The Fall of Icarus- Human Rights as Arguments For and Against Austerity Measures

Iulia Lavinia DEFTA
Faculty of Law, University of Craiova, Romania[1]
defta_lavinia@yahoo.com

Abstract
The financial crisis continues to have negative impact on both advanced and developing economies precluding the State to full fill the positive obligations assumed in order to protect human rights.
The article aims to discuss the main arguments used in the discourse of current austerity policies taking into account the particular situation facing Europe: strong financial crisis and an aging population, drafting an interdisciplinary approach.
Keywords*: human rights, financial crisis, austerity measures.*

1. THE FINANCIAL CRISIS

The economic globalization was thought to be an important step in the realisation and protection of human rights: globalization and trade liberalization offer great access to internal markets which benefits States and encourages the attainment of economical and social rights. This encourages the development of States programs enabling individuals to secure rights deriving from employment, healthcare and other goods and basic services.

Even if the globalization was aimed to be a boost for development, the advantages and disadvantages were equally divided. The important groups tried to retain control over the weaker groups through globalization. The globalization process has made developing countries more dependent on the rich ones due to the exports in global market phenomena and this is how small and poor countries became sensitive to international crushes such as the global economical crisis [1].

The crisis in 2007 stroke not only Europe, but the whole World turning the focus on a public policy characterized by austerity, restraint and cutting public

[1] In co-direction with the *Faculty of Law and Economical and Political Sciences, University of Bourgogne, France*

spending. The crisis exacerbated existent deprivations, poverty [2] and inequality [3]. Statistics say that globally in 2011 205 million persons were unemployed [4] registering the highest number since records began. Moreover, due to the crisis, at least 55 000 more children are likely to die each year from 2009 to 2015 [5]. It has been noted a huge percentage of school drop out [6] due to the fact that little boys were included into the working class and little girls were given tasks of housework.

By 2009 at least 100 million people were hungry and undernourished [7] and the situation tends to get worse due to the growing food price.

There are two different opinions among the scholars when talking about the economical crisis. The first category of scholars claims that austerity measures are *a must* in order to achieve the economical growth and a higher degree of human rights protection while the second category claims that by promoting austerity measures the States preclude human development.

The article aims to point out that austerity measures can be an effective way to protect human rights in general and to achieve a long term economical growth.

It is true that even if human rights protection does not preclude the application of austerity, in general, this has great negative consequences on the enjoyment of human rights in general.

2. Why use human rights language when talking economy?

In order to analyse the impact of the austerity measures for human rights it is necessary to state from the very beginning why we must use a human rights language in economy and sometimes even an economic language when talking human rights.

It is clearly stated by scholars that law in general- and we could say that human rights in particular- is highly connected to many other areas and in the case of human rights and economy the connection is obvious. In order to achieve a high degree of protection of human rights the State has to have a strong public

policy that could offer a stable economy that could guarantee all the requirements necessary for human development in general.

The neo-liberal globalisation failed to give the promised result and grant an economical growth and if the economists want to improve the situation it is recommended to include the human rights language in their policies. The human rights language is in accordance with the law language and helps economists to make responsible decisions and policies in accordance with the legal framework and the positive obligations assumed by the States at an international level.

Most of the economists consider the word *rights* a foreign concept having a vocabulary limited to advantages and disadvantages or benefits and productivity [8] which is strange given the fact that economists design policies and institutions that nowadays affect the most intimate aspects of our lives.

It was brought to attention that while we know inflation rates, debts level, interest rates and so many, we do not have accurate statistics showing how data on malnutrition, hunger and other deprivations affecting children and their families for instance [9].

Economy is a part of the public policy due to the fact that it grants fulfilling of basic human needs and continuously improves our quality of life.

3. A nuanced austerity

Many countries affected by the financial crisis decided to implement many austerity measures in order to obtain financial stability and afterwards economical growth this being known as the 4 F crisis: food, fuel, financial crisis and fiscal austerity [10].

The International Monetary Fund (IMF) took action and demanded large fiscal adjustments when “the recovery is securely underway” as well as for structural reforms in public finance to be initiated now “even in countries where the recovery is not yet securely underway” [11]. Following this public position many developed and developing countries started to reduce public expenditure and to implement severe cuts in government spending along with increasing

taxes. This was caused by the fear that the budgets will be even smaller and that could lead to a refusal from the IMF to refund.

The austerity begun in Europe with Greece, Portugal, Ireland and Spain but soon France and the United Kingdom joined the list even if their economies were considered untouchable by the crisis. The crisis was so big at the end of 2010 that made impossible the get away without founding from the IMF or the European Union. The case of Ireland was particularly special due to the fact that, after pumping money to improve the economy, many banks and investors appeared. But, after the bubble burst the banks faced many losses that were genuinely covered by the Government. The main problem is that in fact the costs are covered by the people trough taxes and austerity measures.

Other non-state international actors were accused of promoting austerity measures in small and week economies leading to mass unemployment and straightening the crisis along with its effects on human rights in general.

The Romanian case of the austerity measures is also a difficult one. The Government decided to reduce by 25% salaries and pensions along with some other social benefits. This decision raised some discussions regarding its constitutionality that gave to the Constitutional Court the occasion to confirm that the austerity measures are in accordance with the Constitution.

The most important generation of rights affected by the crisis is represented by the social and economical rights and we will use their example in order to show how austerity measures can act as a catalyst for the human rights protection or as an inhibitor.

3.1 The austerity measures precluding the realisation of human rights

The austerity measures applied in case of financial crisis are considered the number one enemy of human rights. The answer is simple taking into account that most of the times large proportions of population are affected by the cuts made in public expenditure. It is true that cutting public expenditure affects

the free realization of social and economical rights and, in order to promote the austerity measures, Europe was forced to make a change in the public policy.

