

PEOPLE-CENTRED ANALYSES REPORT 2010

Socio-economic Conditions and the Quality of Life



The second phase of the EU's Social Agenda 2005-2010 underlines the concept "Jobs and Opportunities for All", but also calls for a "Social Europe" - important policies for countries which are candidates for EU membership. Republic of Macedonia as one such candidate country, and as a country taking long transition, still suffers from many problems related to social exclusion, which have only been made worse by the effects of the global economic crisis.

The Quality of Life is closely connected to an individual's satisfaction and happiness. People with a higher quality of life are more likely to contribute to a healthy and stable society.

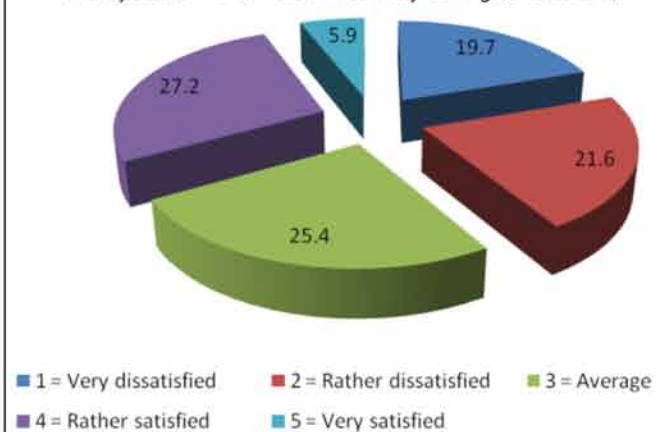
Recent research has shown that people who live in transition economies have lower quality of life and level of happiness than those living in developed market economies. This is even more visible in countries which have experienced ethnic and other civil conflicts during the transition process.

The analysis in this part has shown that there is not much difference between ethnic Albanians and ethnic Macedonians on the issue of satisfaction and happiness, suggesting that they experience similar existential problems. The indicators for satisfaction and happiness place the ethnic minorities at the lowest position of subjective well-being, especially the Roma population.

The level of education is one of the determinants of life satisfaction, and the survey data shows that lower values of life satisfaction are related to lower levels of education. The same applies considering happiness. The level of happiness increases with the level of education. Higher education is associated with better economic conditions of the household (only 12% of those with primary education, compared to 26% of those with higher education, declared that their financial situation had improved). This finding tends to support the Government's current campaign to raise the level of education and to promote lifelong learning.

Poverty as a crucial societal issue is also discussed in this Report. As Adam Smith claimed "No society can be flourishing and happy of which the far greater part of members are poor and miserable". Poverty disrupts social development, intensifies many social problems including those associated with health, education, crime and drug addiction. The analysis showed that people in urban areas face more financial problems than the ones in rural areas. This is probably due to the fact that there has been a lot of industrial restructuring in the urban areas and many workers have lost their jobs, leading to high unemployment. Meanwhile, the village is still a source of decent income.

Satisfaction with standard of living (scale 1-5)



Source: PCA Household Survey September 2009

The concept of Social exclusion takes prominent part in this publication. The reduction of social exclusion and the promotion of social cohesion are declared objectives of the European Union and, with some 16% of EU citizens at risk of poverty, the fight against poverty and social exclusion is a major challenge. Republic of Macedonia is no exception. The Programme for Social Protection, introduced in 2009, has been influenced by international conventions such as the Strategy for Social Cohesion, and the first of the UN Millennium Development Goals to reduce poverty. This programme includes measures for the reduction of poverty and social exclusion, and the development of non-institutional methods to provide social security to vulnerable groups.

Job security is an important component of social inclusion. Having a good job gives people an opportunity for advancement, but only a quarter of respondents claimed that their job offers good prospects for career progression. Ethnic Albanians are more optimistic than ethnic Macedonians (46% against 23%) in this respect.

The Republic of Macedonia is one of the few countries which made steps towards providing health services free of charge for all, even for people without permanent residence in the country. Currently, over 92% of the population are covered by social health insurance. However, despite the extensive coverage by health insurance, findings show that people have greater trust in private hospitals where the most qualified experts in the respective fields of medicine work, than in the state medical institutions, even though the private health sector has been developed relatively recently. This is evidence that great changes must be carried out in the public health sector, especially in primary medical service, since many people live in poverty and are unable to pay for private health services.

Way forward: policy-makers are recommended to change the focus of social policy away from the ethnic dimension, to deal more directly with real social problems, to improve standard of living, to increase the well-being, happiness of the people and the social cohesion in the society which aspires to be part of the European community.



About People-centred Analysis Report Series: The People-Centred Analyses Report 2010 continues to examine the trends and social inclusion aspects as initiated from its first issue of March 2008, where the main focus of the Report was the Social Inclusion examined through the lenses of Governance and Ethnic dimensions. This series of reports continued with the second issue in April 2009, here the main focus was placed on Regional development and Quality of life. Each report was based on the findings of a survey of 1,000 respondents (3000 respondents for the second- Regional report) across the country with financial support from the United Nations Development Programme (UNDP). These reports aim at creating a space for professional, non-partisan, balanced, pragmatic and constructive independent policy research and capacities in the country, with a view to enhance the inclusiveness and evidence based policy making, the quality of governance and ultimately people's lives.

ABOUT SOCIAL INCLUSION CONCEPT: Social inclusion defines the values of a society by recognizing the "duty to care" of the government to provide all necessary means for every person to be a part of mainstream society with equal social, economic and/or political opportunities. It also addresses all forms of within-country inequalities. Social inclusion is a response to institutional inefficiencies, which is a long-term process that requires changes in social attitudes and power relations. It also has an operational bias, devising workable policy responses, effectively recognizing that the State has a 'duty to care' to include and involve all members of society in political, economic and social processes. Furthermore, social inclusion has to respond to various discriminations such as gender, age, ethnicity or disability, etc.

ABOUT SEEU: South-East European University is a higher education institution in its eighth year of operation. From opening its campus in Tetovo in October 2001, it has succeeded in establishing itself as a quality-led, financially sustainable university. It is now regarded as a model for multi-ethnic, multi-lingual higher education in South East Europe. It has succeeded in combining the best of European and US experience, and has continued to benefit from academic collaborations sponsored by the EU Commission and USAID, among other donors. SEEU reaches out to other institutions in promoting research collaboration, exchange of students and staff and its community. www.seeu.edu.mk