often seen as the cornerstone of integration. Today the foreseen economic development only cannot reduce the structural unemployment rate and therefore, the social policy has to be developed the same way like the economical, currency or industrial policy. With regard to the above, EU action plan was adopted, including the following key elements:

- Completion of creating the single market, which would encourage creating jobs, improving work and household conditions, ensure necessary social security, and maintain the social dialogue among the employers, employees, and trade unions across the EU.
- Improvement of the condition of small and medium enterprises by adopting favourable laws.
- Economic and Monetary Union, which can complete the formation of the single market, introduce better price stability, and general benefits both to the producers and consumers.
- European Employment Action Plan with a view to help people to find a job and for their training, consulting and other unemployment fighting measures.

## **6) Education and training**

One of the EU functions is to coordinate and supplement the actions performed by the governments of individual countries in the field of education. The Treaty establishing the European Community provides that "The Community shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action, while fully respecting the responsibility of the Member States for the content of teaching and the organisation of education systems and their cultural and linguistic diversity".

Community actions are aimed at:

- Developing the European dimension in education, particularly through the teaching and dissemination of the languages of the Member States.
- Encouraging mobility of students and teachers, by encouraging inter alia, the academic recognition of diplomas and periods of study.
- Developing exchanges of information and experience on issues common to the education systems of the Member States.
- Encouraging the development of youth exchanges and of exchanges of socioeducational instructors.
- Encouraging the development of distance education.

The Community and the Member States shall foster cooperation with third countries and the competent international organisations in the field of education, in particular the Council of Europe. Education and youth affairs are the questions, where the European Commission cannot do without the approval from the European Parliament. Since the European Union is not entitled to interfere with the national education system plans, it undertakes wider plans: to think over the response of universal challenges of time: technological revolution, trade globalisation, and emerging information society. This is what poses new requirements for the knowledge, skills and competences of each citizen. Therefore, the main objective today is creating the society of learners. As education is closely linked to employment, the relation between education and employment opportunities is direct.

### **III. Lithuanian social security policy and poverty eradication factors**

Society is the foundation of the functioning of each state as a system, i.e. the people living in the territory of a certain country. Therefore a state seeking to implement its political, economical, demographic, cultural and other goals cannot disassociate itself from society and not take into account the needs of the people living in it. When attempting to ensure the welfare of any state and its citizens, social problems are faced. To solve these problems a state must find ways that are most corresponding to the existing situation and to foresee the most efficient measures to eliminate emerging problems. Therefore, the social policy of a state is created.

Social policy cannot be called independent as the amount of national income determining the policy depends on the economical performance of society. On the other hand, implementation of social policy has an effect on the country's economy and the development of other areas of social life.

#### **1. Lithuanian social security policy strategy**

Lithuanian social security policy strategy is related to the objective to reinstate the possibilities of a person to take care of himself/herself and integrate in the society by providing the living conditions that respect human dignity and taking care of a person when the person is not capable of doing it himself/herself. It is an entirety of measures (adopted laws and supplementing legislation), which creates the solidarity among people, who are threatened (or will be threatened) to lose the job and income or savings for special expenses (e.g. old age, disability, disease, maternity, etc.), which is beyond their control.

After the restoration of Independence, the Lithuanian social policy has been implemented in two major directions: creation and implementation of social security and labour policy. Social assistance is a part of social security, which provides monetary and non-monetary assistance to country residents, including the following social services:

- monetary social assistance;
- social pension;
- family benefits;
- social benefit, compensation for heating and other expenses;
- social services;
- services of social care institutions;
- retirement home, home for the disabled, home for orphans and children deprived of custody;
- day centres and common lodging-houses;
- assistance at home;
- nursing at home.

Social services are the support of the state for the residents with low income. Social work is assistance for individuals, groups, and communities. This assistance is provided in non-monetary form and by social care money in order to restore the capability of a personality to function socially, to integrate in the society and take care of himself/herself.

Social services may be provided in the cases when:

- the income is not sufficient under other laws;
- to children deprived of parental custody and orphans;
- homelessness;
- unemployment;
- disability;
- temporary loss of capacity to work due to a disease;
- for single parents or large families;
- alcoholism and drug abuse;
- after release from a place of confinement, custody, social and psychological rehabilitation institution after an accident;
- for solitary people;
- in other cases provided by the law or other legislation when state assistance is necessary.

Social services are allocated for people regardless of their age or social groups:

- old people or disabled adults who have partially or completely lost their independence;
- people in various critical situations;
- disabled children;
- the children deprived of parental custody or abused (physically, sexually);
- the families raising disabled children;
- large families;
- the people at risk (released from places of confinement, abusing drugs or alcohol, infected by HIV, homeless, and the victims of various types of abuse);
- the foreigners seeking asylum in the Republic of Lithuania, refugees and their family members;
- other persons in need of social services according to the assessment of social workers.

Social services are provided by state municipal institutions, non-governmental organisations, religious communities, natural and legal persons. Having analysed each particular case, the social workers decide on the most efficient form of assistance to the customer. It could be:

- a social benefit;
- compensation for heating and hot water expenses;
- free meals;
- accommodation in residential care homes, common lodging-houses;
- support by clothes, goods, etc.;
- providing social services at home.

Similar to the whole world, in Lithuania a demographic change is observed - the ageing of the population. It is determined by the development of medical services, early retirement, and longer life expectancy. The existing structure of the population age and foreseen changes determine the emergence of new social and economic problems; the economic load for working age people is increasing, the need for health care of old people and social services is growing, and the significance of care and support is increasing. The reform of the social support system started in 1990. Social support (care and social work) departments were established in municipalities. Thus, more service providers emerged and the variety of services started increasing.

### **Social integration of the disabled**

In recent years, the focus was on the preparation of the model of complex rehabilitation of the disabled. Thus, in order to achieve equal opportunities for the disabled, a long-term integration of the disabled strategy is being created. In 2001, the preparation of the National Programme for Social Integration of the Disabled 2003-2012 was started, which covers the following main priorities:

- 1) Creating a complex personal assessment system (by objectively assessing applied and applicable complex rehabilitation measures with regard to the condition determined by the disability and the capability to take part in all areas of life);
- 2) Creating a complex rehabilitation system (improving continuous medical, vocational, social, psychological rehabilitation, and development of independent living skills links);
- 3) Creating a system for meeting special needs determined by disability (ensuring a smooth transfer from one part to another in the process of complex rehabilitation and ensuring the parallel meeting of special needs); providing equal opportunities for the disabled to actively participate in all areas of social life (improving educational and employment systems, ensuring equal opportunities to take part in various activities of life).

In order to apply the social security measures to the disabled more efficiently, to improve their capacity to work, independence and integration in the society, the Reform of the Measures of Establishing the Disability and Social Security is being implemented in the following key directions:

- Establishing the degree of loss of capacity to work and special needs: during the reform, it is intended to separate the establishing the degree of special needs and their satisfaction from establishing the degree of the capacity to work;
- Allocation of pensions to the disabled: when solving the issues of allocation of pension, the allocation of social insurance pension and compensations of insurance against accidents at work should be related to the degree of the loss of capacity to work and the factors of loss of wage;
- Solving employment problems: when solving the employment problems it will be attempted to develop various forms of employment: hiring, labour therapy, and general occupation;
- Replacing the privileges by special aid measures: it is intended to replace many of the existing privileges by various social security measures to satisfy special needs, which would allow to ensure the social security of the disabled and the opportunities of full integration in the society more efficiently.

## **2. Social support subjects**

One of the sorest problems in our society is poor families and children in them. One of the main aims of social support is to help satisfy the essential needs for the people who receive insufficient income and their capability to take care of themselves is limited due to objective reasons beyond their control. Therefore, the children and families receive social benefits, social guarantees and privileges.

State support system for families and children is comprised of two major parts: the benefits payable regardless of the assets and income of the family and the assistance to families of low income after assessment of their income.

The following directions are followed in improving the system of social assistance to families and children: creation of economic social environment by reducing unemployment; encouraging vocational activeness; improvement of the system of assistance to families and children;

increasing the responsibility of families for family welfare; creating favourable conditions for families by solving the problems of housing; combining the benefits to families with other forms of assistance, and other measures encouraging the people to integrate in the labour market more actively by acquiring education.

### Social assistance to victims and groups at social risk

If an accident happens to a person, he/she must be sure that the state will not leave its member without attendance and will try to take care of him/her within its means. The Ministry of Social Security and Labour has been developing the social assistance to victims and groups at social risk in two major directions: by preparing and improving the legislation and implementing social programmes for the groups of victims - political prisoners and deportees, participants of armed resistance, volunteer soldiers, the persons having suffered when liquidating the results of Chernobyl nuclear accident, the persons who served in the Soviet Army and suffered injuries or died, and groups at social risk - the persons addicted to psychoactive substances, the persons released from the places of confinement, the victims of forced prostitution and human trafficking.

Solving the problems of elderly people. Elderly people are facing many different problems. They feel like they have become a burden to their family. They have diseases such as coronary diseases, Parkinson's, high blood pressure, senile dementia; some of them are widows/widowers. Beside the moral trauma, they are suffering from material deprivation. After the adoption of the law on social services, the possibility for elderly people to receive social services at home was provided. Such services are usually required by old people, who are disabled and cannot take care of themselves.

The fact that out-patient care is 10 times cheaper also encourages seeking the variety of forms of social care. It provides a possibility to help more old people with the same limited resources.

Social insurance. Social insurance is a part of social security system funded by special contributions and paying the benefits related to those contributions:

- pension insurance,
- disease and maternity insurance,
- health insurance,
- insurance against accidents at work, unemployment insurance.

State social insurance constitutes the fundamental part of social security system. It covers nearly all residents of Lithuania and more than one third of them receive the social insurance benefits, which ensure the income for the insured in the event of loss of capacity to work due to a disease, maternity, disability, old age, and other cases.

The measures of social security create solidarity among people who have lost income from work or are facing special expenses. Solidarity is possible at the level of one generation (between the healthy and the diseased or between the employed and the unemployed)<sup>18</sup>

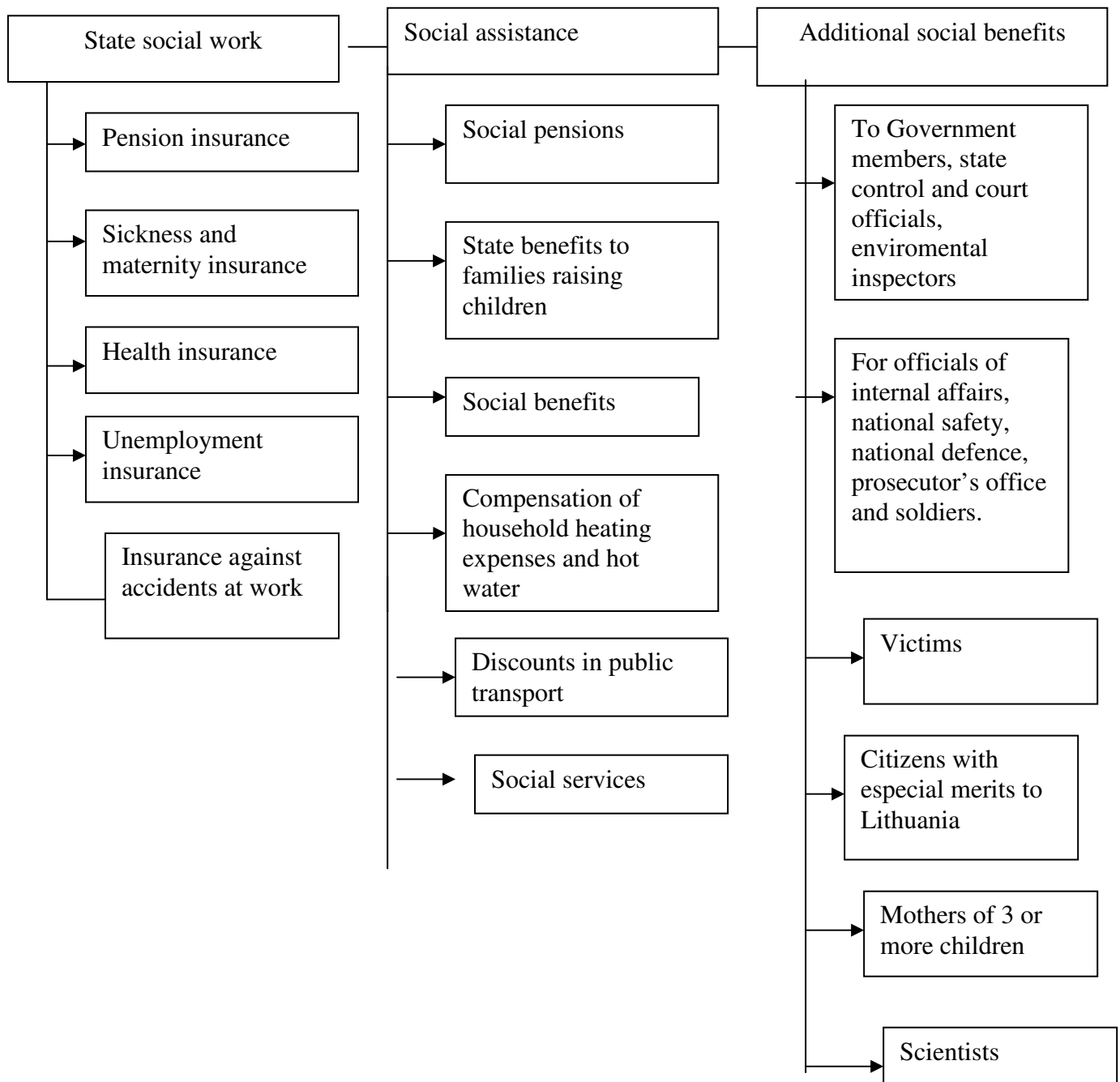
The major part of Lithuanian social security is based in the principle of social insurance. Around 80% of all social security expenses are allocated for social insurance. Social insurance covers around 1.3 million of working residents of Lithuania, who pay social insurance contributions from their income of work.