Even if the austerity measures were adapted to the specifics of every States` economy we can identify some categories: cutting public expenditure in social areas, progressive taxation and reforms of labour law and pension's law [12]. The first hand cuts were made in areas that always required great amount of money such as education, healthcare, employment or social services and protection.

3.2 The austerity measures helping to improve human rights protection

In order to understand how austerity measures can improve human rights protection, we must look at the bigger picture. When drafting a new public policy State actors must take into account many factors complementary to the financial crisis: demographic situation, State finances and sovereign debt.

Scholars say that rights `*must be interpreted in the context if they are relevant to resolving this crisis although this in itself appears to prima facie go against accepted principles of human rights scholarship that tends to view them solely as legal rights which inhere in individuals (that is, the macroeconomics of socio-economic rights provision is not a subject that receives much attention)* ` [13].

The crisis is highly contagious due to the globalization through global financial market being a huge danger for human rights enjoyment around the world and this is why many States counted on private investors to take over their debts which lead to spending more than they gain from tax collection. Investors leave the countries that seem unable to pay their debts and this has huge impact on the countries that have smaller debts due to the global financial market [14].

The austerity measures failed to help redressing economy as promised and they had quite negative impact on human rights, raising unemployment, affecting the health care system and education.

But, the important feature that those criticizing austerity measures forget is that every State action must take into account the current context. Europe, after facing a major financial crisis is also dealing with an ageing population and a quite particular demographic situation [15]. This has huge impact due to the fact that the working population has diminished and the unemployment has reached historical levels. This makes difficult for the State to support social systems like the pensions system or the social aid for those who do not have a job. Great percentage of population is already retired and in the last 20 years people have gained 6 years in life expectance [16] and this is expected to grow due to the medical discoveries and to the medicine evolution. Statistics say that, by 2020, a quarter of Europeans will be over 60 [17], so it is obvious that it will be a huge burden on the States` social policy challenging the medial system.

Knowing what the context is, it becomes obvious why the austerity measures are a real need preserving the current level of debt and growing the debt would mean to force the next generations to pay all their lives the bill of unconscious debts.

There is a strong need for new reforms on pensions, health care and long term and long term care strategies [18]. On this note, the most important goal is to restore public finances and to limit the burden put on the next generations and those two goals are to be touched only by accepting that austerity measures are necessary.

In the legal doctrine there were offered some arguments to prove that the State promotes the austerity measures just as a matter of policy, without solid grounds [19].

The first argument made was that the neo-liberal State finds austerity a convenient excuse in order to cut spending and there is nothing more wrong. The debts are real and the demographic structure does not help us to make it better. Even if by the austerity measures we might touch the realization of some important human rights, this is consider unavoidable, due to the fact that many of these rights are supported by public services-education, health care and so on-

services that are founded mainly from public funds. So, we can conclude that hurting the full enjoyment of these rights it is not a choice, but a necessity [20]. It is showed by statistics that most of the States use the public money to finance the public services connected with those categories of human rights [21].

Another argument is that States should borrow more in order to make possible the full enjoyment of rights for its citizens avoiding to apply the austerity measures. This argument cannot be hold to be efficient because, taking into account that we already have a huge amount of debt, it would be too irresponsible. The financial crisis transformed both children and new generations and those retired, but, by acquiring more debts, we would force the future generations to pay debts that were made even before they were born.

The solution is not to borrow, but to manage to pay the current debt with the minimum damage for the realization and the enjoyment of human rights. Even if in order historical moments [22] borrowing more was a great option, as we stated above, we must take into account the current status: the financial globalization, the common market and the aging population. Those are important aspects because the first two guarantee that if one economy crashes, all the others will follow. So there is no place for taking chances. Regarding the last feature, it is clearly that the demographic structure shows that the possibility to pay the debt is really small, due to the fact that Europe is aging and even if there are a quite good proportion of young persons, there is a huge degree of unemployment and the salaries are smaller and smaller.

Another interesting argument was that the State should cut expenses on military services or defense. In order to explain why this is not valid, we must state that national security is a key area for every State and, even if it is not directly responsible for granting social and economical human rights, it exists only for the protection of the individuals. Moreover, if we look at the statistics almost 60% of the public money is spent on protecting social rights and the welfare State. So, by cutting budget on military and security, we will not manage

to pay the debt or make significant economies at the State budget, but we will jeopardize the safety of our citizens.

4. Solutions?

We tried to shortly draft the current situation and we can state that there are two main problems that are strongly connected: the financial crisis and the aging population.

We showed that the austerity plans made by every Government were necessary, even if they did not had the planned effects.

Our problem seems to be like the fall of Icarus: when we had a functional internal market and we enjoyed the perks of the financial globalization we decided to take a chance and `fly too close to the Sun`. This is the reason why now, when almost every economy in Europe has made it through the struggle, we must pay attention and be cautious both with debt and expenses.

We must keep part of the austerity measures and reinstitute step by step the full enjoyment of rights keeping in mind that the aging population is a time bomb along with the financial crisis. Trying to fly too close to the Sun and release public expenses at the initial rate could trough us in a bigger crisis that the one we try to calm.

In the same situation, we must take care with the austerity measures because they affected human rights and the consequences are yet to come for some of them: an uneducated population unable to find a job or an unhealthy population that could overcame the health system are only few examples. Economy can be made, but not with the price of individuals` health and education.

Both the consequences of the financial crisis and the consequences of depriving individuals from basic human rights can destroy a society on a long term.

There is a possible escape for Europe: turning the migration crisis in a positive aspect. How? Considering the migrants the boost of youth that Europe needs.

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