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Historical-sociological research CROATIA

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Before WWII

In the Croatian lands the welfare state development began relatively early (in the 1880s and 1890s) but has been relevant only to a very small part of the population for a long time. This had to do with the relatively late industrialisation and urbanisation of the Croatian society: as late as 1948 the percentage of the people living from agriculture was still as high as 62.4 and the population living in small towns or in the few urban areas did not exceed 20 percent. Social insurance developed in an explicit corporatist tradition up to WWII - in which different "classes" and professional groups had very differing statuses, and the agricultural population was hardly covered at all.

Building a "modern socialist" society

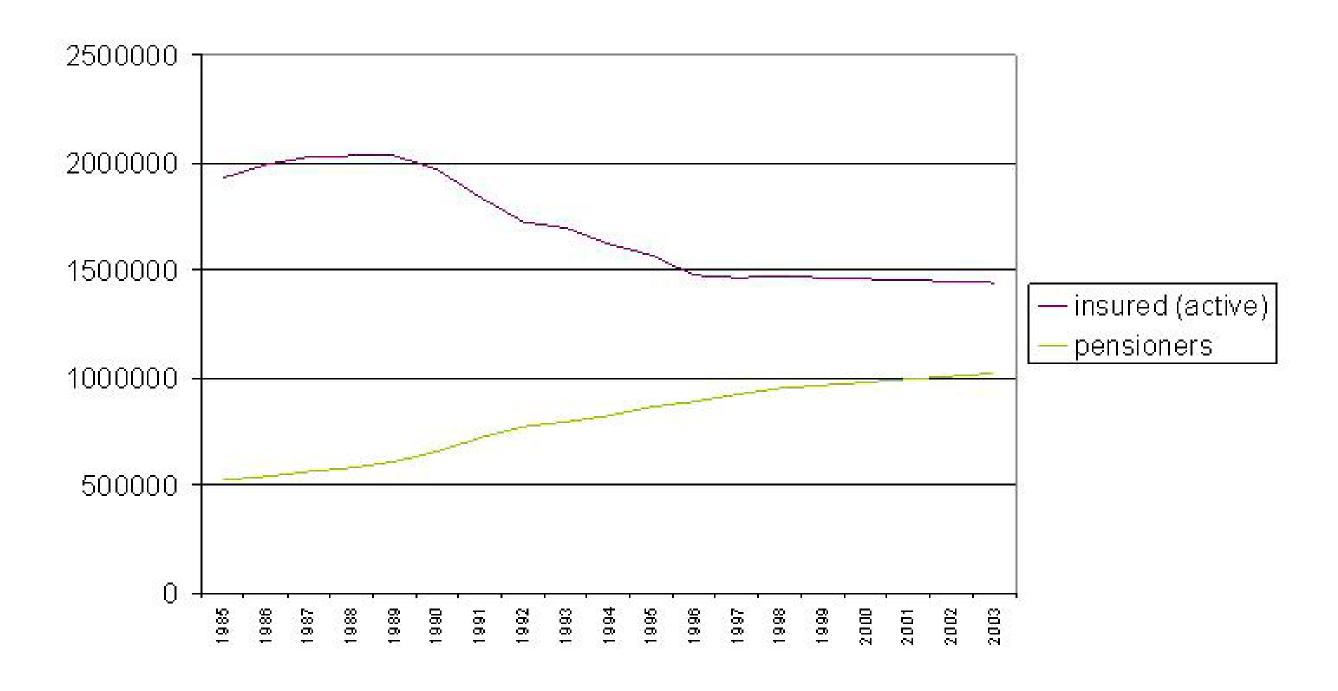
After WWII Croatia became one of the six federal republics of socialist Yugoslavia. In the coming four-and-a-half decades socialist ideology was the background for state policy. A far-reaching urbanisation and industrialisation process began. In the first period after 1945 state guaranteed social rights had two basic functions: to ease the massive social difficulties caused by the WWII catastrophe and to build up a "socialist society". The so-called "working class" was from the beginning the primarily focused group.

