

CONFERENCE SOLUTIONS TO POVERTY AND SOCIAL EXCLUSION IN THE BALTIC STATES

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POVERTY IN THE EUROPEAN UNION AND BALTIC COUNTRIES

When describing poverty and social exclusion in the European Union the division between 'new' and 'old' member states is not the borderline according to objective indicators, nor subjective perceptions. Even taking into account that poverty threshold in countries is different, statistical data for year 2008 showed that the proportion of population at risk of poverty in Czech Republic (9%) and Slovakia (11%) is considerably lower than the EU average (17%). Below the EU average are not only the 'new' EU member states (incl. Baltic countries – Latvia 26%, Lithuania 20%, Estonia 19%) but also the 'old' EU countries – Spain (20%), Greece (20%), UK (19%), Italy (19%) and Portugal (18%).

The inequality of incomes in the society index (Gini coefficient) reveals that countries with the least amount of inequality and below the EU average (31) are Slovenia (23), Slovakia (24), Czech Republic (25) and Hungary (25). The member states which top the index are Greece (33), UK (34) and Portugal (36). Differences are also observed among the Baltic countries and, in some aspects Estonian indicators in general are better than Latvian. According to the at-poverty-risk rate (26%) and inequality index (Gini coefficient) (38), Latvia ranks highest in the EU.

When analyzing subjective perceptions¹ about poverty and its extension, it must be concluded that indicators in the new EU member states are not always worse than those in the old EU countries. For example, respondents in the countries below have scored above the EU the average (73%) by stating that poverty is widespread in their country: Portugal (88%), France (86%), Greece (84%), Belgium (75%) and Italy (75%). The situation is similar in the Baltics, where Latvia ranks 4th with (89%), Lithuania – 8th (79%) and Estonia 13th (73%).

Regarding household conditions, 20% of EU citizens, on average, have admitted being poor. The Baltic States are slightly above the average. Thus in Lithuania 26% of people consider themselves poor, in Latvia – 25%, but in Estonia – 24%. In Bulgaria (60%), Hungary (48%) and Portugal (41%) score highest while Netherlands (8%) and Luxembourg (9%) – lowest.

EU citizens are very critical about changes in the level of poverty in the country – 84% of respondents believe that during the last 3 years the level of poverty in their country has increased. People in the 'old' EU countries have been more critical than on average: France 93%, Greece 91%, Spain 91%, Germany 89% and Belgium 86%. In Baltic countries, people are also more critical than on average – Latvia, together with Hungary, ranks last among all the countries – 97%, Lithuania – 7th from the bottom (90%), whilst Estonia 10th from the bottom with 87% of respondents thinking that the poverty has become more widespread during the last 3 years.

However, there is consensus across all the EU countries on who is the most at risk of poverty. Apart from the UK and Romania where elderly people are considered to be the group most at risk of poverty, in all other EU countries the unemployed are considered to be the group most at risk of poverty (EU average 56%). The poverty risk for unemployed is also backed by the statistical data. The average EU at-poverty-

¹ EUROBAROMETER Survey on poverty and social exclusion (2009)
http://ec.europa.eu/public_opinion/archives/ebs/ebs_321_en.pdf

risk index for unemployed (Eurostat 2008) is 44% (provisional data (p)); for inhabitants in general – 17% (p). In several countries (including the three Baltic countries) this indicator exceeds 50% - Estonia (61%), Germany (56%), Bulgaria (55%), UK (55% (p)), Latvia (53%), Luxembourg (52%), Lithuania (51%). The unemployment rate in Baltic States, too, is higher than the EU average, therefore concerns about losing jobs are higher. Compared to the 78% EU average, 52% respondents in Lithuania, 61% in Latvia and 69% in Estonia are confident that they will retain their job during the nearest months.

