

Inequality – development in CEE countries

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Introduction

- ▶ Contemporary European societies are undergoing a process of continual transformation, including substantial changes in the dynamics of labour markets.
- ▶ The special case: Social change and the transformation of the social structure in Central and Eastern Europe after the 1989 transition.



CEE - Before the transition in 1989

- ▶ The defining characteristic of socialist countries was state ownership of the means of production.
- ▶ On average, 90 percent of the labor force was employed by the state and most income was paid by the state.
- ▶ „Over-protection“ of workers with permanent contracts.
- ▶ In some countries private entrepreneurship was allowed (Poland, Yugoslavia, Bulgaria and Hungary)



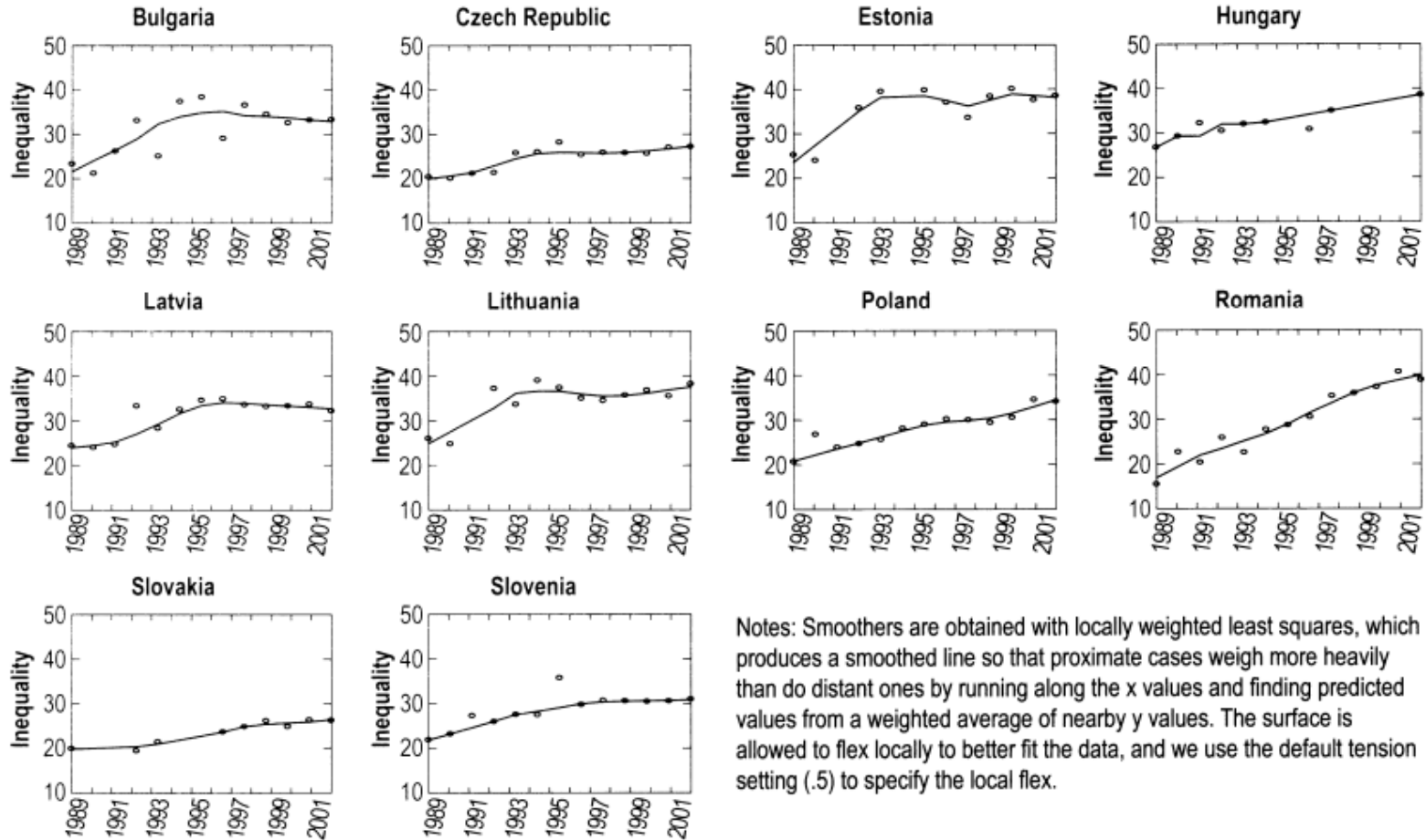
Features of socialist economies

- ▶ Absence of property incomes
- ▶ Small gaps between average pay of non-manual and manual workers
- ▶ Low direct taxes
- ▶ However, total tax burden was high
- ▶ Greater importance of income redistribution
- ▶ High family allowances relative to wages
- ▶ The Gini coefficient was around 22 like in the very egalitarian Nordic countries



Level of income inequality from 1989 CEE countries

Figure 2. Income Inequality Trends in Individual Post-Socialist Countries



Income Inequality in Post-Socialist Europe • 2135

Three main social trends of the transition towards post-industrial, knowledge-based service economy:

- 1. *changes in the labour structure and in employment relations;***
- 2. *demographic changes and changes in family and household composition;***
- 3. *the individualization of responsibilities and the monetisation of economic and social relations.***



Employment structure of CEE countries

Table 1. Employment by sector (2006)

	Industry	Agriculture	Services
Bulgaria	27.6	20.6	51.8
Czech Rep.	37.6	3.7	58.7
Estonia	33.1	4.9	62.0
Hungary	32.3	4.8	63.0
Latvia	27.0	11.5	61.5
Lithuania	29.5	12.4	58.1
Poland	26.9	19.2	53.9
Romania	30.0	36.0	34.0
Slovakia	33.8	3.6	62.7
Slovenia	35.1	9.7	55.3
EU 15	23.7	3.7	72.6

Source: DG Employment and Social Affairs [2007: 284-315].



For further and current empirical data:

