

## Chapter 2

# Poverty, Inequality and Unemployment: Socioeconomic Policy and Rawlsian Justice

**Abstract** Among the main themes summarized in this chapter are those of contemporary features of poverty, unemployment and economic inequality. It is argued that these features can get worse if policies and strategies under government austerity are insensitive to the implications of such policies. In order that socioeconomic sustainability is better maintained it is suggested that adoption of the principles of Rawlsian justice be blended in the formulation of relevant financial and economic strategies.

**Keywords** Poverty • Economic inequality • Unemployment • Government spending • Socioeconomic policy • Rawlsian justice

This chapter offers a brief summary of societal background issues that must be considered in designing austerity programs and reductions in government spending. The main features of the background include prevalence of poverty that is largely linked to the lack of productive employment, worsening economic and asset inequalities in most countries, and expanding unemployment. The least that government austerity could do is not to worsen these salient features of life, and the most that the governments can do is to adopt some level of ethical principles on the lines advocated by John Rawls (1971) (explained later in the approaches of Rawlsian justice).

Let us define socioeconomic sustainability as sustained preservation and enhancement of economic and other well-being of all sections of the society, especially the vulnerable sections (such as children, poor, handicapped and other disadvantaged groups). This concept has both static as well as dynamic dimensions; curtailment of access to goods and services for the vulnerable sections, unless offset by improved alternative provision of human capital and other forms of empowerment, does little good toward socioeconomic sustainability. Lack of such sustainability often ends up becoming a drag on the affected populations as well as on the larger society. There is an urgent need for the application of the much

touted norm of the financial sector “too big to fail” in the socioeconomic sector. This lack of attention is partly attributable to the lack of empowerment of the vulnerable sections of the society, relative to the principals of the organized financial sector in most countries.

The Great Recession of post-2008 era continues to cast a particularly long shadow on workers and their families (OECD 2014). The adverse effects include continuing and worsening economic hardship, a high risk of growing poverty, and a persistently strong demand for effective support. The evidence suggests that the financial upheaval of 2007–2008 led not only to an economic and fiscal crisis in many countries, but to social crises as well (OECD 2014).

The global economic crisis bears a profound impact on people’s well-being, reaching far beyond the loss of jobs and income, and affecting citizens’ satisfaction with their lives and their trust in governments, according to the OECD (2013a, b) report. If the key objective of economic policy is to improve peoples’ lives, then an economic policy cannot be disconnected with socioeconomic imperatives of policy making.

## Economic Inequalities

The gap between rich and poor in OECD countries had widened continuously over the three decades to 2008, reaching an all-time high by the time the final crises erupted in much of the world, as summarized by the OECD’s report on income inequality (OECD 2011). It has been observed that financial crises as well as their remedial measures via austerity instruments do accentuate poverty and income inequalities. As the economic and especially the jobs crisis persists and fiscal consolidation takes hold, the most vulnerable in society could be hit harder as the direct and indirect costs of the crisis increases. The bottom 10 % of the population in 2007 and 2010 the report shows that lower income households either lost more from income falls or benefited less from the often sluggish recovery: the income of the bottom 10 % in 2010 was lower than that in 2007 by 2 % per year.

With higher unemployment and lower returns from capital, the financial crises adversely affected incomes from work and capital and also made their distribution more unequal. In the first 3 years of the crisis, the inequality in income from work and capital increased as much as in the previous 12 years before the financial crisis. The OECD (2011) report concludes that if sluggish growth persists and fiscal consolidation measures are implemented, the ability of the tax-benefit system to alleviate the high levels of inequality and poverty of income from work and capital could be hampered.

Worsening income and asset inequalities within and across countries are weakening the social and political fabric of our societies, fuelling a downward cycle of economic, political and social uncertainty (ILO 2013a). Whereas the global frameworks for effective devising and implementation of social protection mechanisms are still being agreed upon for potential implementation, severe budget cuts

in some of the focus areas are likely to retard such attempts. The social protection measures generally encompass access to health care and pensions, protection against the risks of unemployment and disability and against the special livelihood vulnerabilities of women and the elderly.