In comparison, the EU average at-poverty-risk indicator for elderly people (65 and older) is 19%. In several countries this number is considerably higher. The worst situation is in Latvia with 51%. Second worst in this regard is Cyprus with 49%. Worse than average score other Baltic countries too – Estonia (39%) and Lithuania (29%). In this respect it is important to note that 54% respondents in Latvia believe elderly people is a group at poverty risk, scoring above the EU average of 41%. In Lithuania (39%) and Estonia (26%) this indicator is even lower the EU average.

The subjective feeling of being left out of the society in the Baltic countries is lower than that of the EU (15%). In Latvia only 13% think that they have been excluded from the society, in Lithuania – 11%, but in Estonia – 10%, indicating that there are some fundamental support networks even for poor people. Less comfortable feel people in Czech Republic (36%), Bulgaria (30%) and Austria (26%).

Characterising possible solutions to fight poverty, most people in the EU think that the government is the main party responsible for fighting it (53%). Meanwhile, 13% of respondents believe that people themselves are responsible. 9% think it is the responsibility of the EU, but 7% – of municipality and NGO's, or charity organisations. Latvia with 77%, Lithuania with 73% and Estonia with 64% are among the countries where people believe the fight against poverty it is the responsibility of the government. Even more often it has been mentioned in Bulgaria (85%) and Hungary (80%). In Estonia -- above the EU average -- 19% respondents believe that the fight against poverty is the responsibility of individuals themselves. In Lithuania the relevant indicator is 13%, but in Latvia it is below the EU average, scoring 10%. Eurobarometer 321 research reveals that in Latvia, where people have higher expectations towards government, its measures to fight poverty are trusted less often (14%). In comparison in Lithuania the government actions are trusted by 27%, but in Estonia by 37% which is one percentage point above the EU average (36%).

Employment is considered the most effective solution in fight against poverty – 61% respondents believe a job opportunity can help the struggle. It has been the most supported solution in all but two EU member states -- Luxembourg and Romania. In the Baltic countries the idea that employment should be a priority was, on average, supported more often than in the EU (Lithuania 75%, Latvia 74%, Estonia 72%).

With regard to solutions against poverty in Estonia the second most often mentioned solution has been *offering training and qualification* (54%). In Lithuania it has been in the 3rd place (40%), in Latvia – 5th place (27%). In the EU it has been in the 3rd place, supported by 38%. Second most supported solution in the EU was - *Ensuring economic growth in order to improve overall living standard* (42%). It has also been the second most often mentioned solution in Lithuania (63%) and Latvia (58%) while in Estonia it ranked 3rd (44%). At the same time in Latvia the 3rd most often mentioned solution to poverty was - *Sufficiently and regularly increasing social benefits/ pensions* (40%). The EU average for the latter solution is 32%, ranking 5th. In Estonia it ranked 5th (32%) too, but in Lithuania – 4th (31%)

UNDERSTANDING POVERTY

Absolute poverty usually is defined as lack of material or financial resources needed to survive or to fulfil basic needs, while **relative poverty** means being excluded from the lifestyle, that is considered acceptable in the society part of which the person is.

There are objective and subjective approaches to poverty measurements. The **objective approach** considers objective aspects of the individual life quality, most often defined by available resources (income or consumption), whereas **subjective poverty** is a result of human beliefs, perception and feelings about their situation and welfare. Relative poverty is closely connected to inequality of incomes in the society. Relative poverty is a result of distribution of incomes in the society.²

UNDERSTANDING SOCIAL EXCLUSION

Social exclusion is a process of marginalisation in many layers, having economic, social, cultural and political dimensions. It is related to insufficient social participation, insufficient social integration and incapability to participate in social processes. Therefore, social exclusion means lack of participation, alienation and detachment from society. Exclusion from society means exclusion from education, employment and economical activity from one side and lack of social relations and connections from other side.³ A socially excluded person is not capable to reach services and goods, is not capable to enforce their rights and use opportunities, because of existing obstacles, e.g., inaccessible environment, public prejudice, emotional and physical violence etc.

