

STATE OF SOCIAL JUSTICE IN THE REPUBLIC OF CROATIA

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1. INTRODUCTION

Social justice is reflected in the fair distribution of available resources within a community and between individuals. Social justice should not only be based on ensuring adequate rights through the Constitution, laws or other legal regulations but on creating opportunities for the realization of the same rights. Furthermore, the positive effects on the side of social justice should also be sought on the side of individuals, since each individual in society bears certain responsibilities in creating a more just society. Often individuals believe that in society, with higher levels of social justice, people simply enjoy the rights, while at the same time having no obligations and accountability towards the same society. In view of this, the authors of this paper provide an overview of the work of six indicators that constitute the Social Justice Index for EU Member States: Poverty prevention, Equitable education, Labour market inclusion, Social cohesion and non-discrimination, Health and Intergenerational justice. Since the listed indicators were also published for the Republic of Croatia in 2014, the authors provide additional information and an overview of this paper, in order to make the image of social justice in the Republic of Croatia as clear as possible. That is important since the Constitution of the Republic of Croatia, the highest legal act, states that the Republic of Croatia is a welfare state and that social justice, among other values, is one of the highest values of social order.

2. SOCIAL JUSTICE IN EUROPEAN UNION MEMBER STATES

The Report *Social Justice in the EU - A Cross-National Comparison* [1] presented the Social Justice Index (hereinafter referred to as: the Index for European Union member states) which is based on six indicators: Poverty prevention (I), Equitable education (II), Labour market inclusion (III), Social cohesion and non-discrimination (IV), Health (V) and Intergenerational justice (VI). An overview of indicators according to sizes and the Index is shown in Table 1, and the explanations, according to the aforementioned source, are given later in the paper.

The presented Index for 2014 has the highest value in rich northern European countries: Sweden, Finland, Denmark and the Netherlands. Crisis periods in almost all European countries, in an economic and political sense, had a significant impact on lowering the said Index. Greece, Romania and Bulgaria have the lowest Index value. Routing many

countries towards implementing or attempting to implement reforms, increased savings, and the need for budgetary consolidation has prevented many countries from the realization of investments, in particular those related to education and research and development.

Table 1. Social Justice Index values and size on which the Index is based in 2014. [1]

Country code	Values in 2014						Weighted Index	Rating
	I	II	III	IV	V	VI		
SE	7.26	7.42	7.02	8.06	8.15	7.87	7.48	1.
FI	7.17	6.98	7.10	7.67	6.66	7.32	7.13	2.
DK	6.46	7.20	7.28	7.45	7.73	7.09	7.06	3.
NL	7.41	5.99	6.97	7.96	8.00	5.43	6.96	4.
CZ	7.50	6.40	6.02	5.84	7.40	5.71	6.63	5.
AT	6.51	5.91	7.33	6.49	7.48	6.12	6.61	6.
DE	6.32	6.03	7.19	7.33	7.20	5.57	6.55	7.
LU	6.60	6.19	6.11	7.37	8.12	5.51	6.54	8.
NE	6.32	6.92	5.79	6.43	6.28	6.35	6.34	9.
EE	5.39	7.15	6.78	5.83	5.19	6.85	6.19	10.
BE	5.84	6.31	5.93	6.59	7.92	5.04	6.16	11.
FR	6.44	5.43	6.11	5.97	7.25	5.57	6.12	12.
UK	5.25	5.74	6.67	6.10	7.26	5.49	5.94	13.
EU average	5.01	5.97	5.70	5.89	6.27	5.47	5.60	
MT	5.49	4.67	6.29	5.22	7.13	4.23	5.50	14.
LT	3.26	7.19	5.56	5.88	6.25	6.30	5.37	15.
PL	4.85	6.45	5.24	5.88	4.26	5.56	5.36	16.
SK	6.27	4.62	3.98	5.15	5.32	5.17	5.16	17.
IE	3.85	5.13	5.65	6.07	6.75	5.06	5.10	18.
CY	5.54	6.46	4.76	4.91	6.15	3.81	5.09	19.
PT	4.97	4.71	4.86	5.77	5.87	4.65	5.03	20.
ES	4.49	5.27	3.70	5.45	7.00	4.63	4.85	21.
HR	3.31	7.00	4.16	4.31	6.04	4.79	4.74	22.
LV	2.65	6.44	5.62	5.16	3.14	6.67	4.70	23.
IT	4.23	5.16	4.79	4.80	5.90	3.73	4.70	24.
HU	3.02	5.64	4.95	4.61	4.97	4.61	4.44	25.
BG	1.00	5.09	5.07	4.45	4.31	5.44	3.75	26.
RO	1.08	5.10	5.31	4.46	3.19	5.24	3.69	27.
EL	2.76	4.56	3.23	3.74	4.68	3.41	3.57	28.