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<sup>18</sup> Lazutka R. Socialinė apsauga // Žmogaus socialinė raida 2001. P 131 – 147.

The reform of social security system of Lithuania was started after the restoration of Independence. In 1990-1991, the foundations of social insurance and social support system were laid.

## Lithuanian social security systems <sup>19</sup>



<sup>19</sup> Lazutka R. Socialinė apsauga // Žmogaus socialinė raida 2001. P. 131 – 147

In Lithuania, social security is applicable to all people. The main rights to social security are guaranteed by the Constitution of the Republic of Lithuania. Article 52 provides for the right to receive old age and disability pensions as well as social assistance in the event of unemployment, sickness, widowhood, loss of the breadwinner, and in other cases. Article 48 ensures the right to social security in the event of unemployment. Article 39 provides for social assistance to families: "The State shall take care of families that raise and bring up children at home, and shall render them support according to the procedure established by law." In addition, it ensures the provision to working mothers of a paid leave before and after childbirth as well as favourable working conditions and other concession.

The main laws of social security in Lithuania, which elaborate on the Constitutional provisions are the Law on the Principles of State Social Security System, the Law on Individual Income Security, the Law on State Social Insurance, the Law on State Social Insurance Pensions, the Law on State Social Assistance Benefits, the Law on State Benefits to Families Raising Children, the Law on Basic Social Services, etc.

The Law on State Social Security adopted in 1990 provides that social security is applicable in the cases provided by the laws:

for persons who are of a pension able age and persons who, as a result of their age, cannot work in their profession;  
invalids and sick persons temporarily incapable of work;  
families who lose their bread-winner;  
persons who must undergo medical treatment, medical prevention, or rehabilitation;  
families with children;  
persons who are temporarily unemployed;  
persons for whom State support is indispensable.

Social security system consists of social insurance and social assistance. Persons who have either partly or completely lost their income from work are provided with state social insurance if they are employed, were insured (employed) during the period established by law, or in other cases provided by law. Social assistance from state funds or municipality budget applies when it is necessary to ensure or improve the security of certain population groups.

Compulsory state social insurance is applicable to persons working under employment contracts, employed in elective institutions on the basis of membership, partnerships, agricultural enterprises or cooperative organizations, owners of private enterprises and self-employed persons, farmers and their major family members. The mothers/fathers on parental leave for children from 1 to 3 years as well as mothers/fathers who do not work and are not on a leave, but are raising children below 3 years of age are insured by compulsory pension insurance by the state at the state's expense (as well as compulsory military service persons and clergymen).

On 1 January 1995 the new Law on State Social Insurance Pensions reforming the pension system came into effect. The law provides for the following types of pensions:

- Old age pension;
- Widow's/widower's and orphan's pension';
- State social assistance pension;
- Disability pension;
- State and military officers' pensions;
- State pensions for victims;
- State pensions for victims.

**Benefits.** Permanent residents of Lithuania employed under employment contract or other contracts and receiving remuneration for work are insured by the compulsory sickness and maternity insurance. Self-employed and other persons may be voluntarily insured by this type of insurance.

**Maternity (paternity) benefit.** Although maternity is first associated with women, the benefit may be paid to the mother or father, who is insured by state social sickness or maternity insurance. Women who give birth to a baby after 28 weeks or more of pregnancy receive benefits for 70 calendar days preceding the delivery and 56 days after the delivery at 100 percent of the compensatory wage. After the above period, the benefit is paid to one of the parents on parental leave in accordance with the Law on Leaves until the child turns two years old. The benefit is equal to 90% of the compensatory wage in the first year of receiving the benefit and 75% in the second year, but it cannot be lower than the approved minimum wage. If the beneficiary is dismissed from work due to liquidation of the company or organisation, the maternity leave is paid, provided the severance allowance is not paid at the same time.

**Maternity benefit to studying women.** The families raising children may receive various benefits from state or municipality funds. Pregnant women who study full time at educational establishments and who are not entitled to the social sickness or maternity insurance maternity benefit are entitled to the maternity benefit for studying women, which is paid for 70 days during the prenatal period.

**A child-birth grant.** Every woman who gives birth to a baby (except in cases where the mother abandons or refuses to bring up the baby) is entitled to receive a one-off grant equal to 6 MSL. In the event of the mother's death or loss of custody, the grant is paid to the child's father or another person taking care of the child.

**Family benefit.** To families that are not entitled to the maternity insurance benefit the family benefit of 0.75 MSL per month is paid from the moment the baby is born up to its third birthday. The family benefit to a family entitled to the maternity insurance benefit is paid at the same rate, but only in the period between the baby's first and third birthdays.

**Child care benefit.** The child care benefit of 4 MSLs is paid to persons, families or non-state care institutions that bring up orphans or children left without the care of their parents and not receiving other upkeep from the state.

**The benefit to families with three or more children.** The women (mothers) having three or more children under 16 (and older, if they are studying) are paid a benefit of 1 MSL per month, if the income of the family is lower than the triple amount of income approved by the Government. The benefit is increased by 0.3 MSL for the fourth and every next child regardless of the income. The benefit is also payable to the father, if there is no mother, she abandons the children, cannot take care of the children due to sickness or loss of custody. The families with low income may receive the social benefit and the compensation for heating of the home. In this case, the income is subject to testing.

**Social benefit.** It is payable to families in which able-bodied persons work or do not work due to valid reasons, but their earnings are not sufficient. However, the benefit is not allocated for families and persons, who are able-bodied and capable to work, but not working and not looking for work.

**Funeral benefit.** The one-off funeral benefit of 6 MSLs is paid to a family member or another person burying the deceased, when the deceased is:

citizen of the Republic of Lithuania permanently residing on its territory;

in Lithuania – a foreigner (a person with foreign citizenship or a person without citizenship) with a permit for permanent residence in the Republic of Lithuania;

in Lithuania – a person, recognised as a refugee according to the laws in the Republic of Lithuania.

The benefit is also payable, when a child of a citizen of the Republic of Lithuania permanently residing on its territory, a foreigner with a permit for permanent residence in the Republic of Lithuania, or the foreigner recognised as a refugee according to the laws in the Republic of Lithuania is a stillborn (at least after 22 pregnancy weeks). The benefit is not paid when the funeral is organised from state or municipality funds.

**Sickness (temporary incapacity to work) benefit.** The benefit is paid to a person insured by social sickness and maternity insurance. The first two days of sickness the sickness benefit is paid by the employer, from the third day on the sickness benefit is paid from the State Social Insurance Fund. Sickness benefit is paid under the following conditions:

Temporary incapacity to work due to sickness or injury (trauma) and during treatment in sanatorium after a severe disease;

In case of epidemic;

In case of sickness of a family member, to whom nursing is indispensable;

During treatment in prosthesis-orthopaedic in-patient unit;

During temporary transfer to another position due to injury (trauma) at work, occupational disease, tuberculosis or carrying the pathogens of infectious diseases.

Social security may be understood as all-round protection of a person against the loss of income. This protection manifests itself in monetary benefits in case of social risk. Non-monetary assistance is also provided to people who are under threat of facing social risk or already at social risk (retraining for the unemployed, medical aid measures, etc.).

Social security may be divided into three components: benefits and services subject to contributions – *social insurance*; *social assistance not subject to contributions*, which is provided after checking the sources of income, and *category benefits not subject to contributions*, which are paid regardless of the candidate's income or livelihood. The three components of social security differ by two features: absence or presence of contributions and checking or not checking the livelihood.

Lithuanian social policy is comprised of two components: compulsory state social insurance and social assistance. Function I is intended to provide for people who have lost their income due to a defined event (unemployment, old age, sickness, etc.). Function II should be a safety net for those who are not insured by social insurance or receive very low income (the income per one family member is below minimum); in this case, the difference up to the minimum wage is paid from the budget.

Compulsory state social insurance is not literally insurance, as part of the people who have not paid the contributions receive the benefits (so-called insurance from state funds); moreover, there is high reallocation in the system: the persons paying small contributions receive relatively big amounts and the persons paying big contributions – relatively small amounts. State pension is allocated for people for their merits (so seemingly they should not have anything in common with social care) and the representatives of certain vocations: employees of the internal affairs system, prosecutor's office, national defence, security, and scientists.

Social assistance with the main goal to prevent poverty is also inconsistent, as not all citizens are entitled to assistance, but only the citizens in the listed categories. Social assistance is also provided by services (e.g. bus fleets, heating companies, pharmacies). Namely the above companies are committed to provide the services to needy persons free of charge or at a lower price, and the difference should be compensated from the budget.

### **3. Formation of policy for eradication of poverty and exclusion in Lithuania**

#### **3.1. The core of policy for eradication of poverty and social exclusion, its emergence on the political agenda**

With regard to poverty as a wide social phenomena by its meaning, it is important to look at it not only from the point of view of particular anti-poverty measures or policy processes, but also from the global point of view. In March of 1995, during the World Summit, Lithuania together with other 116 countries adopted the Copenhagen Declaration and the Programme of Action for Social Development. The Declaration announced three major objectives common to all countries: poverty reduction and eradication; employment development; social integration (especially of least happy and poorest population groups).

The Copenhagen Declaration stresses that poverty prevention and overcoming poverty are the highest priority in the development of society and that the prevention of poverty is primarily a political problem. It is therefore appropriate to take into account the fact that when looking for assistance for the poorest and the most vulnerable members of society in state institutions, one faces political problem, rather than social one. Poverty eradication itself inter alia is part of the European Integration Project. In December of 2000, the Council of the European Union decided that the European Union countries should develop action plans for eradication of poverty and social exclusion for 2001-2003. Such action plans should be developed for a two-year period taking into consideration their achievements and results with regard to objectives and tasks set.

Thus, after the Copenhagen Declaration signed by Lithuania in 1995, the President of the Republic of Lithuania Valdas Adamkus in 1999, founded the Social Committee under the Office of the President. The aim of this committee - is to prepare a report on efforts to implement the Copenhagen Declaration, as well as to develop Lithuanian poverty eradication strategy. The Social Committee, governed by the then Minister of the Ministry of Social Security and Labour Irena Degutienė, consisted of representatives of various institutions and organizations: from experts of various ministries and departments to representatives of non-governmental organizations and external expert groups<sup>20</sup>.

With regard to all these initiatives, the year 1999 in Lithuania could be described as the year of poverty analysis, evaluation and development of poverty reduction strategy, when the top-level state institutions have been obliged to draw up a report on the implementation of the Copenhagen Declaration and Lithuanian poverty eradication strategy. Not only was this the year of analysis and strategy development, but also an example of formation of "from top to bottom" public policy still popular in the country, when under the principle of hierarchical model effective policy based on inclusion of all actors was attempted to be created.