UNDERSTANDING HUMAN SECURITY

Human Security is „freedom from fear and freedom from want“. Any person can feel insecure at times. A single stressful incident, if not overly traumatic does not usually cause extreme insecurity. A person with high *securitability* can avoid insecure situations and return to a sense of security. However, chronic poverty or trauma of economic and other crises can send people over a security threshold in which they lose the ability to take action and often develop negative coping mechanisms.

In order to help individuals out of poverty and social exclusion, it is necessary to strengthen their securitability. This can be done in the following way:

1. Identify the groups of people who are beyond or close to the securitability threshold (where they cannot effect change on their own).
2. Identify the factors that cause the greatest sense of insecurity/threats (perceived and actual)
3. Identify priority securitability factors that can help people be and feel secure.
4. Identify security providers at different levels
 - Individual traits
 - Family
 - Civil society: social networks, communities and NGOs
 - Local and national government
 - International level (EU based solutions)
5. Develop a security strategy – by deciding what action is needed at what level to reduce actual and perceived insecurity.

² Inequality, Poverty, and Material Deprivation in New and Old Members of European Union, Teo Matković, Zoran Šućur, and Siniša Zrinščak <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2205970/>

³ University of Latvia Institute of Philosophy and sociology „Identification of Social exclusion risk factors for children from deprived families“ (in Latvian) <http://www.politika.lv/temas/cilvektiesibas/4884/>

6. Prioritize the actions based on relevance to threats and ability to implement the actions.

EU INITIATIVES TO FIGHT POVERTY AND SOCIAL EXCLUSION

Inspired by its founding principle of solidarity, the European Union has joined forces with its Member States to make 2010 the European Year for Combating Poverty and Social Exclusion. The key objectives are to raise public awareness about these issues and renew the political commitment of the EU and its Member States to combat poverty and social exclusion. Each member state is planning activities with aim to raise awareness on poverty and social exclusion, searching for solutions to tackle them. At the same time there are several EU wide initiatives:

- *EU Inclusion Strategy* encourages Member States to coordinate their approaches in fighting poverty and social exclusion and to place it at the top of their political agenda.
More information: <http://ec.europa.eu/social/main.jsp?catId=751&langId=en>
- *Funding* The European Union financially supports initiatives against poverty and social exclusion through three main funding instruments:
 - European Social Fund is dedicated to supporting employment and to raising living standards throughout the EU. The guiding principle is investment in education and training.
More information: http://ec.europa.eu/employment_social/esf/index_en.htm
 - European Globalisation Adjustment Fund The European Globalisation Adjustment Fund supports people who have lost their jobs as a result of globalisation.
More information: <http://ec.europa.eu/social/main.jsp?langId=en&catId=326>
 - PROGRESS is the EU's employment and social solidarity programme. Its aim is to encourage improvements in the following areas:
 - ✓ Employment
 - ✓ Social inclusion and protection
 - ✓ Working conditions
 - ✓ Non-discrimination
 - ✓ Gender equality*More information:* <http://ec.europa.eu/social/main.jsp?catId=327&langId=en>

POVERTY IN BALTIC COUNTRIES

People in Baltic countries, more than people on average in EU, believe that poverty is widespread in their societies. On average at EU level poverty is seen as widespread (very widespread or fairly widespread) by 73% of respondents. In comparison in Lithuania this indicator is – 79%, Latvia – 89%, furthermore in Latvia 42% have described it as very widespread. At the same time this index in Estonia does not differ from the average in EU. ⁴

It must be noted that respondents have been very critical towards changes in the poverty situation. On average in the EU 84% of people think that the poverty level has increased. In comparison 87% people in Estonia think alike, Lithuania 90%, but in Latvia even 97% think that the poverty level during the last 3 years has increased, including 62% who acknowledged the increase as very considerable.

