POVERTY AS A SOCIAL GLOBAL PHENOMENON  
(Sociological aspect)

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Abstract

Poverty is a very complex social occurrence and multidimensional phenomenon with a long history. It dates back to the very beginning of the human society formation. Poverty is diverse and in constant change. Bearing in mind all the scientific-technical achievements in the new millennium, this new knowledge shows us a constant increase of the number of poor people. For example, 2.8 billion people of six billion world population live on less than 2USD a day, while 1.2 billion live on less than 1 USD per day. (Rakic, 2005:71)

Also, we should have in mind that poverty affects younger population through unsatisfactory income which cannot meet basic needs, (un) employment opportunities, adequate access to health and social protection and access to education. It should be pointed out that the majority of young educated generations have been put in unenviable position in the labour market while they are losing the best years of their lives. Long-term unemployment discourages young people. It is not possible to reduce poverty only through programs and strategies, but it demands changes on the economic basis. Fighting against poverty is long term process and requires a lot of money.

Key words: poverty, needs, younger population, unemployment, strategy.

INTRODUCTION

Poverty is a very complex social occurrence and multidimensional phenomenon. Historically, it is diversified and tends to change constantly. As a social phenomenon, poverty is quite widespread and includes a broad worldwide population, from the children to the elderly, also not excluding members of ethnic minorities. These facts suggest us to think that poverty is one of the biggest problems nowadays, not only for the so-called underdeveloped countries, the so called – Third World (Asia, Africa, Central and South America) or South-Eastern and Eastern Europe, but also for wealthier societies. Of special concern is the fact that at the beginning of this century, almost more than one billion people in the world lived on the edge of existence. The poor people have always existed, and they exist today, not only in our country but also everywhere around the world.

For the sake of integral comprehension of certain reasons that cause poverty, it is necessary to determine the concept and causes of poverty. Bearing in mind the fact that the fight against poverty is a long lasting process, which is difficult and requires a lot of money, it is necessary to take certain measures which would lead to the reduction of poverty.
POVERTY – DETERMINATION

In order to achieve better view of poverty, it is necessary to identify and define the concept of poverty. In our and foreign literature, there are numerous definitions which define poverty in various ways. According to Dr. Petret Georgievski, in Anglo-Saxon countries, especially in the USA, there is an official definition of poverty: “Poor people are those who do not have necessary means, defined as goods and services” (Georgievski, 1989).

“Consumer basket“ consists of food product and it enables us to define poverty in the USA. Poverty threshold is determined as there times the value of the consumer basket. This is the sum of money which is legally estimated and which enables the satisfactory level of normal life. A reputable British sociologist Peter Tonsend defines poverty “as the state of an individual or family who lacks money in order to provide for necessary food, or participation in activities and enjoying the life conditions in the society they live in” (Aceski, 2001: 66).

The question mostly asked by the majority of scientific ministers in countries which are in transition in Europe, is related to the increased poverty. There are many reasons for the increased poverty, but definitely the basic are structural changes in economy and unequal distribution of income.

In the 19th century, when this problem began to be seriously examined in England, the question of measurement according to which real poverty definition can be given appeared. When we speak about absolute poverty, we have to take into consideration the minimum life standard which is applicable to all societies and individuals, better to say, about physical survival. Those are physical needs: food, hygiene, basic cultural needs such as education, security, free time, etc.

There is a real poverty which involve life standard of one society, or in other words, how wealthy that society is. As an example, we can take the usage of hot and cold water, home appliances possession, healthy services etc.

The question “What is life standard? “can be asked from the above mentioned. Besides different definitions of life standard, we can include material conditions of life and work as basic elements. Bigger contribution in determining life standard is given by the UN which shows the basic elements that are included in the definition. And they are: health, food, education, employment and working conditions, footwear and clothes, recreation, social security and freedom of men.

POVERTY IN SERBIA

The fall in economic activity during the last decade of the twentieth century caused the rise of poverty in Serbia and the fall of life standard. According to the empirical data on poverty in Serbia, which were obtained through the survey on the living standards of the population, conducted in the period May – June 2002, the information obtained is that 10.6% of population in Serbia is poor, or about (800 000), which should be accepted only as a starting point because the slight movement of the poverty line increases the poverty rate to 20% (or about 1600000 inhabitants). About 480000 refugees and internally displaced people, Roma, and about 25,000 people living in collective accommodation centres, refugees whose living, standard is at the lowest level on a daily basis, should be added to this number, considering the that they were not covered by the above-mentioned survey (Rakic, 2005: 72).