The report prepared includes strategies, policies and specific measures which have been taken to reduce poverty in Lithuania. In each of separate areas, decisions made as well as results achieved by them are presented. Moreover, remaining unresolved problems are addressed. The greatest attention in this report is paid to poverty reduction policy and decisions made, rather than statistical data on poverty.

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<sup>20</sup> United Nations Development Programme, Bulletin Nb. 19, 1999.  
[http://www.un.lt/images/biuletiniai/lt/1999\\_nr19.pdf](http://www.un.lt/images/biuletiniai/lt/1999_nr19.pdf)

In 2000, Lithuanian poverty eradication strategy framework was drawn up. The strategy defines two main areas of activity: reduction of poverty level and assistance to the most vulnerable groups of the society.

It is also stressed that poverty reduction policy should be implemented in accordance with the principles of subsidiarity and solidarity. The principle of subsidiarity promotes inclusion of all subordinate divisions in the activities of solving social problems; solidarity means mutual assistance among various social groups.<sup>21</sup>

Later, in 2000, a strategy was adopted. In 2001, this strategy was approved by the Government of the Republic of Lithuania in its program for 2001-2004 as one of the areas of social policy. At that time, the Government of the Republic of Lithuania was responsible for coordination of strategy actions, and the Ministry of Social Security and Labour authorized by the Government was responsible for preparation and implementation of such actions.

The process of poverty reduction policy emerged on the political agenda of Lithuania within nearly 2 years from the establishment of Lithuanian Social Committee and within 7 years from signing the Copenhagen Declaration on Social Development.

### 3.2. Formation of poverty and social exclusion policy

One of the key elements that led to emergence of the process of poverty reduction policy is setting 8 Millennium Development Goals by the United Nations in 2000, at the Millennium Summit in New York which was attended by 189 world leaders. One of these goals is to eradicate extreme poverty and hunger.<sup>22</sup>

That same year, at the Lisbon meeting (2000), the European Council chose becoming “the most competitive and dynamic knowledge-based world economy maintaining a steady economic growth and generating a lot of quality jobs characterized by greater social cohesion” as its further objectives. At this meeting, substantial reduction of poverty and social exclusion was chosen as one of the most important tasks.

The Lisbon strategy established a relatively new measure for implementing the EU policy – the open coordination method. Application of this method is not new in the EU – in 1990, it was began to be used in areas of coordination of social and employment policy, such as information society, enterprise policy, research and development, education and training, the fight against social exclusion and modernization of social security. However, it was given a central place for the first time in the Lisbon strategy only. Such a situation was determined by the fact that the majority of the Lisbon strategy issues are within the competence of the Member States and, therefore, the European Commission cannot use normal legislative measures of the EU – directives and regulations – here. The Open Coordination Method is based on the guidance measures; it consists of the following elements: establishing comparative guidelines and quantitative objectives of economic policy, exchanging the best practices in order to achieve the objectives set and regularly evaluating the policy implemented.<sup>23</sup>

Before Lithuania’s integration into the European Union, the fight against poverty was launched, when in 2000, the Lithuanian Social Committee established by the President of the Republic of Lithuania in 1999 prepared Lithuanian poverty eradication strategy, which formulated the

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<sup>21</sup> Strategy for Poverty Reduction in Lithuania

<sup>22</sup> UNDP “Millennium Development Goals. National analysis”, Vilnius, 2002

<sup>23</sup> Lisbon Strategy, 2000, <http://www.lsa.lt/ryisiai/tnaujienos/lisabona.htm>

concept of poverty fitted for today's Lithuania, defined measures of poverty, reviewed poverty incidence and its features in Lithuania, described the groups of poor population. Based on this information, two targets of poverty reduction are presented – poverty reduction level and assistance to the weakest groups of the population. The strategy identifies ten most important areas of public policy, in which solutions for poverty reduction and alleviation of situation of the poor are provided for. These solutions are concretized by measures set out in the annexes of the Strategy. The strategy highlights the role of non-governmental organizations and social partners in addressing poverty issues.<sup>24</sup>

The Government of the Republic of Lithuania approved the Poverty and social exclusion eradication strategy, prepared by the Lithuanian Social Committee in 2000, in its program for 2001-2004, in which the Government emphasized the eradication of poverty and social exclusion as the solution to a large part of social problems of the society. In its program in the area of poverty reduction, the Government undertook to implement the strategy prepared and developed the action plan for the strategy implementation for 2002-2004.

The Ministry of Social Security and Labour authorized by the Government on the basis of the Lithuanian poverty eradication plan has prepared the National action plan for eradication of poverty and social exclusion (hereinafter – NAP). This plan identifies the main directions and objectives, which Lithuania has undertaken to achieve in the long and short term perspective. According to this document, Lithuania undertakes to take measures which would help coordinate policy and actions to combat poverty and reduce social exclusion. For that purpose, while implementing state policy in particular areas, it was planned to take into account social inclusion objectives and aim at effective use of state funds and EU structural funds in support of achieving these objectives. Moreover, as stated in the document, it is aimed at wider inclusion of the entire civil society into these processes, with special focus on cooperation with social partners and non-governmental organizations in all stages: preparing, improving the NAP, especially in coordinating actions in its implementation stage. Thus, the document sets out the basic principles for unification of efforts and activities of state, municipal institutions, non-governmental organizations, and the citizens in reducing poverty in Lithuania.<sup>25</sup>

In 2003, on the basis of the provisions of the Accession Partnership, the Government of the Republic of Lithuania together with the European Commission's Directorate of Employment and Social Affairs prepared Joint Inclusion Memorandum. The aim of the Memorandum is to prepare the country to participate in the social inclusion process from the day of its accession to the European Union on the basis of the Open Coordination Method. The Memorandum identifies the main challenges of the fight against poverty and social exclusion; presents the main policy measures taken by Lithuania in following its obligation provided for in the agreement to help transfer general objectives of the European Union into its state policy; defines the main areas of the policy which should be monitored and reviewed in the future. Progress on the implementation of this policy is assessed in the context of social inclusion process in the European Union, the aim of which is to have a significant influence in eradicating poverty in Europe by 2010.<sup>26</sup> In addition, the Government of the Republic of Lithuania, the signatory of this Memorandum, undertook to establish National action plan for eradication of poverty and social exclusion for the next period of 2004-2006.

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<sup>24</sup> Strategy for Poverty Reduction in Lithuania

<sup>25</sup> National Action Plan on reduction of Poverty and social exclusion 2004-2006. Vilnius, 2004

<sup>26</sup> Joint Inclusion Memorandum. Brussels, 2003

In September of 2003, following the recommendations of the European Council meeting (Barcelona, 2002) and the World Summit in Johannesburg (2002), the Government of the Republic of Lithuania approved the National Strategy for Sustainable Development (NDVS), authorizing the Ministry of Environment of the Republic of Lithuania to coordinate its implementation.

The concept of sustainable development is based on 3 equivalent components: environment protection, economic and social development. The Strategy defines sustainable development as a compromise between environmental, economic and social goals of a society, creating opportunities to achieve the common good of present and future generations within the permissible limits of environmental impact. This document is intended for implementing NDVS goals by 2020.

Lithuania's strategic priorities for sustainable development and its principles are set according to the national interests of Lithuania, peculiarity, provisions of the EU Sustainable Development Strategy and other programme documents. The EU Sustainable Development Strategy analyses a number of key issues. Among the European Union's six priorities for sustainable development, and eleven of those approved by Lithuania, are the reduction of risk to human health and reduction of poverty and social exclusion. This document as well as others reviewed raise one of the fundamental principles of the strategy implementation – that of participation (partnership). NDVS states that it can be successfully implemented only by participation and cooperation as equal partners of various social groups of the society, intergovernmental, state, municipal institutions and non-governmental organizations and individuals<sup>27</sup>.

Besides the reviewed documents of a global, EU and Lithuanian national levels, one more important document may be mentioned which is more related to the responsibility of the political community of Lithuania as well as goals of ensuring proper development of social policy in the country. The said agreement of political parties is a National Agreement to achieve economic and social progress which establishes the most important goal of the coming fifteen years – to achieve a significant growth of economy and social welfare with the increase of economic efficiency and ability to compete in markets, creation of new jobs and in this way eradicating poverty and social exclusion. To eradicate poverty and social exclusion, powers must be focused on the following main directions: development of human resources in order to avoid or reduce poverty and social exclusion; implementation of the principles of social economy by decentralizing state social policy; use of special regional development instruments promoting attraction of investments as well as job creation in regions<sup>28</sup>.

### 3.3. Actors of the policy process for reducing poverty and social exclusion

The process of reducing poverty and social exclusion impacts multiple factors. It is necessary to evaluate not only the formation but also implementation of this policy. The Lithuanian poverty reduction strategy states that “the all poverty-reduction policies must be based on the principles of subsidiarity and solidarity where the subsidiarity principle provides for a wider engagement of lower links in addressing social problems, and solidarity means the mutual support between different social groups<sup>29</sup>. These are in fact very important strategy

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<sup>27</sup> National Programme for Sustainable Development. Vilnius, 2003

<sup>28</sup> National Agreement to achieve economic and social progress, 2002

<sup>29</sup> Strategy for poverty reduction in Lithuania, 4.

implementation principles without which it neither the idea of policy formation nor its implementation would be possible. The implementation of the policy is largely related to the actors who work in the lowest level – those providing social and other services to the population.

The question as to why a wide range of interested actors should or should not participate in the poverty policy process is not in principle raised even in EU agreements and documents. One of them intended for the implementation of poverty reduction policy by means of mutual cooperation of all actors is the General Memorandum for Social Inclusion signed by the Minister of Social Security and Labour of the Republic of Lithuania Vilija Blinkevičiūtė and the Commissioner for European Employment and Social Affairs Anna Diamantopoulou. One of eight most important challenges defined in this document is the mobilization of all actors. “Strengthening of the institutional apparatus and the ability of all actors to fight against poverty and social exclusion. The following challenges are distinguished in this area: [...] to develop institutional mechanisms for coordinating and harmonizing the policy aimed at fighting poverty and social exclusion of actors of all related fields; increase the abilities of the actors, both at central and local levels, to fight against poverty and social exclusion, and develop local partnership by promoting social inclusion; to strengthen the role of non-government organizations as well as the participation of people experiencing poverty and social exclusion in the social inclusion process.”<sup>30</sup>

Thus the policy aimed at inclusion of various state institutions, academic community, non-governmental organizations and representatives of social partners, and finally, people experiencing poverty and social exclusion is one of the corner-stones of the formation and implementation of the poverty strategy.

When creating the Lithuanian Social Committee, these principles regarding the inclusion of actors were also followed strictly by assessing the declared number of the committee composition formation and recommendation from institutions who were not included in the committee. When analyzing the composition of the Lithuanian Social Committee established in 1999 by the President of the Republic of Lithuania which consisted of the representatives of state institutions and on-governmental organizations and scientists, it is possible to only theoretically perceive and rhetorically speculate what possible content of the future strategy for poverty-reduction in Lithuania could be born when the members of this committee are eight ministers. Among them are also the director of the Department of Statistics, Archbishop-Metropolitan Bishop of Vilnius, Adviser to the President, two lecturers of Vilnius University and director general of the Red Cross society<sup>31</sup>. The establishment of such a committee is of course a very important task for the formation of Lithuanian poverty reduction policy. However, in Lithuania, there is still a lack of constructive dialogue with social partners and the examples of practical, rather than declarative, application of the said *principle of actor inclusion*.

In a later period, when the Lithuanian Social Democratic party of 2001 – 2004 included the strategy for reducing poverty and social exclusion as one of the goals of social policy implementation under its approved Government programme, and started the creation of actions and measures required for the implementation of this strategy. The strategy for reducing poverty in Lithuania states that “the President having signed the Social Development Declaration at Copenhagen World Summit and having established the Social Committee for preparing a poverty reduction strategy, also assumes the responsibility for the monitoring of the

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<sup>30</sup> General Memorandum for Social Inclusion, 12-14.