⁴ EUROBAROMETER Survey on poverty and social exclusion (2009)
http://ec.europa.eu/public_opinion/archives/ebs/ebs_321_en.pdf

Views about extension of poverty in the country (%)

	EU (27)	Estonia	Latvia	Lithuania
Very widespread	20	17	42	24
Fairly widespread	53	56	47	55
Not very widespread	23	25	10	19
Not at all widespread	2	1	0	0

Source: Eurobarometer 321, 2009

Views about changes in poverty level during last 3 years (%)

	EU (27)	Estonia	Latvia	Lithuania
Very increased	28	41	62	36
Increased a little	56	46	35	54
A little decreased	6	4	1	4
Considerably decreased	1	1	0	0
No changes (spontaneous answer)	6	5	1	3

Source: Eurobarometer 321, 2009

Poverty is considered a serious threat to the quality of life and also to securitability. According to thoughts of people poverty means not only requirements of current moment – having good home, possibility to eat and receive medical treat, but also securing welfare in future as it decreases opportunities to receive good education (especially higher and further education), find job or start business. Also according to people views poverty is a barrier to keep social contacts, which is important for strengthening securitability by providing material and psychological support in times of need.

POVERTY THREATS TO PEOPLE

<i>In (OUR COUNTRY) nowadays, would you say that being poor hampers very much, somewhat, not very much or not at all people's chances of ...?...Answer "very much"</i>	EU (27)	Estonia	Latvia	Lithuania
Having access to decent housing	48	71	70	66
Getting good basic school education	23	11	41	23
Getting higher education or adult learning	41	47	76	64
Finding a job	35	22	49	44
Maintaining a network of friends and acquaintances	16	11	21	22
Having medical care when needed	24	30	77	35
Eating at least one hot meal a day	22	22	46	23
Having access to a basic bank account	28	13	34	28
Having access to means of communication, such as a telephone or the Internet	30	32	49	34
Starting up a business of their own	58	66	82	73

Source: Eurobarometer 321, 2009

Eurobarometer data shows, that inhabitants of Latvia feel worse than people in other Baltic countries. Also objective – statistical data shows that in general Latvia finds itself in worse position. Comparing statistical data on EU level, it must be concluded that Baltic countries are among the countries at most poverty risk. In this area – Estonia in 2008 were at poverty risk were 19% of population was in 19 -21 rank, Lithuania with 20% was at rank 22 – 24, but Latvia with 26% of population at poverty risk was at the last rank – 27. At the same time - the poverty risk threshold in Latvia is higher than in Lithuania.

Risk of poverty: at-risk-of poverty rate (after social transfers), dynamic

	2000	2001	2002	2003	2004	2005	2006	2007	2008
EU (27)	:	:	:	:	:	:	:	17	17
New member states (12)	:	:	:	:	:	:	:	18	17
Estonia	18	18	18	18	20	18	18	19	19
Latvia	16	:	:	:	:	19	23	21	26
Lithuania	17	17	:	:	:	21	20	19	20

Source: Eurostat

At-risk-of-poverty threshold: monthly disposable income under which a single person household is considered at-risk-of poverty, 2008

	EU (27)	Estonia	Latvia	Lithuania
Euro	:	277	242	209
Purchasing power Standards	:	388	367	350

Source: Eurostat

* Purchasing Power Standards is an artificial currency unit used in EU to show level of general economic indicators, to provide spatial comparisons in a way that allows eliminate price differences in member states.

When analysing poverty risks for different socio-demographic groups it could be concluded that in Baltic countries older citizens are at the greatest poverty risk. The worst situation is for elder people who live alone. To a fairly considerable risk are exposed also families with children (especially if it is one parent family or family with many children) (www.csb.gov.lv)

At risk of poverty rates by household type (after social transfers), 2008*

	EU (27)	New member states (12)	Estonia	Latvia	Lithuania
Total	17	17	19	26	20
Single person	26	27	52	61	48
Single female	28	28	58	67	51
Single parent with dependent children	35	35	39	42	48
Two adults with three or more dependent children	26	38	21	38	46
One adult older than 65 years	28	29	79	83	60
Two adults, at least one aged 65 years and over	16	13	14	47	16
Households with dependent children	18	20	15	21	19
Households without dependent children	15	14	24	32	21

Source: Eurostat (*Eurostat atzīmēti kā 2008.gada dati, bet attiecas uz 2007.gadu)

It must be noted – as seen in the next table – the employment does not automatically ensure welfare. Worse situation is for people without permanent work relations.