According to the EU standards, the number of the poorest in Serbia in year 2008 was about 13.2% but according to our methodology, it was 7.9%. The government’s team for implementation of Poverty Reduction Strategy for the above mentioned year claimed that
about 700000 people were living below the poverty line (9.2% of the population). These are people who spent under 8360 dinars per month. This sum includes the cost of food (about 2000 calories per individual), clothing, services, utilities and housing. The thing to be highlighted for that period is that in comparison to 2006, when it was 8.8% of the poor, in 2007 there was 7.7% in 2008 7.9%, and in 2009 9.2% of population, which means that the number of poor people in Serbia over the previous year increased by about 107000 people. According to the official data, during the mentioned period in Serbia, about 150000 children were malnourished, while 45000 children were affected by poverty. The most vulnerable were children under 14 years of age. (Apostolovski, 2005;:12). However, there are different opinions. The director of the centre for the Study of Alternatives Milan Nikolic - sociologist claims that poverty is a relative category. According to his data, 60% of the population in Serbia lived below the poverty. If criteria of the centre for Policy Studies are taken into consideration, poverty was defined differently from the methodology used by the government in this period, the IMF and the World Bank. For them, there are no such criteria as cultural and education spending. According to Nikolic’s research, family of four needed between 1200 and 1300 euros per month and only for basic needs. There is the difference in basic needs – for the country, basic needs were flour, oil, sugar, etc., while the costs of education, hygiene, clothing, footwear, nightlife, entertainment and others were not included. The consumer basket does not involve daily stay in primary school (The same, page 13). In order to get holistic approach to the problems of poverty, here is the example of the average salary in Serbia by year: in 1989 it was 570 USD, 60 DEM in 1999, in year 2009 352 EUR, in 2012 42000 dinars, in December 2014 it was 49970 dinars, in June 2015 44583, and the average net salary in July 2016 46280 dinars. (Source: Republic Statistical Office of Serbia).

UNEMPLOYMENT AND POVERTY

One of the hardest problems that society has to face is the unemployment, which strongly affects poverty. Special concerns are new layoffs in public companies, and local self-governments. There is a danger that the limits if poverty can move downwards, or that it can lead to misery.

According to official data of European Office for statistics, the number of unemployed people in Eurozone in August 2012 reached 18.2 million people or 11.4% of the whole number of working age population. Eurostat’s sources show the unemployment in Eurozone among the adults: Spain 25.1%, Greece 24.4%, Portugal 15.9%, Ireland 15%, Italy 10.7%, France 10.6%, Germany 5.5%, Netherlands 5.3% and Austria 4.5%. From the above mentioned data, we can conclude that, in the certain period, Spain had the most unemployed people 25.1%, and the next one is Greece with 24.4%.

The latest Eurostat’s data show that the number of unemployed people in the EU falls, but at the same time, there is twice higher unemployment of foreigners than inhabitants of the EU. The number of unemployed people in June 2014 shows the first signs of economic recovery which is slightly notices in comparison to the previous year. However, according to European Commissioner for work and social questions, Laslo Andor “Although the process of closing work places seems to be stopped, decrease in number of unemployed people is relatively modest.”

Among the countries which are in the EU, the lowest level of unemployed people is still in Austria with 5% and Germany with 5.1%. The most unemployed people are in Greece and Spain – 27.3% and 24.5%. From May 2013 to May 2014, the unemployment rate fell in 20 countries of the EU according to Eurostat; it is in Portugal 14.1%, Hungary 8.1% in Ireland 11.8%, and in Spain 24.5%. The highest increase in number of unemployed is noticed in
Finland 8.8%, Luxembourg 6.3% and in Austria 5%. Where the number of unemployed young people in Eurozone is concerned, is reduced for 3.32%, in other countries of wider Balkan regions, the lowest level of unemployment is in Romania and according to the latest official data it is 7.5%, the next one is Hungary with 9%, Turkey 10%, Slovenia 11.2%, Bulgaria 12.7% and Slovakia 14.3%