<sup>31</sup> Strategy for Poverty Reduction in Lithuania, 5.

implementation of this strategy. For this purpose, the President establishes a responsible Committee for the Implementation of the Poverty Reduction Strategy which includes not only the representatives of state institutions but also representatives of municipalities, social partners, traditional religious communities, non-governmental organizations, scientists and other independent experts<sup>32</sup>. Such a committee should monitor the situation of poverty and analyze the effectiveness of fight against poverty. Moreover, the same document states that “the main initiator of measures to fight against poverty and action coordinator is the Government of the Republic of Lithuania”, and finally, “taking into account the general social policy and measures for fighting poverty and social exclusion implemented by other ministries, the Minister of Social Security and Labour is directly responsible for the coordination of the reduction of poverty and social exclusion<sup>33</sup>”. When assessing such trends of assigning functions of separate state institutions, it is no surprise that principal provisions established in various strategies are not implemented properly since the coordination of the political process between state institutions is not concrete, let alone the possibilities of the inclusion of social partners, non-governmental organizations, and even more so society’s representatives.

Such trends may be substantiated by the conclusions of the representative survey “NGOs and Poverty Reduction Policy” conducted in 2002 by the SIC market research agency. The survey results indicate that nearly half of respondents when asked whether they have heard of the poverty reduction strategy gave the following answer: “Yes, but we don’t know its content”. However, going deeper into the NGOs’ interest in the process of this policy, it is to be mentioned that as many as 70% of the interviewed NGOs’ representatives when asked whether they were intending to contribute to the implementation of poverty reduction measures gave the following answer: “Yes, we’d be interested to contribute”<sup>34</sup>.

Thus at this point of the study, we may state that the process of reducing poverty and social exclusion is based on the hierarchical “top-down” model without the participation of any clear actors and responsibility assignment functions. When analyzing the idea of policy implementation of P. A. Sabatier, we may agree that the analysis that divides policy into separate stages does not help to understand the political process since it breaks down the general political process into artificial and unrealistic fragments. Therefore, in this case, the implementation of policy and policy making is one and the same process<sup>35</sup>. It is this process rather than separate policy fragments that should be the main basis for the reduction of poverty and social exclusion in Lithuania.

When analyzing various documents related to the policy aimed at the reduction of poverty and social exclusion in Lithuania, nearly all of them contain such notions as *inclusion of social partners, participation of non-governmental organizations, empowering of society's representatives*, etc. However, when analyzing the way this is put to practice, we may only disappoint with the results because the declarative position of state institutions not only fail to help implement social policy but also form it – a factor upon which depends effective implementation of this policy. Social partners, non-governmental organizations and society in this respect is only the recipients of the final but unclear and maybe even inefficient result who fail to comprehend the practical application of measures created by their principles and capabilities.

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<sup>32</sup> Ibid, 25.

<sup>33</sup> Ibid, 25.

<sup>34</sup> SIC market research, survey “NGO’s and Poverty Reduction Strategy”. Vilnius, 2002, 10-11.

<sup>35</sup> Wayne Parsons, *Public Policy: An Introduction to the Theory and Practice of Political Analysis*. Vilnius: Eugrimas, 2001, 433.

Speaking about the principles of the inclusion and participation of actors of poverty and social exclusion political process, it would be possible to jointly access them as much as this is related to the control and monitoring of this policy (it will be analyzed in more detail in a later section). However, what regards the participation of interested actors in the policy implementation process, little could be analyzed because the stage of this policy process with respect to implementation is least analyzed despite formal reports. Various actors are included in the policy process against poverty and social exclusion slightly on the basis on active monitoring (by participating in work groups and commissions) and largely on the basis of passive monitoring (by familiarizing oneself with public reports or announcements) and one-off participation in the process of implementing measures and action against poverty and social exclusion. One of the key problems determining the process of such policy is also the fact that in Lithuania, there are still no network models and structures that would impact the implementation and formation processes of this public policy and its subsystems, specifically speaking of the political process to reduce poverty and social exclusion.

#### **4. Implementation of policy for eradication of poverty and social exclusion in Lithuania**

##### 4.1. Measures and actions for implementing the poverty and social exclusion strategy

Lithuanian poverty eradication strategy defines the concept of poverty, or “the poor are defined as those people whose income and other resources (material, cultural and social) are so scarce, that they do not provide standards of living common for Lithuanian society”<sup>36</sup>. Due to low income and other resources, these people cannot participate in activities that are considered normal for other members of the society". According to this definition or description of poor people it is really hard to determine what poverty is and what goals should be set in Lithuania in order for *people to be able to participate in those activities that are considered normal for other members of the society*. Moreover, this definition does not define particular fields of public policy in which the first steps are to be made for eradication of poverty and social exclusion; however, means of public policy are provided for in the aforesaid strategy.

Economic development, support for regional policy and rural residents, fiscal policy, population's income policy, labour market policy, social assistance, social services and social integration, legal assistance, education and vocational training, health care – these are the ten key measures of public policy provided for in Lithuanian poverty eradication strategy. There is no doubt that these are some of the most important fields of public policy to eradicate poverty in the country, but the Joint Inclusion Memorandum, in addition, establishes one of the major conditions of this policy process, which is the mobilization of all relevant actors and coordination of their policy and programs as well as coordination among them. Agreeably to the Joint Inclusion Memorandum, Lithuania agreed to participate in the social inclusion process by applying the open coordination method and made a commitment that “[...] by the year 2010, and by general and increasingly coordinated efforts of the state, non-governmental organizations, social partners and those experiencing exclusion, a huge improvement in the process will be achieved”.<sup>37</sup>

In 2002, political groups of the Seimas of the Republic of Lithuania adopted National agreement on economic and social progress which identifies one of several priorities – to overcome poverty and social exclusion. Although this agreement is more political in nature, it is still based

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<sup>36</sup> Strategy for poverty reduction in Lithuania

<sup>37</sup> National Action Plan on reduction of Poverty and social exclusion 2004-2006. Vilnius, 2004

on common efforts of public administration institutions to reduce poverty and social exclusion. This memorandum of understanding states that “to overcome poverty and social exclusion, we must concentrate efforts in these areas: human resource training (information infrastructure development, creating lifelong learning system, improving vocational training system); implementation of principles of social economics for decentralizing state social policy (promotion of establishing social enterprises, decentralization of providing social services, transfer of state social assistance and provision of services to private sector and that of non-governmental organizations) and employment of regional development tools encouraging investment as well as creation of new jobs in the regions.”<sup>38</sup>

Thus, by assessing the national agreement's objectives, objectives of poverty eradication strategy for Lithuania, as well as provisions of the Joint Inclusion Memorandum, and national action plan for eradication of poverty and social exclusion, and by analyzing tasks for achieving these objectives as well as measures provided, it can be concluded that the main provisions for eradication of poverty and social exclusion in preparing and executing action plans of the strategy have not been properly implemented. Moreover, not only the main provisions failed to be implemented (principles of inclusion, cooperation and coordination of the social partners, non-governmental organizations and those suffering from social exclusion), but the poverty eradication policy itself has not been available to those, to whom it was intended.

This is confirmed by a qualitative study of 2003 carried out by the Institute for Social Research which surveyed 111 and 122 poor people from major cities and towns and villages, respectively, who lost their social status and material security and, most commonly, housing due to unemployment. The study showed that the state social assistance hardly reaches one third of the poor, as well as that the urban poor face greater challenges than rural ones, because as many as 66% of the poor living in the cities "have nothing good", 41% of the urban poor live anywhere possible, while in rural areas this represents only 3%.<sup>39</sup>

The above facts show that, for various reasons, people from this social group are unable to integrate into an active social life, the labour market themselves. These and many other factors suggest that the poor experience social exclusion, and actions of the state social and economic policy do not reach them.

Discussion of recent indicators is particularly relevant in terms of poverty eradication measures. Poverty eradication strategy for Lithuania is targeted at least 13% reduction of relative poverty (according to the relative poverty line – LTL 274.6)<sup>40</sup>. This goal was achieved, but only partially, and only in urban areas. Meanwhile, the number of those living in rural areas and families with children in relative poverty has increased.<sup>41</sup>

This situation clearly shows that the implementation program for the poverty eradication strategy for Lithuania for 2002-2004 was not fully effective. Many questions about the percentage of reduction of relative poverty, which is almost close to the minimum wage, compatibility of economic growth and raising the minimum monthly salary, increasing social benefits without raising proportionately the minimum monthly salary, and others, are thought-

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<sup>38</sup> National Agreement to achieve economic and social progress, 2002

<sup>39</sup> SIC market research, survey “NGO’s and Poverty Reduction Strategy”. Vilnius

<sup>40</sup> Strategy for poverty reduction in Lithuania

<sup>41</sup> UNDP “Millennium Development Goals. National analysis”, Vilnius, 2002

provoking as to whether the real poverty situation shall remain unchanged, while the poverty trap effect shall intensify.<sup>42</sup>

The national agreement signed by political groups of the Seimas has played a really positive political role; however, this political gesture, in principle, remains only the expression of goodwill and human understanding, since almost none of the inclusion objectives set in the memorandum are currently achieved in Lithuania, particularly paying attention to the coordination of interministerial institutions, development of activities of social enterprises and non-governmental organizations, increasing their capacities and opportunities for inclusion of people suffering poverty. And finally, the analysis of the results of implementation of means provided for in the 2002-2004 plan of the poverty eradication strategy for Lithuania shows that particular results identified in this report are sufficiently distant from the objectives set in previously mentioned strategies, documents and agreements.

#### 4.2. Implementation of National action plan for eradication of poverty and social exclusion

In carrying out Poverty eradication program and implementing the National action plan for eradication of poverty and social exclusion, in 2004, 94 poverty eradication measures were implemented, which were provided for in the main areas of poverty eradication policy: strengthening the activation and participation of the population; ensuring economic development favourable to poverty eradication; developing social services, increasing their availability and improving their quality; improving income security.<sup>43</sup> More detailed analysis of this report shows that the main institution responsible for implementation of the measures, in practice, is the Ministry of Social Security and Labour as well as institutions accountable to it (e.g., the Lithuanian Labour Exchange), some measures are the responsibility of the Ministry of Education and Science, only few measures are the responsibility of the Ministry of Economy and the Ministry of Agriculture, and the Ministry of Health is responsible for one measure only.

In addition, despite the fact that a certain number of social partners or non-governmental organizations managed to implement individual measures, the report does not mention the results achieved by these non-governmental organizations or professional unions participating in implementation of projects under the measures, or these entities are presented in brief as *partners* of the state institutions in implementing a measure. This situation implies the assumptions and allows for asserting that all these measures of the action plan are intended for institutional strengthening of the state institutions and the development of their activities. But, of course, the source of the problem should be sought for in a broader context of process of poverty eradication policy, considering the hierarchical model of policy and analyzing possibilities of applying network model of the process of the poverty eradication policy.

The fact that Lithuanian poverty eradication strategy was developed by members (ministers, experts, etc.) of the Social Committee established on the Lithuanian President's initiative, and subsequently approved by the Government of the Republic of Lithuania which is the main initiator of anti-poverty measures and coordinator of actions, demonstrates the importance and value of the strategy to the society.<sup>44</sup> However, the Ministry of Social Security and Labour authorized by the Government of Lithuania and directly responsible for coordination of poverty eradication and measures implemented, in practice, "merges" this conceptual strategy intended

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<sup>42</sup> SIC market research, survey "NGO's and Poverty Reduction Strategy". Vilnius

<sup>43</sup> Annual National Report of the implementation of Strategy for poverty reduction. Vilnius, 2005

<sup>44</sup> Strategy for poverty reduction in Lithuania

for different institutions (especially the ministries) with the common mission of the Ministry: “The mission of the Ministry of Social Security and Labour is to develop and implement effective employment and social security policy to create opportunities for quality employment and ensure social security and social cohesion of the society.

Strategic objectives of the Ministry: to attract more people into the labour market, to ensure fair labour relations and appropriate working conditions, to invest in human resources more effectively; to pursue effective social assistance and ensure social integration of socially vulnerable groups of the population; to ensure inclusion of social security beneficiaries and growth of their income; to maintain financial balance and sustainability of the social security system<sup>45</sup>. All other important areas of public policy which are not directly related to the mission of the Ministry of Social Security and Labour, however, identified in the strategy as the key measures for poverty eradication, are only the additional measures for strategy implementation. This conclusion is based on the report of 2003 on the implementation of the National action plan for eradication of poverty and social exclusion.

