

**ROUND TABLE:
“THE ROLE OF THE STATE AND CIVIL SOCIETY IN INTERGENERATIONAL
SOLIDARITY AND COOPERATION”**

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REPORT

In a traditional society the intergenerational support or transfer relations were based on kinship. In a modern society the relations function between people who do not know each other. The basic question is to what extent the traditional function can be maintained by or shifted to the civil society.

Intergenerational solidarity is organized by state in a modern society. The state has the responsibility to establish the political and legal framework, which makes it possible to deal successfully with demographic change. It is important to maintain confidence on society with the present young generations. From the point of confidence creation and maintenance, it is important that public policy helps the civil society to function, e.g., by helping families in raising children without making any obstacles to the work careers or return to work of the parents. This would naturally help also to keep the fertility rate higher and balance the sizes of different generations. On the other hand, cooperation of the state and civil society can also help those whose parents need intensive care. In many cases the children of the care-needing generation are near the end of their career, and bad cooperation would result in shorter careers and thus poorer balance of public finances due to early retirement. It was emphasized that a better integration of low-skilled and immigrant groups in order to really mobilize their resources is necessary, which also would have a balancing effect on intergenerational resource transfers needed.

It was mentioned that resource transfers from the active age generations to children, young and old people is a common feature to all ancient and modern societies. However, the channels differ, also among the contemporary societies. One of the features characterizing societies is, to what extent they rely on private transfers and to what extent to public transfers. The roles of public and private in this respect form a primary issue of cooperation between the state and civil society. The point was raised that under a typical demographic transition, when the age dependency ratio rises, both private and public resource transfers may, if not considered comprehensively in policy analysis, be heavily inclined to the older generations. The reason is that in European welfare states there is no direct link between contributions and benefit, as was the case in traditional societies.

Examples from Finland showed how a societal consensus and confidence can be built in a long-run process. The idea is to integrate the society as largely as possible into the decision making process, not only the political powers but also the players of the civil society. The Finnish National Programme on Ageing Workers started in the 1990s was used as an example. The programme and the rapid rise of employment rates of older workers were key factors enabling the pension reform in 2005, when, e.g., the life-expectancy adjustment of pensions was introduced. As a new example of the cooperation between the state and civil society the Finnish government set up the National Pension Forum this spring. The forum is for a dialogue for a large variety of, e.g., interest groups, including pensioners' and students' associations. The need for cooperation at all levels, local, national and intergenerational, was emphasized.

In discussion about the employment target for older work force and about the potentially active role of retired people, it was mentioned that full employment is a too ambitious target, and on the other hand, that retired and skillful people's contribution through voluntary civil society should not be regarded as a means of crowding out the employment in labour market. Also the different regimes within the European union were discussed. The regimes are characterized by, e.g., the average

retirement ages and the level of consensus, as well as the relative roles of state and civil society. It was also mentioned that different sections of government and administration may not communicate sufficiently, may have more or less different missions and the overall policy may not seem to be clear to the citizens.

Recommendations:

There are different regimes in the European Union with respect to the roles of the state and civil society. The roles are reflected in the both-way public and private transfers between generations, including time devoted. In addition to intergenerational solidarity materialized via state and civil society, part of the tasks can be carried by markets. Recommendation: in the next round of strategy reports, indicators describing the roles of state, civil society and markets in intergenerational relations should be included.

One key issue for the successful cooperation between state and civil society is how the middle generation is supported by the state in taking care of their own children and possibly their parents in a way ensuring that their career is not harmed and so that equal opportunities of genders materialize. On the other hand, people may not have organized civil society opportunities readily available to express intergenerational solidarity by way of voluntary engagement. Recommendation: create sustainable ways, which enable (adult) citizens of all ages to support each other on a voluntary base. In this context member states are invited to share, discuss and evaluate best practices.