Poverty suppression has the most important role in the realization of social justice. High levels of poverty and social exclusion, especially in the case of children and young

people, prevent their progress. The highest score in combating poverty was given to the Czech Republic, followed by the Netherlands, Sweden, Finland and Luxembourg, which are also consistent in implementing policies aimed at combating poverty. A slightly lower score in combating poverty was given to Germany, although the indicators relating to the number of people (18-59 years) living in households with very low work intensity are in decline.

A quality approach to education is a significant factor in providing equal educational opportunities for all children and opportunities for their advancement in the future. The highest ranked countries according to access to education are countries in Northern Europe: Sweden, Denmark, Finland followed by Lithuania and Estonia. Among them is the newest member of the European Union: Croatia. Regarding the approach to education in the European Union, there has been an urban-rural gap and certain differences in the approach to education between boys and girls. The largest share of the population aged 18-24 who leave school is found in Portugal, Malta and Spain. Croatia, Slovenia, the Czech Republic and Poland have a much lower share of the same population that leave school. However, Croatia and Slovenia are characterised with very low participation of students in vocational education and connection of this level of education with the requirements of employers. In contrast to Croatia and Slovenia, in Germany there is an extremely good system of vocational education with good connections to the labour market, which ultimately results in a lower level of unemployment than in other countries.

Long-term unemployment, which creates a negative trend in accessing the labour market, has a significant impact on poverty and social exclusion. Countries such as Germany, Austria, Denmark, the Netherlands and Sweden are at the forefront when it comes to employment. Trends in employment in these countries have oscillated due to the crisis period, but there has been no huge employment decrease. It is the result of implemented reforms, the responsible behaviour of social partners (employers and trade unions) and the use of effective crisis management instruments. Increasing unemployment is particularly pronounced in Spain, Greece, Portugal, Cyprus, Italy and Croatia. Losses in these countries, especially for young people, are causing disorientation and increasing migration of local population.

Combating discrimination in society is one of the most important features of ensuring equal opportunities and creation of values such as: equality, social non-exclusivity etc. In most cases small and homogenous countries have greater equality in society. This primarily refers to Sweden, the Netherlands, Finland and Denmark. Values such as equality, integration and unity are interwoven with politics and society in these countries. The highest ranking country in achieving social cohesion and non-discrimination is Germany. The lowest ranking countries in achieving social cohesion and non-discrimination are Greece, Croatia, Bulgaria and Romania. Continuous discrimination is especially acute among the Roma population.

Health systems of European Union member states are, from a qualitative view point, mostly satisfactory. However, there are significant differences in the quality of health services and in simplicity and equality in access to the same services. Regarding health