- ▶ https://data.worldbank.org/indicator/SL.IND.EMPL.ZS?end=2019&locations=CZ-OE-EU&name_desc=false&start=1991&view=chart



Social risks

- ▶ A social risk could be defined as the probability that people experience a welfare loss during the course of their lives as a consequence of social and economic changes (Yang, 2014).

In: Jongmin YANG (2014). Welfare States' Policy Response to New Social Risk: Sequence Analysis for Welfare Policy. *Development and Society*, Vol. 43, No. 2, pp. 269-296.



Classification of social risks

(Esping-Andersen, 1999)

Please name them:

1. Class-based risks (people in lower social strata, spatial dimensions)
2. Life-course risks (typically in early or later life period)
3. Intergenerational risk (the reproduction of social disadvantages)



The individualisation of responsibilities and monetisation of economic and social relations

- On the one hand, individualisation in the management of own life has given to citizens more power to run their own happiness. On the other hand, some conditions following the transition has limited the possibilities of the individual's real success – new vulnerable groups.

Monetisation:

- Social and economic relations translated into clear monetary terms – all subject to market forces.
-



Comparison between Old Social Risks and New Social Risks (Yang, 2014)

	Old Social Risks	New Social Risk
Cause	Industrialization	Postindustrialization
Content	Risks from deprivation of earnings capacity owing to old age, unemployment, sickness, and invalidity (Huber and Stephens 2006)	Mass unemployment of low-skilled Employees due to transition from manufacture to service economy, and dualization of the labor market owing to liberalization (Emmenegger et al. 2011). Increased instability of the family as care for young children and the elderly is disrupted by the massive entry of women into the labor market (Bonoli 2007).
Target	Male-breadwinner	People in early stages of their lives (Taylor-Gooby 2004), women, and low-skilled people (Bonoli 2007).
Policy	Income maintenance such as pensions and unemployment benefits	ALMP for enhancing employment, social services which provide care services for dual-earner families.