Lithuanian poverty eradication strategy states that the President of the Republic of Lithuania shall take the responsibility for supervising the implementation of this strategy, and for that purpose shall establish the Commission for Implementation of the Poverty Eradication Strategy, the aim of which shall be to monitor the poverty situation, analyze the effectiveness of measures of eradicating poverty and to publish annual reports<sup>46</sup>. However, more detailed examination of poverty eradication process in Lithuania, principles of control, supervision and monitoring of implementation of the national action plan, leaves it unclear which institution is responsible for these processes. In 2005, the Minister of Social Security and Labour of the Republic of Lithuania approved the new Monitoring Group for the National action plan for eradication poverty and social exclusion and its implementation in 2005-2006, which consisted of 19 representatives from ministries and departments, 4 representatives from non-governmental organizations, 6 social partners and professional union representatives, and 1 representative from the Office of the President.

The Monitoring Group is assigned to monitor the National action plan for eradication of poverty and social exclusion as well as its implementation, to make proposals for institutions concerned and to raise initiative so that the measures provided for in the documents approved would be implemented in a timely and effective manner. Also, the Monitoring Group is charged with disseminating best practices in various aspects of eradication of poverty and social exclusion, organizing as wide as possible participation of all interested individuals and social groups in eradication of poverty and social exclusion, and in accordance with measures under the competence of the institution, preparing a report on implementation of the measures of the National Action Plan.<sup>47</sup>

#### 4.3. Opportunities for social partners and non-governmental organizations to participate in the process of the policy for eradication of poverty and social exclusion

The role of non-governmental organizations and social partners in increasing social inclusion is one of the main factors determining formation of policy for eradication of poverty and social exclusion as well as its implementation. Such principles are embodied in all documents and strategies related to eradication of poverty and social exclusion on a global, European Union

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<sup>45</sup> Ministry of Social Affairs and Labor, <http://www.socmin.lt/index.php?-470668361>

<sup>46</sup> Strategy for poverty reduction in Lithuania

<sup>47</sup> Order by Ministry of Social Affairs and Labor, 2005 11 30 Nb. A1-306

and national level of Lithuania. Analysing the principle of inclusion of non-governmental organizations and opportunities for them to participate in the policy process, it should be noted that non-governmental organizations in Lithuania are quite numerous and diverse. They are very different in their qualification, effectiveness of their activities, scope of involvement of the citizens. Most, as much as 63% of Lithuanian NGOs contribute to poverty eradication in one way or another<sup>48</sup>.

Non-governmental organizations in Lithuania carry out projects related to educational and vocational training activities, help disabled people and young people participate in the labour market and other. In all developed countries, including Lithuania, the role of NGOs is seen as the essential guarantee of ensuring democracy and civil society development as well as its stability; however, in this case, after 15 years of independence, Lithuanian NGOs still face substantial problems of activities, which do not allow for opportunities to actively participate in the implementation of national strategies and, in this regard, in the process of eradication of poverty and social exclusion policy. Joint Inclusion Memorandum states that the constant search of funds, lack of continuing funding, complex accounting (NGOs account both according to laws applicable to enterprises and to funds under the projects) complicate the work of organizations, consume much time and suppress the very best initiatives, therefore, one of the major challenges is to involve NGOs more in the consideration of and dealing with social problems, providing social services and strengthening NGOs.<sup>49</sup>

In order to survive, NGOs often choose activities according to priorities published by funds, rather than according to national strategies or action plans, because the latter do not provide for clear techniques of the participation of NGOs in their implementation. As a result, non-governmental sector is inactive in participating in solving issues important on the state level. So far, there are only several examples of effective cooperation between governmental institutions and NGOs, experience of which, unfortunately, has not been widely spread.

In addition, there is no mutually acceptable model of cooperation, which would define quality and continuity of activities carried out by NGOs, identify responsibility and ensure the financial transparency. It is these and many more other problems that cause such effects, so that non-governmental organizations and social partners do not have the ability to participate in the process of formation and implementation of poverty eradication policy, and, at the same time, it does not provide for opportunities to implement the principal provisions of the Joint Inclusion Memorandum and other documents.

With regard to difficulties faced by organizations in carrying out activities in the field of poverty and social exclusion, assessments and reviews of NGOs themselves regarding the obstacles which impede effective fight against poverty could be looked at. As much as 75% of NGOs emphasize financial difficulties, lack of funding and means, and 52.9% agree that an unfavourable politics of the Government as well as legal barriers prevent them from successfully implementing poverty eradication measures in Lithuania, and 46.2% state that the government underestimates their potential.<sup>50</sup>

A significant role in strengthening capabilities of non-governmental organizations and social partners in Lithuania has been played by the United Nations Development Programme, which not only provided financial assistance for preparing strategy for expert group of social

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<sup>48</sup> SIC market research, survey "NGO's and Poverty Reduction Strategy". Vilnius

<sup>49</sup> National Action Plan for reduction of Poverty and Social exclusion. Vilnius, 2002, 17

<sup>50</sup> SIC market research, survey "NGO's and Poverty Reduction Strategy". Vilnius

committee established by the President of the Republic of Lithuania, but also has provided financial and methodological support to the Lithuanian NGOs fighting with poverty. Moreover, for the period of 2004-2006, EU EQUAL initiative also operates in Lithuania, which is a part of the European Employment Strategy and European Strategy for Fighting with Discrimination and Exclusion.

Also, initiatives of community-based organizations operating in Lithuania as well as financial assistance provided to them by LEADER+ Programme, which also contributes to eradication of poverty and social exclusion in the country, are worth mentioning. However, in order to achieve structurally effective social dialogue between the state institutions, especially the Ministry of Social Security and Labour, and non-governmental organizations, besides these initiatives, the network of non-governmental organizations and social partners fighting with poverty should be established.

Such an organized network structure should organize meetings of members of NGO network and their discussions with the society, promote community initiatives, and serve as an intermediary between the state, local authorities and the society. Such NGO network and the Ministry of Social Security should act as social partners in the fields of information exchange, dissemination of good practice, cooperation in carrying out independent and accurate analysis of current situation in Lithuania, formation of more effective social dialogue between the state, municipal institutions and non-governmental organizations.<sup>51</sup>

European Anti-Poverty Network (EAPN) could also be mentioned as one of the external actors. It is the network of associations working with people experiencing poverty and social inequality on the European level established by the EU countries in 1990. The main objectives of the EAPN are to make the fight against poverty and social inequality the priority of the European Union policy; to promote and ensure effectiveness of actions against poverty and social inequality; to establish support group working with those and for those who experience poverty and social inequality<sup>52</sup>.

This network consists of national, regional and local networks which unify associations and active groups in combating poverty in all countries – EU Member States. Lithuania is still not a member of this network; however, participating in it would essentially contribute to more effective implementation of Lithuanian poverty eradication strategy and more stable coordination between state institutions and non-governmental organizations. Participating in such structure operating on the European Union level would also ensure opportunity to implement the main principal inclusion provisions provided for in the Joint Inclusion Memorandum as well as other documents.

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<sup>51</sup> Joint Inclusion Memorandum. Brussels, 2003

<sup>52</sup> European Anti-Poverty Network, „EAPN National Networks: Who they are and how they operate“. Brussels, 2005, 4

## IV. Social Policy in the Republic of Belarus

### 1. Objectives and tasks of social policy in the Republic of Belarus

In the state policy system of the Republic of Belarus, social policy takes a leading role. It is regarded as a priority area for the country's social and economic development which is being implemented according to a special Belarusian model. Official documents state that "*Belarusian model (...) ensures a high welfare level for honest working society members, and decent social provision for those having employment incapacity and old people as well as people with disabilities. This model is based on citizens' rights and freedoms, business freedom and fair competition, occupational and job choice, equality of property forms, its inviolability, use of personal and societal interests, link between the employee welfare and their work results, social partnership between the state, professional associations and businesspeople' associations guarantee principles.*

*Alongside these qualities and principles common to developed market economy countries, the Belarusian model exhibited distinctive features as early as its initial creation stage reflecting the country's history, national traditions, its mentality with such inherent qualities as collectiveness and mutual respect as well as social justice. The model rejects such things as egocentrism, employment exploitation, universal unemployment, high social distribution of the population by income".<sup>53</sup>*

Social policy principles are formulated very briefly and laconically.

- *The principle of social justice* manifests itself in target social policies which are implemented by the authorities of the Republic of Belarus, as well as in social guarantees, in particular ones provided to young and old people as well as the residents of the areas that have been devastated by the Chernobyl disaster.
- *The principle of continuity* followed when implementing social policies in general, and in particular educational policy, has allowed not only to preserve a well-developed educational system inherited after the collapse of the USSR, but also to create a new education system on its foundations meeting global standards.<sup>54</sup>

It is imperative to keep in mind that this picture of Belarusian model is desired or "ideal" rather than a real one. However, it is this ideal approach that determines all arguments and the understanding of the processes taking place in the social area of Belarus. It is from this model that all main goals of the social policies of the Republic of Belarus arise: "*to provide each employable person with an opportunity to create their family welfare with their work and entrepreneurship. To achieve this, social security must be exceptionally target-oriented and directed towards specific groups and layers of people who enjoy least protection*".<sup>55</sup>

The main tasks of the national social policy is the improvement of the population's standard of living and quality of life, and creation of conditions required for human development by increasing the effectiveness of health care, education, culture and other types of activity belonging to the service area.

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<sup>53</sup> National sustainable social and economic development strategy of the Republic of Belarus for the period up to 2020

<sup>54</sup> Official website of the President of the Republic of Belarus. Online access: <http://president.gov.by/press10663.html>.

<sup>55</sup> Ibid

The national sustainable social and economic development strategy of the Republic of Belarus to be implemented by 2020 states that the **country must provide** each employable person with the conditions allowing them to ensure, through work and entrepreneurship, their personal and their family welfare and fully perform their social obligations to people with disabilities, large families, unemployable people and layers of people living in deprivation, etc. This document specifies social policy directions:

- creating conditions and opportunities for all employable citizens to earn money required to meet their personal needs;
- providing people with rational activities by preserving jobs in vital and promising companies and creating new jobs, including the private economic sector;
- creating a flexible employee training and re-skilling system;
- ensuring actual monetary income growth of the population;
- consistent increase of salary which is the main source of income for people and the main stimulus of employment activity for hired employees;
- creating a middle class which is the society-stabilizing factor by significantly increasing people's income and reducing poverty rates;
- increasing the retirement provision standard;
- reducing a low-income population;
- enhancing social security for people living in deprivation by increasing target assistance provision and rationalizing the benefit system and improving social services, etc.

Besides the declared principles of *social justice* and *continuity*, official documents emphasize and substantiate the concept of *social stability*. Social stability is examined in the context of sustainable societal development and safeguarding of rights and guarantees for citizens, and is defined as follows:

- implementation of the priorities of social policy as one of the main important pre-conditions for the development of a sustainable society;
- guarantees for rights to human freedom and free use of employment and intellectual potential so that an employable person could ensure a material welfare for themselves and their family;
- differentiated social policies with respect to different layers of people; target social security for people in deprivation;
- common shared responsibility of all subjects (state, business companies, professional associations, people) for the results of social development;
- rights and guarantees directed to the strengthening of family as the main society cell; spiritual, cultural and ethical development of citizens, and in particular youth; preservation of ancestors' historical legacy and continuation of generations, and preservation of national traditions<sup>56</sup>.

The declared priority form of social policy of the Republic of Belarus is **the protection of and target assistance to people living in deprivation**. *“The essence of effective target social protection is providing limited resources to meet the needs of socially unprotected people”<sup>57</sup>.*

As stated in official documents, the weight centre of social policy is transferred to a local level. A transition from general social programmes to target programmes is planned which would

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<sup>56</sup> National sustainable social and economic development strategy of the Republic of Belarus for the period up to 2020

<sup>57</sup> Official website of the President of the Republic of Belarus. Online access: <http://president.gov.by>

consider the needs of particular groups and layers of people as well as regions. In order to do this, strictly differentiated programmes are required, i. e. programmes intended for:

- people with disabilities and pensioners living alone – various social services, home services;
- large families and single parents – a priority in receiving target material assistance of all sorts provided to low-income families.