At-risk-of poverty rate by labour status (%), 2008

	EU (27)	Estonia	Latvia	Lithuania
Employed Total (18+)	8(p)	7	11	9
Permanent contract	5(p)	6	10	7
Temporary contract	13(p)	5	18	14
Unemployed	44 (p)	61	53	51
Other inactive	27 (p)	32	33	32

Source: Eurostat 2008, (p) provizorisks dati

In this respect – it is worth to analyse people perception about social groups at most risk. In general at EU level and also in Baltic countries – unemployment is seen as the most considerable risk for poverty. Among three most often mentioned groups in all three countries are also people with disabilities and people with long term health problems. The third group differs – in Lithuania they are people with addictions, in Latvia – senior citizens, but in Estonia - people with addictions and people in precarious work.

Poverty risk groups according to public opinion (%)

In your opinion, among the following groups of the population in (OUR COUNTRY), which are those most at risk of poverty? MAX. 4 ANSWERS	EU (27)	Estonia	Latvia	Lithuania
Children	20	9	15	7
Young adults	21	21	18	14
Elderly people	41	26	54	39
People who are unemployed	56	63	63	69
People in precarious work	29	40	17	10
Women	6	4	5	4
Disabled and long-term ill people	29	44	46	44
People with mental health problems	13	13	13	16
Single parents	23	35	22	15
People with a low level of education, training or skills	31	37	21	26
Immigrants	15	3	2	1
Roma	6	2	4	8
People suffering from addictions (drugs, alcohol, or other types of addiction)	26	40	27	55

Source: Eurobarometer 321, 2009

To evaluate welfare, indicators allowing evaluating standard of living of households, are also used – thus evaluating to what extent a household is forced to give up material goods due to financial reasons. In this respect in Baltic countries worse situation is for elder citizens, and among Baltic countries – Latvia shows the lowest indicators. By saying that, we must note that these indicators show some improvement in the reviewed period.

Material deprivation rate, 2008

	EU (27)	Estonia	Latvia	Lithuania
Total population	17(s)	12	35	27
Children aged 0-17	20(s)	13	36	25
People aged 65+	16(s)	15	50	37

Source: Eurostat

* a headcount of the number of people who cannot afford to pay at least three of the nine following items: (1) unexpected expenses, (2) one week annual holiday away from home, (3) mortgage or utility bills, (4) a meal with meat, chicken or fish every second day, (5) keep home adequately warm, (6) a washing machine, (7) a colour TV, (8) a telephone (9) a personal car.

Material deprivation rate: dynamic

	2003	2004	2005	2006	2007	2008
EU (27)	:	:	:	:	18	17
New memberstates (12)	:	:	:	:	40	35
Estonia	:	21	27	18	15	12
Latvia	:	:	56	50	45	35
Lithuania	:	:	52	41	30	27

Source: Eurostat, SILC

FACTORS INFLUENCING POVERTY

- **Unemployment**

According to inhabitants, unemployment is the most important factor determining poverty and this view is supported by statistical data. Only 8% of employed persons are at poverty risk compared to 44% among unemployed. According to statistical data unemployment rates in Baltic countries exceed average EU rates, the highest rate being in Latvia. The worrying sign is that the long term unemployment rate that dropped in 2006 -2008 has increased again in 2009.

