

# Intergenerational Cooperation: a possible way out of crisis?

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The influence of austerity measures on work, family and generations

Hotel Convent, Ankaran, Slovenia

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## FINAL REPORT

## Introduction

The Seminar **Intergenerational Cooperation: A possible way out of Crisis?**, was held between 28th and 30th of September 2012 and prepared by Združenje delavcev N.Si (Workers` Union of N.Si), Socialna akademija (Social Academy) and Inštitut dr. Janeza Evangelista Kreka (Institute of dr. Janez Evangelist Krek). It took place in hotel Convent, Ankaran, Slovenia. It was financially supported by European Union through EZA.

The seminar was attended by 71 participants from 14 countries. There were 14 speakers, among them 2 Ministers in Slovene government: mag. Andrej Vizjak and Ljudmila Novak.

## Aim of the Seminar

The aim of the seminar was to explore the potentials of intergenerational cooperation when taking efficient measures to exit from the current crisis. The role of intergenerational solidarity in the current austerity measures in EU member states was also addressed.

## What do Austerity Measures Bring to Workers

In the times of crisis, social dialogue should be led with a special sensitivity to various social groups. Contrary to this, as we speak many social measures are being taken rapidly and without reflection. Consequently, unequal tax burden for various generations or target groups may occur. In addition, social transfers may not be delivered fairly.

Examples in EU states show how different social partners use quite different terminology. Governments speak of sustainability of budget. Employers talk about reducing taxes, while trade unions know about difficult situations in individual cases of workers. Of course, it is necessary to take all different aspects into account. But it often occurs that social dialogue doesn't necessary lead to mutual understanding.

As a result, austerity measures without clear vision are often adopted. They remain valid only for a short time and then they change (example: one pension reform is not yet complete, while another has already been accepted). Burdens of measures are often inequitably distributed among generations. In the last year in Slovenia for example, social transfers for the families have been reduced much more than the pensions. Such disparities threaten the intergenerational solidarity.

Austerity measures are not the only possible solution when addressing the debt crisis. It is also important to increase the income side of the budget by creating new working places. Trying to achieve that, foreign capital investments would probably be the most efficient solution. But in these times it is unrealistic to count on them. Investments into infrastructure projects could also be useful to some extent. Although, the only long-term solution can be in promoting the micro- and small enterprises. Only these can be seen as the triggers to boost the new economy based on new technologies and permanent development.

## Importance of Intergenerational Cooperation and Solidarity

Speaking about the exit from the current crisis, intergenerational cooperation and solidarity has double role:

1. It is easier to introduce austerity measures in the societies where intergenerational cooperation is a value. In such societies systems of mutual assistance are developed to a greater extent and are more resistant to sudden economic changes.
2. There is a huge potential of new working places in the field of intergenerational cooperation and solidarity. Providing decent and quality life for individuals, especially for the elderly, has important future due to the changing of demographic picture. In most regions, this field of work is still relatively undeveloped.

Intergenerational cooperation is not only the necessary evil because of the lower incomes in the times of crisis but represents also a big opportunity for improving workers' lives. Its meaning is not limited solely to the returning back to our roots. It is much more: it represents a link between the past (elderly people), present (middle generation) and the future (youth).

## The Need for Social Innovations

Demographic crisis results in a great need for social innovations. If we undertake this on time, we can come out of it stronger. Otherwise our societies will become weaker and weaker. In development and implementation of social innovations hides a great opportunity for new work places.

Some scientists claim that in western civilization, innovations in the technological field are at least two generations ahead of the innovations in the social field. There are many more technological innovations than social; and they also have a shorter development cycle.

Imbalance between technological and social area is associated with uncritical use of newer and newer technologies and also with lower life-quality for many target groups.

Following recommendations to encourage social innovations were mentioned in the seminar:

- **We need to act fast.** According to some estimations, all we have left is approximately ten years.
- **Social innovations should come about in the partnership of various stakeholders.** The cooperation should take place between decision-makers, companies, non-governmental and youth organizations, active individuals and representatives of the workers' structures.
- **Including the users.** Users should be included into the pilot executions and testing, their feedback ought to represent a valuable element for further development.
- **Openness.** Wider areas (e. g. regions) need to be included, so that it is easier to start up and transfer good practice.

- **Interdisciplinarity.** Different specters of life of an individual as well as the society (influences on health, learning, relationships, economy ...) are to be included into the development and evaluation.

## Practical Examples

A few examples of good practice of intergenerational cooperation were presented in the seminary:

- intergenerational time banks, “time presents” for young mothers,
- gradually leaving your profession before retirement by working less and less hours and mentoring younger coworkers,
- putting aside overtime work in one`s active life-period, worker can use them before retiring,
- idea of parental and family right to vote,
- taking care of health and socialization of the elderly with use of web technologies and video.

## Family: Primary Unit of Intergenerational Solidarity

A person gets his first experiences of intergenerational solidarity, whether good or bad, through his family. Therefore, the family constitutes an important element in learning about intergenerational solidarity for all the generations. Dr. Jože Ramovš stresses the importance of the intergenerational and communicational training that can to some extent replace or supplement the intergenerational experience that an individual received in his family. Such training should constitute a basis for each and every intergenerational cooperation.

However, family is a unit that is not protected enough in many countries. Social transfers that are related to the families are often considered as something we can partially eliminate in the time of crisis. In addition, families are not properly represented in the social dialogue due to the lack of time of the parents.

## Looking to the Future

The solution of the crisis cannot constitute solely in an endless reducing of workers` rights, but mostly in an innovative approach to the rationalization of the welfare state and intergenerational cooperation. In future, all social partners will still have to face structural changes. Therefore, it is important that we believe that only together we can find new, cheaper and solid solutions.

The following is of utmost importance:

- focus on creating new work places while taking into account the good for all generations,
- opening space to social innovations,
- seeing family as the fundamental cell of the society,

- quality social dialogue that doesn't include only financial figures but also other aspects of the quality of life (supplemented also with the civil dialogue).