Trends in worsening inequalities have been well-documented in several national and international reports (see for example, OECD 2013b; UNRISD 2010). According to the OECD (2013b) report, income inequality increased by more in the first 3 years of the crisis to the end of 2010 than it had in the previous 12 years, before factoring in the effect of taxes and transfers on income. After taxes and transfers, the richest 10 % of the population in OECD countries earned 9.5 times the income of the poorest 10 % in 2010, up from 9 times in 2007. The gap is largest in Chile, Mexico, Turkey, the United States and Israel, and lowest in Iceland, Slovenia, Norway and Denmark. It has been observed that the number of people living in poverty rose during the crisis in most countries. The OECD (2013a) report recommended: “Policies to boost jobs and growth must be designed to ensure fairness, efficiency and inclusiveness. Among these policies, reforming tax systems is essential to ensure that everyone pays their fair share and also benefits and receives the support they need.”

This prescription is still to be acted upon in most countries. The greater the delay in implementing relevant country-specific strategies, the larger the adverse consequences of non-adoption of smart socioeconomic policies integrated with fiscal and other strategies.

## Unemployment

Possibly the most important facet of a society and its well-being is the phenomenon of productive employment, and the size-distribution of unemployment among different sections of the society. Government austerity and public spending policies need to take into consideration the societal background with reference to problems of unemployment, pre-existing factors affecting poverty, and inequalities in socio-economic, wage and non-wage income and other structural factors. Merely because some of the social costs may not be quantifiable it does not imply these are minor or can be ignored to the point of becoming counterproductive with reference to the initial objectives of debt and fiscal sustainability. Some of these issues such as health (physical and mental), child development and human capital formation tend to be adversely affected if due consideration is made in the policies and programs aimed at budget deficit reduction via public spending reduction.

If reduction of poverty, unemployment and inequalities are broadly important and urgent goals to attain, a reasonable policy mix is essential for generating structural changes that realize these goals in a consistent manner. Drastic budget cuts or drop in public spending can accentuate these problems and add to unemployment and poverty. The global youth unemployment rate, estimated at 12.6 % in 2013, is close to its crisis peak. 73 million young people are estimated to be unemployed in 2013.

Low-paid informal employment among young people remains pervasive and transitions to decent work are slow and difficult (ILO 2013b).

Reduced fiscal space risks compromising continued provision of social support (OECD 2014), and the way out from this avoidable is to reassess the resource mobilization aspects under the fiscal space, such as effective enforcement of tax and non-tax revenue collection. It has also been observed (OECD 2014) that: (a) pressures to address budget shortfalls are greatest in countries that have experienced the steepest rises in unemployment, and (b) when unemployment rises fast, governments' fiscal problems are heightened both by increasing expenditures and by contracting revenues. This understanding should help articulate a balanced approach toward fiscal stability while devising government austerity programs, treating rise in unemployment as an absolutely avoidable criterion for selection of relevant spending programs. A self-defeating exercise in excessive reduction of public programs is merely one of all pain and no gain.

The uneven economic recovery had an impact on the global employment situation. Almost 202 million people were unemployed in 2013 around the world, an increase of almost 5 million compared with the year before (ILO 2014). This suggests lack of sufficient sustained economic growth with attention to employment creation. ILO (2014) also assesses that if current trends continue, global unemployment is expected to worsen, reaching more than 215 million jobseekers by 2018. Young people continue to be particularly affected by the weak and uneven recovery. About 74.5 million young people (15–24 years)—were unemployed in 2013, a million more than in the year before.

The ILO's *World of Work Report 2012* said fiscal austerity and labour market reforms had had “devastating consequences” for employment while mostly failing to cut deficits, and warned that governments risked fuelling unrest unless they combined tighter spending with job creation. The Report stated (ILO 2012): “The strategy of austerity actually has been counterproductive from the point of view of its very objective of supporting confidence and supporting the reduction of budget deficits.” The report said some 50 million jobs had disappeared since the 2008 financial crisis.