The above mentioned sources give us data about unemployed people younger than 25 years of age, and it is also worrying. Greece has most unemployed young people, even 55.4%, the next one is Spain with 52.9%. When Eurozone is concerned, there are even 22.8% the number of layoffs in Eurozone during that period is also worrying, since there were 34000 people that got sacked only in August. The mentioned data forced the European Commission to release warning about the level of unemployment in Eurozone which becomes critical, and if so, it will represent the danger for social stability unless certain measures are taken. Data for 2014 also shows the increase of number of unemployed young people. The highest rate is 64.8% in Greece, then Bosnia and Herzegovina and Spain, while there is Macedonia in the seventh place, Croatia in the tenth. France is in unbelievable 45th place with 25.3%. Slovenia is in the 44th with 25.7%. The next one is Hungary with 26.1%, Ireland with 27.7%, Poland with 28.4%, Albania 32.3% and Slovakia with 33.8%. In order to compare them, here are the unemployment rates in European countries in 2012 according to the same sources: Austria 4.1%, Germany 5.6%, Romania 7.7%, Slovenia 8.2%, Hungary 10.9%, Bulgaria 12.2%, Montenegro 12.65%, Croatia 18%, Greece 21.9% (in March), Spain 24.6%, Serbia 25.5%, Bosnia and Herzegovina 27.2% and Macedonia 31.8% (Source: Eurostat, 2012). Serbia and other countries of South-Eastern Europe were in the similar situation. During the period of transition, Serbia faced and is still facing the problem of sacking certain number of employed people in public companies and local self-governments. We must have in mind the fact and data that in the last 20 years, 98% of industrial centers, where more than million employees used to work, were closed. Statistical data from April 2009 shows that there were 16.4% unemployed people in Serbia, while in 2008, there were 14.8%, which means that 100000 people got sacked during that period of time.

Unemployment rate in 2012 in Serbia was 25.5% which means that every fourth person of working age did not work in that period. Further predictions for the next year were that the unemployment rate will be raised to 27%. According to the National Employment Service data, there were 754967 unemployed people in Serbia in 2012. The unemployed people included younger population, up to 30 years of age. The majorities are educated young unemployed people:

- 808 masters
- 52 PhD’s
- 7688 Bachelors of Economics for general economics, baking and finances
- 4886 Bachelors of Laws
- 2165 teachers
- 1907 medical doctors
- 1137 architects
- 1123 dentists
- 1110 professors of physical education

During the last years, when college-educated young people are concerned, the number of unemployed does not fall, but grows. According to National Employment Service data,
statistics show that there are 87 PhD’s, 792 masters (there is a minimal decrease), 8000 Bachelors of Economics, 7000 Bachelors of Law, which also include those with Master degree, 2520 medical doctors, 1370 dentists, 1200 architects, the same problem exists with teachers and graduates in tourism. It should be added that according to the sources, the unemployment rate in Serbia in 2015 was 19.2% in the first quarter of the year (for the population aged 15 and older) which represents the decrease of 1.6% in relation to the first quarter of 2014. The level of unemployment in July 2016 in Serbia is 16% according to official data. However, it should be noticed that the newest monthly reports from the National Employment Service shows that 60% of signed contracts are temporary and only 20% are permanent, while 20% people work on temporary and occasional jobs and contracts of work.

There is no doubt that unemployment in Serbia is very serious problem. The fact which also worries is that education system is not adjusted to the market demands, which already exists in the EU, and in the same way, the process of solving the unemployment will be more difficult. Various scientific analyses in this field show that a decade is necessary to, at least, half the current unemployment. All this leads us to think that Serbia will come out of this vicious circle of poverty only if there is a strategy of competitiveness on job market, and the increase of employment, which is already happening in the USA and Germany. It is necessary to add the fact that in these occasions, the state not only makes efforts to reduce poverty and unemployment to a normal level, but also that a lot of time, effort and money is required.

**HOW TO REDUCE POVERTY**

Taking into consideration the fact that poverty is a multi-dimensional problem, it is impossible to find a simple solution. Poverty is connected to the lack of resource control, knowledge, and social relations. It is not possible to reduce poverty only through programs and strategies, but it demands democratic participation and changes on the economic basis. Fighting against poverty is a long term process and requires a lot of money. It is necessary to include human resource development, education of the younger generations and other types, of education into the fight against poverty in order to increase educational level and follow modern technological trends.

Strategies for poverty reduction should include the following principles:

1. To coordinate equitable regional development through intercity and inter municipalities cooperation.
2. To improve and raise to a higher level the partnership among local self- governments
3. To coordinate regional strategies with macro- economic development policies.
4. To enable local communities to take part into financing various projects of vital importance.
5. To provide equal living conditions and development of all people, that is minimal living standard.
6. To provide appropriate economic and social protection in the case of unemployment, disability and old age.
7. To provide educational process on all the levels.
8. To provide special measures and activities for the improvement of economic, social and living conditions in rural environment and to prevent rural exodus.
9. To provide public and private investment in order to improve global human environment and infrastructure (water system, sewerage system, housing and transport)
INSTEAD OF CONCLUSION

When considering poverty as a social phenomenon, political and scientific authorities should be involved in solving the above problems, and therefore they should encourage the development of underdeveloped regions and affect policies to combat poverty. In this context, the state has a crucial role in ensuring equal conditions for life and development of the entire population. The local community also has a great obligation and responsibility to create the conditions for the inclusion of the working age population in work processes, and thus fight against poverty.

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