Unemployment risk (Harmonised unemployment rate)

	04.09.	05.09.	06.09.	07.09.	08.09.	09.09.	10.09.	10.09.	11.09.	01.10.	02.10.	03.10.
EU (27)	8.7	8.8	8.9	9.1	9.2	9.3	9.4	9.4	9.4	9.5	9.6	9.6
Estonia	13.5	13.5	13.5	15.2	15.2	15.2	15.5	15.5	15.5	:	:	:
Latvia	15.4	16.4	17.2	18	18.8	19.7	19.9	20.3	20.4	20.9	21.6	22.3
Lithuania	13.6	13.6	13.6	14.4	14.4	14.4	15.8	15.8	15.8	:	:	:

Source: Eurostat

Long term unemployment (%)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
EU (27)	:	:	4.0	3.9	4.0	4.1	4.2	:	3.7	3.1	2.6	3.0
Estonia	4.2	5.0	6.3	6.1	5.4	4.6	5.0	4.2	2.9	2.3	1.7	3.8
Latvia	7.9	7.6	7.9	7.2	5.5	4.4	4.6	4.1	2.5	1.6	1.9	4.6
Lithuania	7.5	5.3	8.0	9.3	7.2	6.0	5.8	4.3	2.5	1.4	1.2	3.2

Source: Eurostat

- **Inequality**

In the view of Baltic citizens – poverty is closely related to inequality. The existence of poverty more than half of Latvians and Lithuanians link to injustice in the society. Also in Estonia this is the most commonly mentioned reason for poverty. Distribution of incomes is judged very critical.

Public opinion on poverty reasons (%)

Why in your opinion are there people who live in poverty?	EU (27)	Estonia	Latvia	Lithuania
Because they have been unlucky	13	13	10	10
Because of laziness and lack willpower	16	19	16	23
Because there is much injustice in our society	47	38	56	51
Because it's an inevitable part of progress	16	24	11	12

Source: Eurobarometer 321, 2009

Public opinion on inequality

Totally agree	EU (27)	Estonia	Latvia	Lithuania
Nowadays in (OUR COUNTRY) income differences between people are far too large	52	75	82	70

Source: Eurobarometer 321, 2009

The statistical data back up the views of people. In Baltic countries indicators of economic inequality are among the highest in the European Union. Comparing Gini coefficient in the EU countries: Estonia has rank 17 -19 (in 2008 it corresponded to average EU indicators), Lithuania 22 – 23, but Latvia ranked last – 27th. Also according to S80/S20 income quintile share ratio, Latvia in 2008 ranked last among EU countries, Estonia had average EU indicators (rank 17), and Lithuania ranked as 22 -23.

Inequality in distribution of incomes (Gini coefficient)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
EU (27)	:	:	:	:	:	30	30	31	31
New memberstates (12)	:	:	:	:	:	:	:	32	31
Estonia	36	35	35	34	37	34	33	33	31
Latvia	34	:	:	:	:	36	39	35	38
Lithuania	31	31	:	:	:	36	35	34	34

Source: Eurostat

Inequality of income distribution S80/S20 income quintile share ratio

	2000	2001	2002	2003	2004	2005	2006	2007	2008
EU (27)	:	:	:	:	:	4.9	4.8	5.0	5.0
New memberstates (12)	:	:	:	:	:	:	:	5.5	5.2
Estonia	6.3	6.1	6.1	5.9	7.2	5.9	5.5	5.5	5.0
Latvia	5.5	:	:	:	:	6.7	7.9	6.3	7.3
Lithuania	5.0	4.9	:	:	:	6.9	6.3	5.9	5.9

Source: Eurostat

DESIRABLE SOCIAL POLICY

Public opinion polls show that fight against poverty and social exclusion is considered serious problem. At the end of 2009 more than 90% respondent in Baltic countries acknowledged that solving of this problem requires immediate government action. The views on desirable actions are diverse.