systems, the leading countries are Sweden, Luxembourg, the Netherlands, Belgium and Denmark. Regarding the quality of health services Germany is especially successful, which, apart from quality, has in the last five years through a variety of policies also strengthened the cost-effectiveness of its health system. The worst ranked health systems are in Latvia, Romania, Poland, Bulgaria and Greece. In these countries the problem of insufficient financial resources is particularly highlighted, which is ultimately reflected in the quality of services, but also in equality regarding the access to those services. Namely, in those countries illegal payments, or bribery by patients in order to achieve the right to specific, or even primary, health services are especially emphasized. Social justice, inter alia, will be based on the correct / fair distribution of opportunities as well as resources in the future. Family and pension policy, environmental policy and assessment of political and economic conditions related to the investment in research and development and public debt are important segments of intergenerational justice. Sweden, Finland, Denmark and Estonia have the best results in terms of intergenerational justice and in particular in the area of family policy and environmental policy. Continuity in the implementation of certain policies (both family and pension policies) greatly influences the achievement of good results. Pension reforms implemented in the last 25 years have allowed the sustainability of the system in the financial and intergenerational sense. In Sweden and Latvia environment protection policies and their achievement contributed to the preservation and restoration of natural resources for future generations. Expenditures, both private and public, research and development, which ensure long-term competitiveness of the country, in Finland and Sweden receive more than 3% of the GDP, which is far above the EU average (1.67% of the GDP). Denmark and Germany also have a high proportion of expenditure on research and development in the GDP. The public debt level in some countries of the European Union, especially in Greece, Italy, Portugal, Cyprus, is alarming but some developed countries like Germany, France, and the United Kingdom also have a high level of public debt. Efforts invested into the implementation of fiscal consolidation and upward trajectory of the GDP growth in developed countries promise a better situation regarding public debt. The lowest results in the area of intergenerational justice are given to Greece, Italy and Cyprus. However, it should be noted that in these countries not all areas that affect intergenerational justice are critical. This indicates the need for continued implementation of reforms, avoiding dangerous financial cuts (as was the case during the crisis period) in the fields of research and development, environment protection etc.

3. SOCIAL JUSTICE IN THE REPUBLIC OF CROATIA

The previously observed Index confirms the severely compromised state of social justice in Croatia. It is evident from Table 1 that Croatia ranks only 22nd according to the Index value. The values of the individual indicators of the Index for Croatia in 2014 are listed in Table 2. The authors provide, below, an overview of additional data relating to the specified indicators in order to make the image of social justice in the Republic of Croatia as clear as possible.

As it is evident from Table 2, the Republic of Croatia has achieved a satisfactory rating only in education. Positive trends are mainly related to a small proportion of the population (18-24 years) that leave school and to an increase of share of the population in the Republic of Croatia with completed tertiary education, an increase from 18.5% in 2008 to 25.6% in 2013, while the average in other 27 EU member states is 36.9% [2]. The problems that impair the access to education are the following [3]:

- 22.5% of high school students are enrolled into three-year secondary education and only a small portion of such students enrol in tertiary education,
- lower socioeconomic status prevents access to higher education,
- the socio-economic characteristics of individual regions and municipalities affect the access to education etc.

Table 2. The value of observed indicators of Social Justice Index for Croatia 2014 [1]

Item	Observed value	Value	Ranking of the Republic of Croatia in comparison to other EU member states
1.	Poverty prevention	3.31	22
2.	Equitable education	7.00	5.
3.	Labour market inclusion	4.16	2
4.	Social cohesion and non-discrimination	4.31	27
5.	Health	6.04	18
6.	Intergenerational justice	4.79	21

Only 2.9% of individuals aged 25-64 participated in lifelong learning in 2013 in the Republic of Croatia, while the average in EU member states is 10.5% [4]. With regard to the European objectives by 2020, the share of the aforementioned population should be on average 15%.

Key issues in the Croatian health care system are reflected in the following [5]:

- incoherence and discontinuity in health care,
- uneven and unknown quality of health care,
- inefficiency and ineffectiveness of the health system,
- poor and uneven access to health care,
- relatively weak indicators of health in Croatia,

Adding to the aforementioned problems, it is important to point out that the life expectancy at birth in Croatia (in 2012) was 77.00 years, while the average in 27 EU member states was 80.30 years. Infant mortality rate in Croatia was 3.6 / 1000 while the average in 27 EU member states was 3.8 / 1000. General mortality rate (in 2012) in Croatia was 12.3 / 1000, while the average in EU member states was 9.6 / 1000 [6]. In regard to their own perception of health, 25.8% of Croats (in 2013) considered their health to be bad and very bad, while the average for that same category in 27 EU member

states in 2013 was 9.9% [7]. Regarding intergenerational justice, which implies a fair distribution among present and future generations, in Croatia this indicator is deteriorated particularly due to:

- the large share of public debt in 2013 amounting to 67.1% of GDP [8], which burdens the future consumption due to debt repayments
- almost the same number of employed and retired persons; the ratio of the number of pension users and the insured is 1: 1.19 [9],
- high old-age dependency coefficient, which is projected to grow from 27.1% in 2013 to 51.4% in 2061 [10],
- low levels of entrepreneurial activity and business competitiveness; Croatia is ranked 89th of 189 countries on the scale of ease of doing business [11], 75th of 148 countries on global competitiveness scale [12] while the TEA index [13] 7.32 for 2011 indicates low level of launching new business ventures,
- low levels of realized investments in fixed assets; these investments in 2011 were reduced by approximately 40% compared to the same investments in 2008 [14]

The risk of poverty and social exclusion in Croatia is very high and reaches a level of 32.7%, while the average of the same indicator for the EU is 24.2% [15]. High unemployment and weak involvement in the labour market have contributed to the increase of the share of the population at risk of poverty and social exclusion. The unemployment rate in Croatia has increased from 13.2% in 2008 to a high 17.9% in September 2014 [16] (note: in March 2014 unemployment rate was 22.3%). Unemployment particularly affects young population. According to NEET indicator (*not in employment and not in any education and training*) for 2013, 18.6% of young people aged 15-24 years are unemployed, do not participate in any form of education and are not involved in any form of training or retraining [17]. This situation affects the increase in informal economy, which is ultimately reflected in public finances.

In Croatia, problems linked to social cohesion are reflected in uneven regional development in the performance of entrepreneurial activities: according to the number of entrepreneurs and employed dominant are the City of Zagreb, Split-Dalmatia County, Primorje-Gorski Kotar County, Istria County and Zagreb County, while the lowest ranked are Lika-Senj County, Požega-Slavonia County and Virovitica-Podravina County [18]. Furthermore, the Gini index of income inequality in Croatia in 2012 amounted to 0.31 [19]. Although significant progress has been made in terms of legislation, gender inequality is expressed in Croatia to a large extent. Namely, although women account for 51.7% of the total population, they are less represented in the labour market; the work activity rate of 43% for women is extremely low (work activity for men is 52%), women's employment rate of 34% is also significantly low (male employment rate is 45.8%), the gap in salaries between women and men is extremely high (in 2011 women achieved only 89.9% of salary men did) etc. [20]. Furthermore, significant differences and adverse situations are also visible in women's access to entrepreneurship. According to experts in the Global Entrepreneurship Monitor (GEM) research, female entrepreneurship in Croatia is inadequately supported with a variety of instruments,

policies and public attitude. Thus, the score of 2.95 (maximum score is 5) in that area for Croatia in 2013 is not surprising, which ranks Croatia at the bottom (55th place out of 69 surveyed countries) [21]. Women's participation in politics is also under-represented; only 19.86% of the total number of Members of the Croatian Parliament, i.e. 14.37% of leading positions in local and regional self-government, are women [22]. Furthermore, educational segregation in the field of pre-school and primary education is observed as well as early abandonment and later inclusion in primary education of Roma children. This situation is reflected in a significantly smaller number of enrolled Roma children in secondary education. The gap between the Roma population and the majority population is also very high in the labour market. The quality and availability of health care is uneven, when we take into account the Roma population and the rest of the population, to the detriment of the Roma population etc. [23].

4. CONCLUSION

Northern European countries, despite the period of crisis and the poor economic indicators caused by the crisis, managed to maintain a high level of social justice. This means that those countries secured the appropriate models that guarantee the achievement of equal opportunity and security in education, the labour market, the use of health care, retirement, etc. Social justice in Croatia is particularly compromised because of ineffective education policies and labour market. Although the number of young people with higher education has increased, the same students are trained for vocations that are unnecessary in the labour market. This situation affects the financial instability and discontent in life of an individual, his/her family and society in general. Dissatisfaction turns into poverty, social exclusion, and often has negative health effects. Often individuals or entire families find a solution in emigration. The country thus loses population, human capital, financial resources and, ultimately, the possibility of economic progress in the future. The uncontrolled use of rights while "the bank is full" in the short term does not compromise social justice, but in the long run leads to a situation of "social darkness". Having a social darkness on the one hand, and calling yourself a welfare state on the other hand does not ensure good future.

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