The explicit socialist goal to transform a "traditional" society into a "modern socialist" one was clearly formulated also with regard to family relations. In particular the transformation of women into "working women" was officially promoted as the key for "emancipation" and for a change in the existing "patriarchal family relations". The employment of women became a very much supported official policy and by the late 1980s about 45 percent of the total labour force were women. The "modern", two-breadwinner family with children became the idealised form of family life in official rhetoric. Despite this rhetoric welfare state measures that concerned family life and child care remained quite underdeveloped (the big exception was the expansion of the school infrastructure which was made available to all children).

Welfare expansion and financial problems

In the 1960s and the first part of the 1970s the socialist welfare system expanded but experienced also first financial difficulties. Now pension systems were established for professional and social groups which had only partly been included into the social insurance system in the first socialist decades after 1945: in 1965 private craftsmen were included into compulsory pension insurance and in 1980 a farmer's pension insurance was introduced. Due to economic difficulties a first wave of "Gastarbeiter"-migration to Western Europe set off. From about 1973/1974 until 1990, rising costs led to reorganisation and increased financial contributions from socialist employers.

Ratio of economic active (socially insured) to the retired population





Women working in wood industry (photo: HC collection Graz)



Collective work during socialism (photo: HC collection Graz)

The end of socialism

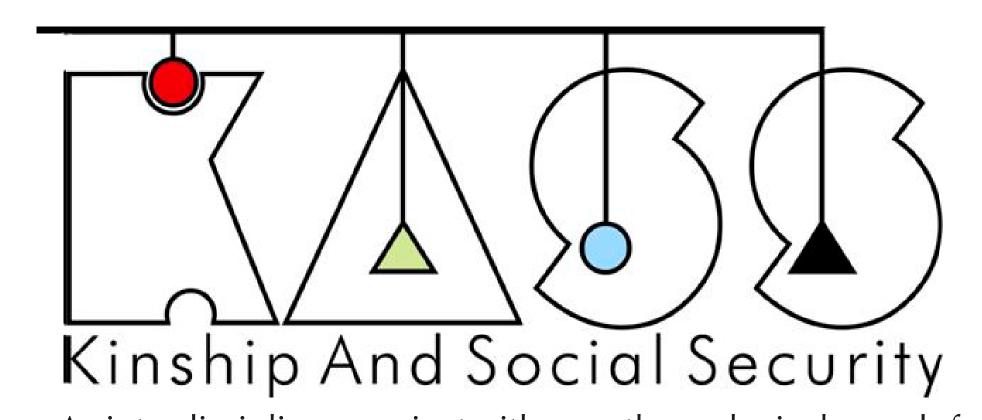
In 1991 Croatia became an independent state which in the first years of existence was faced with a dramatic situation. The war of 1991 to 1995 caused enormous social problems. In addition the post-socialist transition of the 1990s led to high social differentiation. War, shrinking employment in the socialist sector, inflation and increasing economic differentiation produced many who had lost their homes, their work place or all their savings. In addition there is an pronounced regional differentiation with regard to economic development – resulting from both socialist industrialisation and urbanisation, and the impact of the 1990s war. One might talk of "two Croatias". One, visible in some of the larger urban centres (especially in the Zagreb region), which is very prosperous. The other, including most of the war-affected areas, is characterised by difficult perspectives for future economic development.

The situation today

Despite this social and regional polarisation the macro-trends of Croatia's economic development have increasingly turned positive since the second half of the 1990s. This process of positive macro-economic development was also acknowledged by the EU in it's "Avis" which paved the way for the start of Croatia's integration into the EU.

But the positive macro-economic trends have not solved the problems of underemployment. The growth of new jobs has not matched the loss during the "rationalisation" during the early transition. More than hundred thousand employees were forced into early retirement, increasing the already high number of pensioners. Graph 1 shows the changing ratio of the economic active (socially insured) to the retired population.

The efforts of the Croatian government policy to reduce the role of the state in the welfare sphere was a reaction to the fear not to overburden it's financial capacities. A series of laws were put in force that replaced the earlier existing principles of the socialist time. "Subsidiarity" became to be the leading principle in most of the projects of social and family legislation. This meant that the state declared itself only in charge if "basic levels" of the society were not able to fulfil their obligations. Responsibility should be transferred to the individual citizen, to family and kin, to the local communities, to associations of the civil society or even to the market. The influence of the social doctrine of the Catholic church - which was very much drawn into the political sphere by the governments of the 1990s - as the ideological background to this new basic approach to the welfare state was very obvious.



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