Social chances of the Roma in the Czech Republic



Number of the Roma in CR and SR

comparison between Cenzus and estimates

	Data from Cenzus	Share of population	Qualified estimates	Share of population
Czech Republic	33 000 (1991)	0.3 %	140 000	1.41 %
	11 746 (2001)	-	-	-
	13 150 (2011)	0.1 %	300 000	2.9 %
Slovakia	80 627 (1991)	1.7 %	480 000	9-10 %
	89 920 (2001)	-	-	
	105 700 (2011)	2%	520 000	

Who states Roma mother tongues in the last Czech cenzus (2011): **40 370**
(of which 5000 as single, the rest in combination mainly with the Czech or Slovak).

The question of ethnic identification:

The discrepancy between:

- ▶ Those who consider themselves to be Roma
- ▶ Those who are considered as Roma by others.

The boundary of ethnicity is fuzzy,
the classification depends on who does it.

*Question: What can we consider as criteria for
ethnicity?*

Three different system of classification

1. Self-identification by respondents
2. Classificaton by experts who deal with the Roma (teachers, officials, social workers, policemen etc.)
3. Classificaton by social researchers/interviewers – based on judgemnet „on-the-fly“.

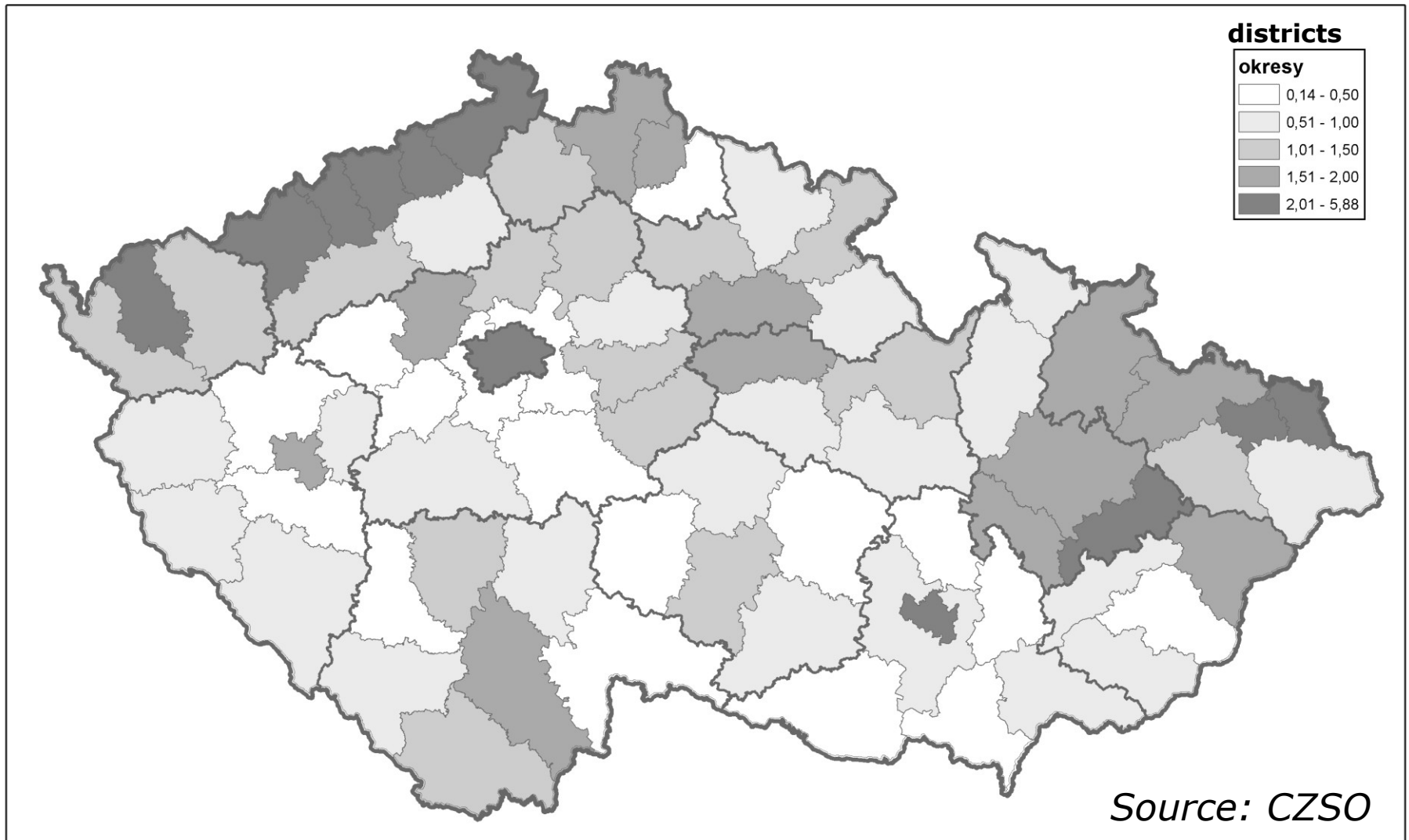
The question of external, third party identification (TPI)