## **2. Social policy subjects of the Republic of Belarus**

According to the Article 14 of the Constitution of Belarus *“the state regulates the relationships of social, national and other communities following the right to equality before the law and respect to their rights and interests. Relationships in social and employment area between state governmental authorities, employers' associations and professional associations are based on the principles of social partnership and mutual cooperation of the parties.”*

The main subjects seeking the formation of the strategy in the area of social relations in Belarus are state structures, business representatives and politicians, international and non-governmental organizations (mostly professional associations, the church and experts' associations). However, social partnership in the creation of social policy strategy in Belarus has its own features which are listed below.

1. It is obvious that the governmental structures take a dominant and main role in determining the main strategy directions.
2. State and private companies do not assume strategic planning functions at the national level and aim at limiting their activity to the solution of internal problems of organizations.
3. Opposing political parties and individual politicians do not have the lawmaking initiative right and actual mechanisms with which they could make an impact on the formation of social policies.
4. International organizations (UNO, UNDP, etc) act in accordance with international and national legislation, and when solving tasks set to them, they hold negotiations with state organizations. Thanks to the attempts of international organizations and supporters of organizations, relevant topics and agenda in the area of social problems are successfully formulated. Currently, the main topics are "poverty eradication", "demography and migration", "gender issues", "standardization in employment", etc. However, the fact that international organizations identify relevant problems does not guarantee their transference to systematic and program-based domestic policy.
5. Non-governmental organizations represented by official professional associations and public organizations are not completely independent from the state and in fact implement the state policies.
6. In Belarus, religious institutions and communities (i. e. Orthodox, Catholic and Protestant churches and other confessions) organize and implement active social projects (from small support campaigns to the establishment of a grace home). However, when taking up larger measures, they must in one way or another coordinate their actions with local state institutions.
7. Experts' and scientists' associations, when conducting commissioned research and with no clearly defined political goals, in fact perform the servicing function, make little impact on public opinion, and may not be regarded as subjects determining the social policy strategy.

In this way, the principle of social partnership declared in the Constitution is not being implemented. The main institution determining and implementing social policy in Belarus is the state. The importance of other social institutions, such as business representatives, non-governmental organizations and the church, is small in defining social policy. The state which monopolizes this area, defines the type of relations with other participants, selects and determines with whom and in what way such relations should be established.

### ***Governance in the area of social policy***

Belarus has a developed network of cultural, educational, medical, residential and municipal services and social institutions. However, having in place such a network of institutions directly providing various services to people, the governance structure of these institutions remain archaic, and in most cases they have inherited the soviet administrative schemes.

The state governance institutions in the area of social policy have a *branch structure*. The main ministries are the Ministry of Labour and Social Security, the Ministry of Health, the Ministry of Education, the Ministry of Residential and Municipal Economy and other ministries. Local state institutions – district and city executive committees – implement centralized national state policies through respective committees which make up their structure. For instance, “*the Employment and Social Security Committee is a state governance institution ensuring the implementation of the main state policies in the area of social and employment, including employment remuneration issues, safe work conditions and protection, support for people's employment, development of social partnership, demographic safety, state retirement provision, state social services and social assistance issues. The committee system consists of local subdivisions of executive and managing institutions and social service municipal property organizations (regional social provision centres for residents, residential homes for people with psycho-neurological diseases, old people and the disabled)*”<sup>58</sup>. An analogous governance structure has emerged in the ministries of Education and Health as well.

Legal relationships in the area of social policy are regulated by the Constitution of Belarus, President's decrees and other laws governing individual branches of economy (Labour Code, Law on Employment, Law on Social Service, Law “On State Social Insurance Framework”, Law “On Minimum Costs of Living in Belarus” (1999), Law “On Retirement Provision”, Law “On Minimum State Social Standards”, Education Law, Health Protection Law, etc.). The governance structure in this area is based on clear vertical subordination. Pursuant to Article 84 of the Constitution of the Republic of Belarus, the President appoints the heads of national state governance institutions and establishes their status; the President appoints President’s representatives in the Parliament and other officials, and signs laws. The President has the right to bring back the law or its individual provisions to the House of Representatives indicating objections, and has the right to cancel the resolutions of the Government, etc. The President has the right to suspend the decisions of local deputy councils and cancel the decisions of local institutions of executive and administrative power if they fail to comply with the laws.

Local deputy councils, institutions of executive and administrative power in turn solve issues of local importance, implementing the decisions of higher state institutions. The following fall within an exceptional competence of local deputy councils: approval of economic and social development programmes and local budgets as well as their implementation reports; establishment of the procedure for municipal property management and its disposal, etc.

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<sup>58</sup> [http://mintrud.gov.by/ru/new\\_url\\_160002710/new\\_url\\_83753867](http://mintrud.gov.by/ru/new_url_160002710/new_url_83753867).

However, local councils do not have resources to implement their tasks and goals including their tasks of social area. All decisions that are in any respect import must be coordinated with higher structures.

Laws are amended and supplemented on a periodic basis. In this manner, by the President's order of 30 January 2003, regional state employment service institutions which are the main structures of social security implementation (boards of employment services for district residents', employment centres of the Ministry of Social Security and Labour for region, city, and district residents) became subordinate to local institutions of executive and administrative power. After performing the said reorganization, the number of employees of the boards of employment services has decreased by 20 per cent. The central employment service apparatus was reorganized into the department of the Ministry of Labour and Social Security<sup>59</sup>.

In 2006, amendments were made to the Law on Employment. The following most important amendments may be mentioned: the time limit for maintaining the status of an unemployed person in state employment service institutions was limited to three years; the law provided for the employment of parents who are obliged to compensate for the state's expenses for providing for their children in state care and who are being sent to state employment service institutions by a court's decision; termination of an employment contract by parties' mutual agreement was additionally included into the list of employee dismissal reasons due to which they are not provided with benefits when registering them as unemployed.

The order of 31 March 2010 of the President of the Republic of Belarus amended the procedure for concluding employment contracts. Since the year 2000, in this area, norms were in effect by which employers were granted the right to transfer all employees to work under fixed-term contracts, and this had an extremely negative impact on employees' social security. The order of 31 March 2010 approved the employer's right to conclude an employment contract for indefinite period if certain conditions were present (if there were no violations of employment or conduct discipline, and the period of working for this employer is not shorter than five years, etc).

In 2006, President's decree of the Republic of Belarus "On Additional State Protection Measures for Children Growing in Disadvantaged Families" came into effect, obliging parents from whom children were taken to compensate for the costs allocated for the education of their children in state institutions, etc.

In 2010, the country's Parliament adopted the *Education Code* which has become a mechanically joined version of all valid educational laws. In fact, the Education Code is a departmental referential document intended for the establishment of the the state's position in education management and complete control of the activities of educational institutions of all types and levels.

Even taking into consideration all favourably and unfavourably assessed amendments and additions to the legal base, one cannot speak of fundamental changes in the governance of the social area and of the application of market economy principles in this area.

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<sup>59</sup> The law of the Republic of Belarus. 15-06-2006. No. 125-3. Online access: [http://mintrud.gov.by/ru/activity/new\\_url\\_1289468183/new\\_url\\_203696684](http://mintrud.gov.by/ru/activity/new_url_1289468183/new_url_203696684)

### 3. Reformation of the area of social policy

After regaining independence, Belarus declared that it would preserve the essential social policy principles of soviet times. First of all, what remained was the state's priority in establishing social policy and essential business-like attitude with respect to citizens which is briefly described by words "**help and protection**". The state assumes the function of budget fund reallocation and target financing of social programmes.

The novelty and change of social policy are presented by state officials as the introduction and development of the principle of "target social assistance", and expansion of the category of people who need such assistance. In fact, this principle was already successfully implemented during the soviet period. Only criteria changed according to which the groups of people in deprivation as well as qualitative indices of assistance provided are determined. Over the entire period of independence, the issues of social area reformation were not discussed at all. Discussions about reforms and modernization of the social area in Belarus are not encouraged by the Government (most probably due to fear and lack of knowledge how to implement this). Therefore, the reformation issues of this area are mostly discussed by the opposition as an alternative to the state policies being implemented. Such discussions in their content are mostly populist in nature, problems are not being examined in detail and essence because the opposing powers do not have the possibility to express their opinion and make an impact on the policies being implemented in the country.

At first sight, the practice of social policy in Belarus very much resembles the European one, especially due to direct social work with citizens facing difficult situation in life, and with citizens' groups who need assistance. However, in fact there are essential differences between Belarusian and European social practices. "The dividing line" is seen not in the work with customers or citizens, but much deeper – in the established and developed social and political relationships, as well as strategic goals and tasks of social policy.

Unlike the European tradition where social policy is solved in the context of *social partnership*, i. e. public society and all subjects take an active part in forming public relationships, in Belarus, there exists the approach of the *authoritarian state*. The state helps citizens, the state guarantees them a certain minimum social provision, the state protects them and provides for them, etc. Such an approach becomes an important ideological factor and is actively exploited in social advertising and propaganda. The strategic trend of such social policy built on previous soviet traditions gives birth to myths about welfare and stability in the country, prompts the dependent mentality, and distorts the understanding about market relations and social cooperation. Finally, this leads to complete social inaction of citizens manifesting itself in forming local communities and taking care of one's life in the city or village. All these humanitarian factors create huge obstacles not only in implementing reforms but also in starting them, i. e. in those stages, where initiative has to be shown, independent decisions must be made and internal organization must be ensured.

Another feature of social policy in the Republic of Belarus that differs from the European policy is the fact the *strict focus is placed only on the citizens living in poverty and citizens experiencing difficult life situations*. Social work with active employable people is not being implemented coherently. Social work with young people is completely trusted to educational institutions, and their content is limited to the aspects of patriotic education. No tasks of social process management are formulated at a global and national level and this diminishes the scale of social policy and turns it into social policy for fighting poverty alone.

### 3. Anti-poverty programmes in the Republic of Belarus

The social policy of the Republic of Belarus consists of numerous directions of activity and, in general, it is primarily directed to deprived society layers. Target state assistance to people, creation of social insurance mechanisms, employment policies, economic work remuneration regulation methods, equalization of people's income, creation of conditions for independent pull out of poverty by engaging employable people in business, etc – all these policies may be attributed to the state anti-poverty programme.

Below is provided a list of the main state programmes that were approved and launched in the Republic of Belarus this year.<sup>60</sup>

1. The state employment support programme for the residents of the Republic of Belarus (prepared and approved annually since 2005).
2. National demographic safety programme of the Republic of Belarus.
3. National gender equality action plan 2011 – 2015.
4. Integrated social service development programme 2011 – 2015
5. State programme regarding the creation of obstacle-free residential environment for people with physical disabilities 2011 – 2015.
6. State programme for the support of small and medium-sized businesses in the Republic of Belarus 2010 – 2012.
7. State programmes prepared by the Ministry of Health: state programme Tuberculosis; integrated state programme for the prevention, diagnostics and treatment of oncologic diseases 2010 – 2014; state national action programme for preventing and fighting alcohol abuse and alcoholism; state HIV prevention programme; state programme Cardiology, etc.
8. State response programme to Chernobyl NPP disaster for the years 2011 – 2015 and for the period up to 2020.
9. Presidential programme “Belarusian Children” (implemented since 2001).

Alongside state anti-poverty programmes, the UNDP representative office in Belarus is implementing significant research and organizational activities towards this direction. In this way, from 2002 to 2010, the following projects were implemented: “Assistance in preparing the main trajectories of the national strategy for poverty eradication in Belarus”, “Public dialogue and partnership to reduce the rates of poverty and unemployment that has occurred as a result of company restructuring”, “Creation of the model of integrated regional social policy for poverty reduction in Belarus”, “The support of the state programme Tuberculosis in Belarus”. Within the limits of these projects, surveys and evaluations of poverty rates in the Republic of Belarus

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<sup>60</sup> State employment support programme for the residents of the Republic of Belarus. Online access:

[http://www.mintrud.gov.by/ru/activity/populbusy/new\\_url\\_801035031](http://www.mintrud.gov.by/ru/activity/populbusy/new_url_801035031).

National demographic safety programme of the Republic of Belarus. Online access:

[http://www.mintrud.gov.by/ru/new\\_url\\_1751033009/new\\_url\\_1383761826/new\\_url\\_1312348330](http://www.mintrud.gov.by/ru/new_url_1751033009/new_url_1383761826/new_url_1312348330).