Urgency of actions against poverty

<i>Poverty in (OUR COUNTRY) is a problem that needs urgent action by the Government</i>	EU (27)	Estonia	Latvia	Lithuania
<i>Totally agree</i>	52	59	80	64
<i>Tend to agree</i>	37	32	15	29

Source: Eurobarometer 321, 2009

One of the substantial indicators is inconsistent view on the role of government and individuals in the fight against poverty. On the one hand – government is considered the major player in diminishing poverty by 77% respondents in Latvia, 73% in Lithuania and 64% in Estonia. On the other hand current governmental activities are trusted by only 14% respondents in Latvia, 27% in Lithuania and 37% in Estonia. At the same time more than a half of respondents acknowledge that they believe in activities of inhabitants themselves, nonetheless the responsibility of people in fighting poverty is acknowledged by 19% respondents in Estonia, 13% in Lithuania and only 10% in Latvia.

Trust in institutions, when speaking about their measures in fight against poverty

For each of the following, please tell me if you tend to trust it or not with regard to their action in combating poverty: TEND TO TRUST.	EU (27)	Estonia	Latvia	Lithuania
The European Union	45	59	37	59
The (NATIONALITY) Government	36	37	14	27
Regional or local authorities	50	55	42	33
NGOs or charities	63	64	58	57
Religious institutions	51	39	40	48
Private companies	32	38	34	31
Citizens themselves	57	61	54	53

Source: Eurobarometer 321, 2009

Main responsible for the reduction of poverty

In your opinion, from the following list, who is primarily responsible for reducing or preventing poverty in (OUR COUNTRY)?	EU (27)	Estonia	Latvia	Lithuania
The European Union	9	2	6	6
The (NATIONALITY) Government	53	64	77	73
Regional or local authorities	7	9	3	3
NGOs or charities	7	1	1	1
Religious institutions	2	0	0	0
Private companies	3	1	1	1
Citizens themselves	13	19	10	13

Avots: Eurobarometer 321, 2009

When analysing views on the desirable governmental policy, we must conclude that the most desirable mean is facilitating employment (in all Baltic countries it was named as the best mean by $\frac{3}{4}$ of respondents), allowing people to solve poverty related problems on their own. It is worth noting that according to the same public opinion poll, employment and creating of work places is seen as the responsibility of the government. This view is especially explicit in Latvia where $\frac{3}{4}$ of respondents believe government is the main party responsible for employment.

The improvement of the economic situation in general is also seen as a means to decrease the level of poverty. In Estonia, more often than in other Baltic countries, measures like education and training as well as guidance on how to avoid excessive debt commitments were mentioned, while in Latvia demands for social security and assistance were more popular.

Desirable policy that would help people to get out of poverty

In your opinion, from the following, which are the areas the (NATIONALITY) Government should prioritise to help people out of poverty? MAX. 4 ANSWERS)	EU (27)	Estonia	Latvia	Lithuania
Ensuring economic growth in order to improve overall living standard	42	44	58	63
Improving access to good and affordable day-care centres/ pre-school education (0-3 years)	18	16	11	10
Sufficiently and regularly increasing social benefits/ pensions	32	32	40	31
Offering training and qualification	38	54	27	40
Offering work opportunities	61	72	74	75
Fighting all types of discrimination	18	11	7	11
Helping poor people access decent and affordable housing	37	27	14	20
Regenerating poor areas	25	16	19	15
Helping poor people get access to banking and financial services	9	3	5	7
Improving access to social services (long-term care, childcare services, healthcare, etc.)	27	26	35	28
Advising people on how to avoid becoming over-indebted	24	36	14	19

Avots: Eurobarometer 321, 2009

Solving unemployment

	EU (27)	Estonia	Latvia	Lithuania
It is primarily up to the (NATIONALITY) Government to provide jobs for the unemployed	54	50	73	52
Providing jobs should rest primarily on private companies and markets in general	34	28	19	35

Source: Eurobarometer 321, 2009

The table below demonstrates that while the Baltic States share the same top priority with the EU, this is not the case for the policies which follow. In effect, a certain regionalisation of public opinion can be observed concerning the policies to be defended by the European Parliament.