Census Data 2011 - Czech Republic				
	Non-Roma population	Roma nationality	Romanes	Roma Nat+tongue
Gender				
men	49,0	52,9	51,3	52,3
women	51,1	47,1	48,7	47,7
	100,0	100,0	100,0	100,0
Average age				
men	39,0	26,6	31,4	31,3
women	42,0	24,6	32,5	31,5
population	40,5	25,7	31,9	31,4
Average number of children	1,57	2,14	2,70	2,68
Marital status				
single	39,9	71,3	59,5	59,7
married	42,4	20,1	27,1	28,0
divorced	10,3	6,6	9,5	8,6
widowed	7,3	2,1	3,9	3,6
Total	100,0	100,0	100,0	100,0
Educational attainment				
Less than 9th grade	0,8	8,1	13,8	13,2
Primary	18,0	53,4	65,8	59,3
Vocational training	34,9	16,3	15,0	16,0
Secondary (with GCSE)	33,0	12,1	4,0	6,5
Tertiary	13,2	10,1	1,4	5,0
Total				

Source of data: Czech Statistical Office (CZSO)

Distribution of the Roma population in the CR by districts – Cenzus 11





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In the CR we *clearly* identify

- ▶ Lower economic activity rate of Roma population
- ▶ The Czech Roma often live concentrated – such areas labelled as ghettos
- ▶ Low socio-economic status of the Roma – extent of dependency on social allowances/benefits.
- ▶ The overall inferior social status of the Roma in Czech society.
- ▶ Significantly lower school success of the Roma (especially from socially excluded localities) than that of the whole Czech population.
 - ▶ In Czech society, the topic of ethnicity and educational inequality is relevant almost exclusively to the Roma. Other ethnic minorities, such as Slovaks, Ukrainians, Vietnamese, and Russians, show a much smaller ethnicity effect as a determinant of educational inequalities compared to the Roma.

Equal access to education

- ▶ Czech educational system makes reference to disadvantaged children (Education Act, 2004):
 - with disabilities, physical handicap or socially disadvantaged.
- ▶ These categories of children have the right to adequate education, school counseling and school counseling facilities.

Basic features of Czech public educational system (basic level)

- ▶ Decentralization of education - majority of standard basic schools are maintained by local municipalities
- ▶ Free syllabus and output regulation
- ▶ From 2020 there has been a change: funding based on the number of hours taught/number of pupils (previously normative funding – based only on the number of pupils).
- ▶ Free school choice
- ▶ Diversified school structure – especially in larger cities contributes to the ethnic segregation of schools or classes (a phenomenon known as "white flight")
- ▶ The Czech educational system continues in maintaining segregational tendencies. See the report (2019) of the *Office of the Government of the CR*:

http://www.romea.cz/en/news/czech/czech-government-agency-for-social-inclusion-publishes-analysis-of-segregation-in-primary-schools?fbclid=IwAR2CXIjF4s0ilqgLKoiSBv4tnro_DOEW8ALHWrR9SG2BuFogJeV0ADD7QeQ#.XeIH8o-0Nbg.facebook

Inequalities in public education

The school performance of children and chances for further education are/is determined by early school choice to a greater extent than in OECD countries – the effect is multiplied in the case of children from Roma family background.