National gender equality action plan 2011 – 2015. Online access:

[http://www.mintrud.gov.by/ru/new\\_url\\_512042508/new\\_url\\_1836281482](http://www.mintrud.gov.by/ru/new_url_512042508/new_url_1836281482).

Integrated social service development programme 2011 – 2015. Online access:

[http://www.mintrud.gov.by/ru/min\\_progs/new\\_url\\_650464657](http://www.mintrud.gov.by/ru/min_progs/new_url_650464657); <http://www.mintrud.gov.by/ru/gsp/gsp>.

State programme regarding the creation of obstacle-free residential environment for people with physical disabilities 2011 – 2015. Online access: [http://www.mintrud.gov.by/ru/min\\_progs/new\\_url\\_2100462357](http://www.mintrud.gov.by/ru/min_progs/new_url_2100462357).

State programme for the support of small and medium-sized business of the Republic of Belarus 2010 – 2012.

Online access: [http://www.economy.gov.by/ru/small\\_business/state-support-for-small-business](http://www.economy.gov.by/ru/small_business/state-support-for-small-business).

Presidential programme “Belarusian Children” Online access: <http://president.gov.by/press28083.html>.

were implemented. Priorities have been set and recommendations have been drawn up regarding the main directions of the fight against poverty; an open public discussion has been initiated on the poverty problems, a dialogue and partnership with non-governmental organizations and public society organizations has been developed.<sup>61</sup>

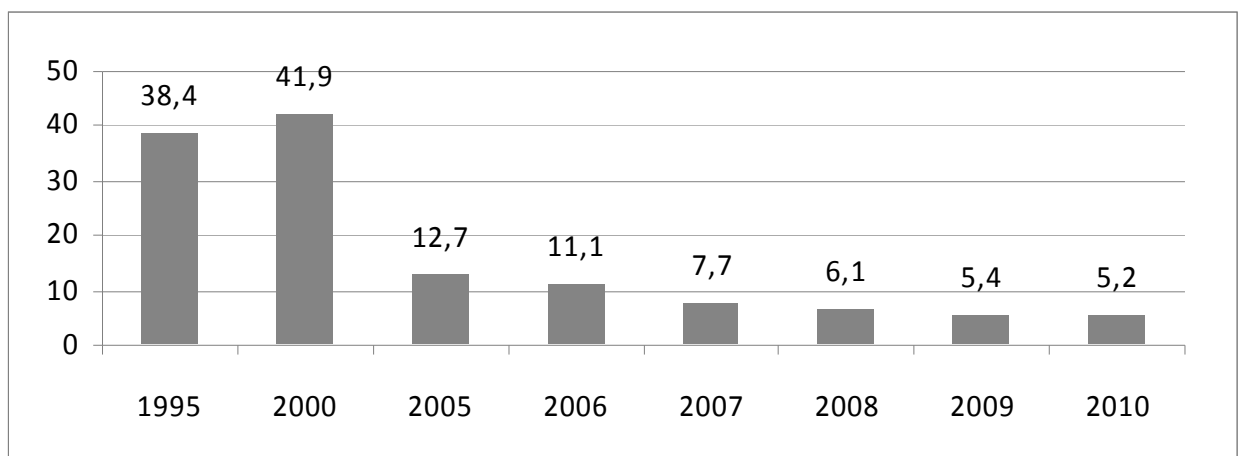
Around 650 public organizations and associations providing social services and humanitarian assistance are registered in Belarus.<sup>62</sup> The activity of social public organizations is oriented towards various categories of people: people with disabilities, orphans, families, pensioners, etc. Despite a large number of social public organizations, their activities cannot fully replace social assistance provided by the state. Unlike public-political organizations, social organizations are extremely loyal to the incumbent government, closely cooperate with local state organizations and receives permission from them for their activities (in fact, the state classifies public organizations into "own" and "alien" ones).

However, even with the said loyalty, a true partnership is not and may not be achieved. In fact, only the state establishes priorities of activities. New cooperation ideas in "social commissioning" category do not in fact eliminate the superiority of state structures in social partnership, and even strengthen financial and administrative dependence of public organizations on the will of state bureaucrats.

***Results of the implementation of poverty eradication programmes in the Republic of Belarus***

During independence years, the Government of Belarus managed to ensure a significant growth of citizens' standard of living and essential decrease in poverty. According to the data of 31 March 2010, the percentage of people below the poverty line decreased from 38.4 per cent (in 1995) to 7.7 per cent (in 2007) (Fig.1). According to the data of the National Statistics Committee of the Republic of Belarus, the percentage of people with resources below the minimum costs of living per capita on average amounted to 6.1 percent in 2008, whereas in 2010, it was 5.2 per cent.

***Fig 1. Percentage of people who own resources below minimum costs of living (1995, 2000-2010)***



Source: National Statistics Committee, data of the screening household survey, 2010

<sup>61</sup> UNDP projects in Belarus. Online access: <http://un.by/ru/undp/db/00011744.html>

<sup>62</sup> Website of Belarusian public associations. Online access: [www.ngo.by](http://www.ngo.by)

Some experts hold an opinion that economic growth in Belarus may be called “a growth in favour of the poor”. Due to the effect of redistribution (taking generally), there have been an increase in the share of medium-income households (larger growth), as well as the share of low-income households (smaller growth).<sup>63</sup>

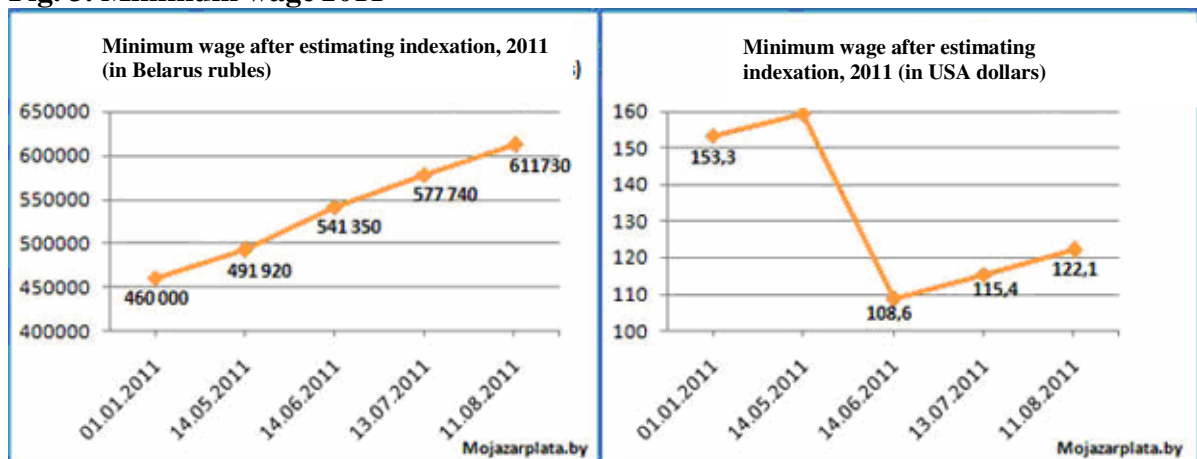
Economic inequality in Belarus is not great. The change of Gini coefficient over the last ten years was insignificant: in 2007, the coefficient was 0.274 (for comparison, 0.261 in 1995), and in 2010, it was 0.265. Due to income redistribution in favour of medium households, the distribution of people’s income, in general, started to even out.

The regulation of work remuneration is one of the measures of equalizing the socially oriented Belarus policy and people’s income. For this purpose, a wide range of instruments are used: determination of the target indices of work remuneration rates in the country, approval of minimum wage, redistribution of work remuneration across economy sectors. It is possible due to the fact that the majority of medium and large companies are managed by branch-structured ministries and departments which strictly control compliance with certain standards, as well as due to the relocation of budget funds (over a half of GDP is allocated through the budget) and the subsidising of the companies with poorer performance.

The economic crisis of 2011 in Belarus changed a “favourable” picture of fight against poverty. According to official data, the percentage of people with lower than minimum costs of living per capita reached as much as 6.7 percent of the total population in the second quarter of 2011. In some regions (Brest, Vitebsk, and Gomel districts) this indicator is was 8.5–8.9 percent.<sup>64</sup>

It is expected that poverty rates and economic inequality will continue to increase. In April 2011, the Council of Ministers of the Republic of Belarus adopted a resolution regarding the optimization of state programmes.<sup>65</sup> It is very likely that under the conditions of economic crisis, the funding for poverty reduction programmes will be cut.

**Fig. 3. Minimum wage 2011**



Source: *Mojazarplata.by*

<sup>63</sup> Гайдук К., Чубрик А. (2007). *Рост в пользу бедных? Факторы, определяющие динамику благосостояния населения Беларуси*. Current material of the TPM research centre WP/07/02

<sup>64</sup> Distribution of the population by resources per capita in the entire republic and districts in the 2nd quarter of 2011. // Screening household survey. Online access: <http://belstat.gov.by/homep/ru/indicators/house.php>.

<sup>65</sup> The Belarusian Council of Ministers optimizes state programmes. // Daily. 19-04-2011. Online access: [http://www.ej.by/news/economy/2011/04/19/soviet\\_ministrov\\_belarusi\\_optimiziroval\\_gosudarstvenny\\_e\\_programmy.html](http://www.ej.by/news/economy/2011/04/19/soviet_ministrov_belarusi_optimiziroval_gosudarstvenny_e_programmy.html)

The data on citizens' standard of living is announced annually in the statistical reports of the National Statistics Committee of the Republic of Belarus.<sup>66</sup> Annual and current (quarter) data are posted in the websites of the National Statistics Committee and Ministries of economy branches. From 1995 to 2005, when implementing UNO projects, national reports on human development were prepared.<sup>67</sup> The provided reports primarily gave an insight into the aspects of poverty rates in the country, as well as the aspects of social and economic development. In general, favourable assessments of indices of fight against poverty and social exclusion were provided.

However, these reports have some essential drawbacks which hinder a real assessment of fight against poverty and social exclusion.

- independent experts cannot get statistical data on the country's situation and the implementation of state programmes. Data inaccessibility for an independent examination casts doubts as to whether the indices and assessments provided in the reports are adequate and correct;
- the main data on the basis of which assessments are made include demographic and economic indices. They reflect the poverty category only partly, and hardly allow assessing exclusion which is most related to humanitarian factors;
- taking into account the previously mentioned paternalism of the country in the area of politics, there are no more reasons substantiating the consistency of social security. The absence of social partnership and differential approach to social activities leads to complete dependence of this area on the actions of state organizations. However, official reports and assessments do not reflect this consistency factor.

Official data on the level of social and economic development may be logically supplemented by research results of independent experts (from research centre TPM, centre "Strategy", Agency of Humanitarian Technologies, Independent Social-Economic and Political Research Institute, etc). Unfortunately, the results of independent research are clearly not sufficient for serious and radical changes in social policy of the Republic of Belarus and their inclusion in public discussions and debates. State organizations and institutions apply a publicly unnamed prohibition to use the research results of independent institutes.

#### **4. The practices of Belarusian welfare provision and problems of social security**

Welfare and social security is a part of the country's political and economic life which is best understood, seen and directly felt by each and all – politicians, experts, and common people. The results of social policy directly impact each person's life, and thus it seems that virtually everyone may evaluate, criticise and provide proposals in this area. This seeming simplicity and accessibility make the welfare area a popular object of political negotiations and speculations. It is emphasized in electoral promises, and competitors are criticised for it. And, most importantly, welfare and social security is the most frequently used criteria for assessing various periods of the country's life, as well as actions and programmes of governments and leaders.

However, despite such apparent clearness and concreteness of the expression of this policy, even experts, when performing an analysis, mostly examine only one or several mutually interconnected segments of this area. It is possible to trace and analyze the situation and dynamics of retirement provision and the social security of children and people with disabilities, declare an improvement in the situation of individual groups, dynamics of the number of

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<sup>66</sup> Publications of the National Statistics Committee. Online access: <http://belstat.gov.by/homep/en/main.html>

<sup>67</sup> National reports on human development. Online access: <http://un.by/ru/undp/nhdr/>

amount of allowances and benefits, etc. However, due to the fact that specific issues are processed and addressed, the integrity and systemacy of the entire social area is lost.