The European Parliament promotes the development of certain policies at European Union level. In your opinion, which of the following policies should be given priority? (MAX. 4 ANSWERS)*

EU 27	EB 73	Estonia	Latvia	Lithuania
Tackling poverty and social exclusion	44%	43% ***	53% ****	56% ****
Improving consumer and public health protection	35%	36% *	30% *	38% **
Combating climate change	34%	11%	10%	17%
Combating terrorism while respecting individual freedoms	34%	19%	17%	21%
A security and defence policy that enables the EU to face up to international crisis	30%	33%	24%	21%
An agricultural policy that is environmentally friendly and contributes to the global food balance	28%	48% ****	45% **	20%
Coordinating economic, budget and tax policies	24%	39% **	51% ***	49% ***
A common energy policy intended to ensure the EU's energy independence	24%	24%	15%	34% *
A foreign policy that enables the EU to speak with one voice on the international stage	21%	17%	14%	12%
An immigration policy implemented in consultation with countries of origin	20%	11%	8%	8%
A research and development (R&D) policy that ensures competitiveness and innovation	13%	16%	12%	15%
The assertion of a European social model	11%	15%	12%	10%

****: 1st priority, ***: 2nd priority, **: 3rd, *: 4th

Source: Eurobarometer 73

OTHER INDICATORS

Expected lifespan (at birth)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
EU (27)	:	:	:	:	:	77.73	77.76	78.39	78.50	78.97	79.17	:
Estonia	70.08	69.65	70.45	70.78	70.59	71.11	71.69	72.19	72.83	73.07	73.12	74.28
Latvia	:	:	:	:	:	70.38	70.84	71.18	70.96	70.91	71.16	72.47
Lithuania	71.07	71.38	71.76	72.19	71.75	71.88	72.13	72.01	71.26	71.09	70.92	71.96

Source: Eurostat

GDP changes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (prognosis)	2011 (prognosis)
EU (27)	3.9	2.0	1.2	1.3	2.5	2.0	3.2	2.9	0.7	-4.2	1.0	1.7
Estonia	10.0	7.5	7.9	7.6	7.2	9.4	10.0	7.2	-3.6	-14.1	0.9	3.8
Latvia	6.9	8.0	6.5	7.2	8.7	10.6	12.2	10.0	-4.6	-18.0	-3.5	3.3
Lithuania	3.3	6.7	6.9	10.2	7.4	7.8	7.8	9.8	2.8	-14.8	-0.6	3.2

Source: Eurostat

MOST USED POVERTY INDICATORS

- **At-risk-of-poverty-rate:** a share of persons with income below the at-risk-of-poverty threshold
- **At-risk-of-poverty-threshold:** 60 % of the national median equivalised disposable income.
- **At-risk-of-poverty-gap:** is the difference between the income of persons below the at-risk-of-poverty line and the at-risk-of-poverty line.
- The **income quintile share ratio** or **S80/S20 ratio** is a measure of the inequality of income distribution. It is calculated as the ratio of total income received by the 20% of the population with the highest income (the top quintile) to that received by the 20% of the population with the lowest income (the bottom quintile); where all incomes are compiled as equivalised disposable income.
- **Gini coefficient:** The coefficient varies between 0, which reflects complete equality and 1, which indicates complete inequality (one person has all the income or consumption, all others have none).

More information:

http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-NK-05-013/EN/KS-NK-05-013-EN.PDF

http://ec.europa.eu/public_opinion/archives/ebs/ebs_321_en.pdf

<http://data.csb.gov.lv/DATABASE/iedzoc/lkgad%27jie%20statistikas%20dati/Monet%E2r%E2s%20nabadz%E2bas%20un%20ien%E2kumu%20nevien%E2dz%E2bas%20indikatoru/lekena.htm>

http://www.lm.gov.lv/upload/sociala_aizsardziba/sociala_ieklausana/eg/tematiskais1_1.pdf

<http://www.npi.org.uk/publications/poverty.htm>

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