Diversified school structure with free choice of school – especially in larger cities contributes to the ethnic segregation of schools or classes (a phenomenon known as "white flight"):

1. „*The Nestlings*“ (Ptáčata, document of the Czech public TV, 2010–2020)

<http://www.ceskatelevize.cz/porady/10267754387-ptacata-aneb-nejsme-zadna-becka/4238-ptacata/>

2. The Czech version of the Class Of (2014):

<http://www.ceskatelevize.cz/porady/10719503009-trida-8-a/313294340250001/>

Example of ethnic differentiation among primary schools (in Brno)



1.A ZŠ náměstí Svornosti Základní škola Brno, náměstí Svornosti

Pro PHOTODIENST BRNO - foto: Antonín Cikánek



ZŠ náměstí 28. října Základní škola a MŠ. Brno, nám. 28. října 22 Pro PHOTODIENST BRNO - foto: Antonín Cikánek

Measures to combat unequal chances in primary education – in the CR

the abolishment of special schools (in 2005 in the CR), removing formal barriers to continuing education at high school of any type for pupils coming from any type of primary school institution

the establishment of new positions of pedagogical teaching assistants;

the establishment of preparatory classes and courses necessary to even up or complement education

the policy of inclusion (in the CR from 2016)

compulsory preschool for five-year-olds (in the CR 2017)

Do you know other examples of policies for improving equity in education?



Causes – institutional level

- The Czech Republic belongs in European milieu to those countries, where social origin of an individual strongly influences his/her educational attainment (OECD, 2018).
- Consequently, the issue of relationship between ethnicity and educational inequalities (chances) is almost exclusively relevant to Roma minority and it can be already found at the level of primary education.
- The segregation tendencies of the Czech educational system are pointed out even in some official (government-issued) documents ⇒ According to these official estimates in the school year 2016/17 a quarter of all Roma pupils were educated in primary schools with 50% or more enrolled Roma pupils, (*Report on the Status of the Roma Minority...*, 2017: 30).

The main problems on the side of actors

- ▶ the transition between the pre-primary and the 1st level of elementary (primary/basic) education;
- ▶ the transition between primary and lower secondary levels of education (the second stage is accompanied by a major outflow of Roma pupils); which influences
- ▶ limited chances of attainment upper secondary/tertiary education



Inequalities in public education

Questions at the end:

How to eliminate disadvantages in education?

How can be the results (success) of the implementation of inclusive measures reliably demonstrated?

How to stopping or reversing the negative trend of growing school segregation?



No Data – No Progress

- ▶ „Hard-to-survey“ population (Font, Mendez, 2013; Kappelhof, 2015).
- ▶ Initiatives of the European Union, as well as national governments to improve the collection of data relating to Roma.
- ▶ Governments should collect ethnic data and use it for the purposes of inclusion policies
- ▶ <http://www.opensocietyfoundations.org/sites/default/files/no-data-no-progress-20100628.pdf>



https://ec.europa.eu/info/policies/justice-and-fundamental-rights/combating-discrimination/equality-data-collection_en



The new empowering politics of the welfare state

- A new political economy of skill formation would, represent a useful policy instrument, but this would still not be enough to ensure adaptation and coverage in a more insecure labour market.
- Welfare policies as “institutional complementaries” of market system.
- A redefinition of the main redistributive priorities of the welfare state necessary and with it a recalibration of its main norms, institutional structures, and functions → the introduction of new and more specific policy instruments and political discourses.
- «Social investement».

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Thank you for your attention!
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