When analysing the principles and directions of welfare as a systematic element of a societal structure, we must clearly define the way we understand needs, responsibility and human rights. The perspective of concrete expressions of welfare as well as the identification of actual problems of the system and temporal difficulties depends on our way of thinking. The understanding of a person, their rights and freedoms and the limits of responsibility creates the principles of the formation of social policy and social standards. And it does not matter whether they will be portrayed and projected in economic and material categories of square meters, beds, roads, bulbs, etc., or legal and humanitarian categories of accessibility, awareness, etc. Social security mechanisms are also different: it may be a provision of vital items according to a set list or ensuring the satisfaction of needs within the limits of existing rights.

Currently, Belarus sticks to the first strategy – the priority is given to economic indices; a consistent set of needs that need to be met is foreseen, etc. Humanitarian and legal assistance issues including psychological integration, overcoming of a marginal status, legal equality, etc – are not prioritized and are regarded as an addition to the “mandatory” social package programme. However, in order to see the entire situation, the issues of the welfare area must be discussed taking into account the organization of the entire system.

Welfare differentiation principles. First of all, for the purposes of analysis, it is necessary to distinguish the categories of people having different degree of accessibility to social resources. 1) People who may provide themselves with a vital complex of social services, i. e. having the possibility to earn enough money and pay for required services. 2) People who may not provide themselves with standard and regular package of social services. Firstly, these are the people with limited physical or mental capacities (the disabled). Secondly, these are the people whose capabilities are limited due to age (children or old people). Thirdly, these are people who represent marginalized social minorities, i. e. people who do not enjoy all political and social rights – migrants, people of non-traditional sexual orientation, etc, people with temporarily limited social capacities – pregnant and breastfeeding women, unemployed people, students, young specialists, people released from detention facilities, those who graduated from specialized boarding schools, reserve officers having no civil specialty, etc.

In this way, welfare encompasses all citizens. Moreover, a social package must be divided into a general (services accessible to each and all citizens as well as social obligations), and specialised package or specialized services (target assistance that may not be received independently and on general grounds due to one or another limitation).

Classification into such groups and respective social packages sets certain requirements for the organization of social work, i. e. requirements for the collection of information on various categories of people from the second group, requirements for ensuring adequacy and consistency, etc. However, most importantly, the distinction of the first group means that the basis of welfare consists of the creation of the infrastructure for choosing social services to independently address one’s needs. And only of there are limited possibilities, these limitations must and can be overcome by social measures.

We will present an overview of the problems that hinder the implementation of such an approach to the area of social security and welfare in Belarus.

**The problem of statistics.** Up until now, an adequate system for identifying and accounting groups who are in need of target assistance has not been in place in Belarus. The task of collecting statistical information is set for welfare departments, and they may act only according to the existing schemes of information collection. These problems lie in the general organizational structure and principles.

- An improperly compiled nomenclature (list) of the categories of people who are in need of target assistance. It has remained virtually unchanged since soviet times. This resulted in great attention being paid to people sitting on the dole according to the ideological principle (veterans of labour and various wars, employees of the system of domestic affairs and special services, etc.). Moreover, a nomenclature of people with limited physical and mental abilities is formed rather well. However, no adequate classification has been prepared with regard to the people who have limited social capabilities for a temporal period. According to soviet statistics, such groups of people as, for example, Romani people and residents of abandoned villages, are simply not accounted. No statistical categories have been created for them.
- The current statistical information is collected by various departments each of which creates its own categories and criteria following narrow pre-set tasks. There is no interdepartmental agreement on the comparison of statistical information. Therefore, it is very difficult not only to collectively use information but also to transfer it, let alone the coordination of actions and measures.
- Professional training of officials engaged in statistics is limited to the basic tasks of number management and transference of one statistical forms and tables to others. Low pay matches low qualification of specialists.
- There is virtually no cooperation between state organizations collecting and analyzing statistical information and respective organizations of the third sector. There is also no forms of cooperation organization that would help take into account the information of the third sector and compare it with state statements, nor a decision or will to start such a cooperation.
- The "adjustment" of the existing figures to the ideological approach and the needs of lobbying departments adds to a poorly developed and ill-differentiated system of statistical indices supplements. The necessity to justify conjunctural decisions by nation's needs requires the harmonization of an "objective picture" with the decisions adopted.
- Already in the beginning, regional, infrastructural and social limitations and difficulties exist in the procedure of collecting necessary information. It is simply hard to reach certain rural areas, thus "approximate" data are collected on them. It is even more difficult to get accurate information on socially isolated groups.

Welfare departments may not address the problems mentioned herein, and, using existing work schemes and methods, they fail to cope with the task of collecting necessary information.

The problem of **awareness** of the people who are eligible for social assistance. Despite the relevancy and popularity of the topics of welfare in the rhetoric of leaders of various level, in fact, the range of issues being discussed is very narrow. Most often, discussions focus on the assessment of social policy, and little attention is given to simple awareness-raising on the rights to welfare. There is, however, a small number of issues related to welfare that are reviewed, though insufficiently, but regularly. These primarily include pensions and children allowances. However, a large range of issues, especially related to a standard welfare package, remains virtually inaccessible to those who need to use it. This is related to various aspects of welfare and social security concerning free medical assistance and patients' rights (choice of a physician, the possibility to appeal against doctors' decisions, the right to appeal to court, etc) or free legal assistance.

On the one hand, speaking of this problem, very often information on the rights guaranteed on the state level remains in the services that must protect them. On the other hand, there is an obvious lack of awareness-raising by social services on technical and professional provision, and dissemination of information on themselves and their services. These services simply face a lack of qualification and possibilities to disseminate information because such work requires special training in the area of advertising and public relations as well as special organization of such measures. However, it does not fall into the competence of the associates of social services and is not properly included in the organization's structure. Thus it may be concluded that people, who want to protect their rights to social security or receive target social assistance they are entitled to, have to show initiative and activity (often accompanied by stubbornness and perseverance) when searching for information on their guaranteed rights and opportunities.

The **problem of the accessibility** to social services and benefits. Even the existing guaranteed rights to social security cannot be implemented in all cases. The accessibility of welfare is limited by the following difficulties.

- Social services experience a constant lack of employees required to meet the needs of social security. The low pay and stressful work of social workers has resulted in the migration of qualified employees from state institutions. Only employees with low qualification remain and they often regard their job as temporal. The composition of the employees of social services does not meet the needs of the population neither in number nor in qualification. This also limits the accessibility to social security.
- The legislative base that regulates the provision of social services is so complex and mixed up that not only by people in need of social assistance but also social workers cannot understand it. They sometimes fail to adequately understand their duties and opportunities.
- Division of labour and distribution of services within the limits of the provision of social services takes place based on the guarantee of management convenience and accountability to a higher authority, rather than the convenience for the client to receive services. Such assignment of duties and powers between officials and social services' employees determines the fact that it is impossible to find a person responsible for the entire process of assistance or service reception. One-stop-shop principle that had been expected to regulate this issue failed to solve the problem. Reorganization has had an impact on the external side of "communication with the client" rather than service provision itself. And although a person communicates only with one official, however, the solution of the problem is scattered as before, and a particular official does not hold personal responsibility.
- Just like before, the welfare area is assessed as divisional where the state "grants" protection to its citizens. And it is the state that determines and provides the range (often very narrow) of the solutions to social problems. There are no work technologies or client-oriented methods for social services whatsoever. Their clients are the beneficiaries of an established package of services rather than those for whom an infrastructure as well as the possibilities to independently solve their problems must be created. At the same time, paternal relations with the state are maintained and they remain dependent on it. The people who are seeking individual ways to exercise existing rights and opportunities are regarded almost as frauds by state officials. For instance, state institutions do not trust and fail to objectively assess non-state organizations of people with disabilities which provide for themselves.
- Completely uncoordinated actions between state social services and the third sector organizations (non-state organizations, social enterprises). Despite limited own resources in the area of welfare, account is not taken of the capacities of non-state organizations. Even more so, they often experience pressure.

Exemptions for associations and enterprises that employ people with disabilities are given according to a closed list of organizations (see, for instance, compensation of expenses for employers who are purchasing specialized equipment for the creation of jobs for the disabled as well as for their employment provided for in the state employment support programme for the residents of the Republic of Belarus in 2008). This list primarily includes the associations that have been established and functions with state support. Self-organization in this respect is not supported. Moreover, this list has been established by the law, i. e. it is virtually unchangeable. Therefore, the activity of socially oriented associations is not only excluded from the national welfare programmes, but also hindered by various litigations, and they even have to fight for survival with the state.

The **problem of the adequacy** of social services to people's **needs**. At this point, the issue arise of the possibility to replace offered benefits in kind with monetary forms of assistance. The existing social provision system does not provide for person's ownership with regard to a benefit received, i. e. people may not freely chose its type. For example, the state budget and the Constitution guarantees each child a certain amount of money allocated for education. An analogous amount in Europe is attributed to the child in person and is transferred to the school attended by the child. If the offered state school does not satisfy parents, and the child is attending a private school, the amount is transferred to its account. In Belarus, this money is transferred only to the state educational institutions, thus the child's parents pay the whole price rather than its difference for the education at a private school. The price of such education is very high. In fact, this means restrictions on child's parents because already in the beginning the level of his/her needs is determined. If his/her needs do not meet the offered forms of their satisfaction, there is no right to welfare.

- The same problems exist in the area of free medicine as well as in providing medicines or wheelchairs for people with disabilities or cars for those with limited physical abilities. Either a standard benefit or no benefit is provided. There is no choice of options for satisfying one's needs.
- Another aspect of the adequacy problem is related to the possibility to use offered exemptions. This may be observed when speaking of free public transport services for people with disabilities. The entire infrastructure is not suitable for the movement of the disabled, thus the public free transport services become a virtual benefit that cannot be used. Moreover, there is no replacement benefit in a different form.

**The problem of corruption.** Absence of a developed system for informing people about social services and low functional literacy of people create opportunities for corruption when assigning social services. The soft loans for house acquisition (construction and purchase) is the area mostly affected by corruption, thus these services become inaccessible to the portion of the population they are intended for. On the other hand, these services are used by those who may simulate their right to preferential loans using documents. The same is true when assigning plots of lands, land for summer houses, etc.

In the recent year, the problem of corruption at the stage of enrolment into higher education institutions has been relevant. When enrolling into higher education institutions, corruption is promoted by general existence of paid and unpaid education. State institutions have created and implemented special programmes for eradication of this negative phenomenon. For example, the introduction of tests has helped minimize the subjectivity among teachers. At the same time, there remained a possibility of manipulating the number of free positions which is left to the discretion of higher education institutions as well as the minimum enrolment grade. The

committee of a higher education institution may provide individual students with the possibility to study free of charge if there are vacant positions in unpaid education groups. It is these positions that become the object of corruption. Therefore, the right to education cannot be fully implemented just like before.

**The problem of nationalizing the entire area of social services.** Despite the fact that state organizations lack funds, qualifications and other resources, the state not only makes little attempt to engage public associations in social provision, but also aims at pushing them out by all possible means. None of social programmes implemented by public associations are covered by statistics, they are not taken into consideration when planning future actions. The sole interaction mechanism is taking over of initiatives and results and pushing out of non-state associations. The same is true when implementing international social security programmes. The place of state associations is occupied by state services or so-called state public associations.

To address the above problems it is necessary to make an essential revision of social services and social security methods and forms. Strange as it may seem, the likelihood of such changes depends not only on economic and material conditions but also on our understanding of people and their needs. The replacement of a paternalistic principle of social service provision with the principle of creating an infrastructure for independent satisfaction of one's needs is possible only after reversing the existing "person-state" relation. At this point a task arises of creating and transferring a new understanding of social standards, quality and people's way of living. This is a task for scientists, philosophers in broad sense, i. e. intellectuals. Not least important is the preparation of new employees of social security and servicing system without whom the tasks of reformation can hardly be solved.

The Constitution refers to the Republic of Belarus as a social state. In some sense, this reflects reality. A large portion of the Belarusian population can use social services and meet their needs only because the entire service package is offered exceptionally by the state, and all social opportunities are managed by the state. However, the Belarusian state nowadays is not effective. It cannot implement all social programmes it declares, and it does not create conditions for its citizens to independently address social issues. Therefore, far lower standards are set in Belarus.

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