

Social and Economic Rights – Situation Analysis in Armenia

Gayane Manukyan, Armenian Apostolic Church

First and foremost, before I start my presentation, I'd like to pass on the greetings of Bishop Hovakim, and relay his message about how the Armenian Church gives great importance to Human Rights and works on strengthening various mechanisms to build a healthier society, which values social, economic and cultural rights of its citizens.

In fact the Armenian Church is currently engaged in a number of discussions and dialogues with the Catholic, Orthodox and Protestant churches around the world.

Armenia does have the need for more serious/practical programs and events dealing with the basic human rights and freedoms, as the origin of most of the problems is not only the lack of legislature, but certainly lack of awareness on the parts of the citizens, active participation of civil society, understanding your rights, demanding the protection of those rights – therefore, a push start for educational programs is by far a priority.

I am deeply convinced that every right gives birth to responsibility, and when we speak of one, we must not forget about the responsibilities we carry as citizens in shaping a healthy environment we live in.

The European Union attaches great importance to the interconnectedness of all human rights. The interdependence of civil and political rights and economic, social and cultural rights are fundamental doctrines of international human rights law, and was already illustrated by the adoption of the Universal Declaration of Human Rights in 1948.

In a world where a large part of the world's population is still hungry every night, lacks access to safe drinking water or to health services and has no adequate housing, the importance of a strong commitment to the full realization of economic, social and cultural rights becomes indisputable.

Failing to protect economic, social and cultural rights can have serious consequences. For instance, malnutrition has a clear health impact, forced evictions can result in homelessness, the loss of livelihood and the destruction of social networks and has serious psychological effects.

Not addressing issues of economic, social and cultural rights can escalate social problems and lead to violations of other human rights.

Now let's have a look at the current situation in Armenia. I will address the issues dealing mainly with Social Security – retirement, unemployment and disability.

After the collapse of the Soviet Union, the 15 republics were left with shattered economies; some of them took a lot longer to recover. While the World Bank reported on a few occasions that Armenia “The Caucasian Tiger” has done really well, and has shown a steady growth in the past 20 years, the reality challenges the data. The recorded unemployment of 20% (far from the reality), the low salaries, meager pensions that barely cover the first week of the month have persisted for the past couple of decades, and the changes have been small and not always in a positive direction.

Starting January 2014 Armenia will entirely switch to a pension system very similar to a system used in some European countries. One would think this is an improvement. The Government of Armenia started to draft the law 10 years ago, delaying it repeatedly due to the global financial crisis and the difficulties connected with transition from the old system to the new one.

Very recently, the ‘State Pensions’, which comprises pension reforms, was discussed and passed with first reading at the special session of the National Assembly of the Republic of Armenia.

Unlike the current system, where working citizens ‘take care of’ pensioners by means of social payments (currently 460,000 working citizens take care of 520,000 pensioners in Armenia), the new retirement plan envisages that citizens under 40 (optional for citizens above this age) will be saving their future pensions themselves. Every month five percent of their salaries will be transferred to their private bank accounts controlled by the Central Bank of Armenia, opened in the accumulated pension funds licensed by the government; and the state pledges to add an equivalent sum to the transferred amount of money, which will then be invested in stocks. This means that when an employee becomes a pensioner, he will get a relatively tidier sum than the one that has been accumulating during their working years.

Pension money will become available to people when they reach official retirement age, which is 63 in Armenia now, or under some other circumstances involving their disability or moving out of the country.

As the Deputy Minister of Finance Vardan Aramyan explained to his colleagues in parliament “The goal of the new pension system is that the state becomes responsible for the social state of the society”. He added that the model is close to the one used in Estonia and that all possible risks have been explored and minimized.

Again, this sounds as though we are moving towards a more organized government structure, we should be glad that the state is taking action in the Social Security “department”, but the truth remains that the meager salaries (minimum income is less than \$100, which is 2 times less than the lowest rate for a monthly rent in the capital city) aren’t even enough for survival now. How do you convince your citizens to contribute to their retirement if they are not able to feed their children today?

Another factor that contributes to the chaos generated around this bill, in addition to the great distrust towards the government, is the non-flexible retirement age – 63, when the pensions become available for the citizens. A country where the life expectancy index is quite low (according to the latest WHO data published - life expectancy in Armenia is: Male 67.2, female 75.1, which gives Armenia a World Life Expectancy ranking of 106) people don’t wish to give up anything from already miserable salaries to then have assistance when they retire.

Unemployment

During the discussion of the state budget of 2014 a disagreement broke out among the country leaders, where the Prime minister stated that the 94% of the unemployment benefits have been used inappropriately and illegally, as in they were not directed to those who were entitled to the benefits.

The Ministry of Labor and Social Welfare then reported that those who receive unemployment benefits must find employment from 6 months to a year, which has been the case only for the 6 percent of the unemployed population, and the reason, the Minister suggests, is because they become too comfortable with receiving state benefits and do not bother looking for employment.

The people are not given an incentive to be employed. To demonstrate the logic behind all this, namely, why the jobless prefer their current state and fail to find jobs, let’s have a look at some numbers, not merely the unemployment rate of more than 20%, the lack of jobs available, but a more disappointing rate of minimum wages, which reached roughly \$100 in 2013.

On October 24th, the parliament’s initial vote approved eliminating monthly benefits of \$44.48 affecting more than 11,000 unemployed citizens and the justification from the ruling Republican party side was that the money allocated for this purpose could serve better if used for education, job counseling and not just handed out to the unemployed, leaving thousands of people hopeless and forcing them to migrate, many of them do not hesitate to purchase a 37-dollar ticket for the 2,236-kilometer bus ride from Yerevan to Moscow, the most popular destination for Armenian labor migrants.

Disability

About 650 million people in the world live with different disabilities. In 3-million-strong Armenia alone the number of disabled people reaches 185,000, of whom more than 80,000 are children.

It's a great misfortune when one is born with a disability. Nonetheless, life doesn't end with it, in fact, many people live to have a productive life, leaving a legacy behind, making a great impact on the mankind and changing lives.

Having worked with a few orphanages, and being engaged with various church programs working with disabled children in Armenia, it's hard to agree with the above statement – life doesn't end with a disability.

On one hand, there is a cultural unpreparedness for disability, on the other hand, it's the lack of programs, or the absence of the latter, to address disability issues in the country. Having mentioned the large number of disabled individuals, one would think that there are programs to engage these people in the workforce, or there are at least wheel chair ramps in the major cities of the country allowing them to move around liberally around their residences, but that's certainly not the case. I can hardly remember seeing a disabled person on the streets of Armenia – the infrastructure doesn't support people with limited abilities, thus making it impossible for them to get out, making it impossible for their family members to be employed in order to provide full-time care for them, making them dependent on the monthly disability benefit of \$45.

The “Source” NGO working with disabled children with Rett Syndrome and Cerebral Palsy recently estimated that those with severe cases need a minimum of \$450 per month to be able to engage in activities so that their senses improve instead of slowly regressing, eventually making it impossible for them to even hold their heads up. Many NGOs have made enormous efforts in trying to address these issues, but the work is not near to be done.

The church has been called upon to cooperate and to help make the voices of the underserved and disadvantaged heard. What's lacking is a system where the government takes responsibility for its people, or one where the people are aware that the government should take such a role and demand those rights to be addressed. Public education is essential in making progress in the arena of Human Rights, and this is why these conferences are fundamental – when they engage various government bodies, civil society, the church and beyond.