It has also been stated (ILO 2014): “...the crisis has had a negative impact on the quality of employment in most countries as the incidence of involuntary temporary and part-time employment, in-work poverty, informal work, job and wage polarization and income inequality have further increased.” It is useful to note that some of the ILO simulation results show potential win-win policy solutions: *employment-friendly policies are likely to lead to improvements in the labor market, without harming fiscal sustainability disproportionately.*

At the global level, the number of unemployed people will continue to increase unless policies change course. Global unemployment is expected to approach 208 million in 2015 (ILO 2013c). These scenarios suggest that the least that government austerity measures and budget cuts should contribute to is to enhance unemployment, but that is what has happened in many of the countries that implemented rather severe measures of public spending cuts. Even in those countries where drop in official estimates of unemployment has been reported, much of this has been achieved as a result of individuals (mainly those in the category of

‘long-term unemployed’) dropping out of the labor market altogether. It may also be noted that the drop is sometimes worse than a degenerate solution to the arithmetic of unemployment: when there is a reduction in public spending on skill development tailored to the job market needs (or a mismatch of demand and supply), and when there is not enough investment stimulus for entrepreneurship and small business development, the end product is loss in total production and shaky quality of employment as well as information on unemployment estimates.

Social protection can play a pivotal role in reducing the adverse of poverty and deprivation, delivering on the promises of the Universal Declaration of Human Rights. It can also help people adapt their skills to overcome the constraints that block their full participation in a changing economic and social environment, contributing to improved human capital development in both the short and longer term, and in turn stimulating greater productive activity (ILO 2011). The ILO (2011) report also shows how social protection has helped to stabilize aggregate demand in times of crisis and to increase resilience against economic shocks, contributing to accelerate recovery and more inclusive and sustainable development paths. Social protection represents a ‘win-win’ investment that pays off both in the short term, due to the impact on human development and productivity.

In contrast to the potential realization of mutually reinforcing positive outcomes, a few austerity measures are indicative of policies that contributed to a lot of pain and very little gain. Torres et al. (2013) argued that many of the “ill-conceived fiscal austerity” measures are high cost and low gain scenarios: for example in Spain, the deficit was reduced from a little over nine per cent of gross domestic product in 2010 to 8.5 % of GDP in 2011, a very small reduction after a drastic austerity program. “The narrow focus of many Eurozone countries on fiscal austerity is deepening the jobs crisis and could even lead to another recession in Europe.”

It is important to note that resources per unemployed jobseeker have declined by almost 18 % since the start of the crisis through 2011 (OECD 2013a). This raises concerns about the stubborn prevalence or worsening of structural unemployment. Spending per jobseeker has fallen sharply since the crisis, by almost 20 % on average in the OECD, as pressures on public budgets have risen. The OECD *Employment Outlook 2013* estimates that jobless rates will fall only slightly over the next 18 months, from 8.0 % in May 2013 to 7.8 % at the end of 2014, leaving around 48 million people out of work in the 34 OECD countries. Young people continue to face record unemployment levels in many countries, with rates exceeding 60 % in Greece, 52 % in South Africa, 55 % in Spain and around 40 % in Italy and Portugal.

The need to mainstream employment and poverty reduction in various economic, fiscal, and social policies, has been agreed in the important global forum of major economies, the Group of Twenty (G20) countries. G20 Labor Ministers identified policy fields as important for a broad range of countries (G20 2013). Some of the major highlights of the relevant resolutions are stated below:

- Implementing policies to increase labor force participation including among youth, women, seniors, and people with disabilities, as well as reducing

structural unemployment, long-term unemployment, underemployment and job informality;

- Implementing labor market and social investment policies that support aggregate demand and reduce inequality, such as a broad-based increase in productivity, targeted social protection....;
- Promoting well-targeted cost effective and efficient labor activation programs, focused on skills training and upgrading, especially for vulnerable groups, and fostering youth employment, including by youth guarantee approaches, promoting vocational training and apprenticeships and facilitating exchange of best practices among G20 countries and social partners on activation policies.

G20 Labour and Employment Ministers' Declaration (Moscow, 18–19 July 2013; details at [www.g20.org](http://www.g20.org)) stated that promoting jobs is at the heart of G20 objectives to achieve strong sustainable and balanced growth. Among the specific steps suggested are summarized below.

Implementing fiscal and monetary policies that promote inclusive growth and support aggregate demand.

Continuing to modernize and strengthen national social protection systems to enhance their effectiveness, efficiency, coverage, social adequacy and sustainability, including by developing access for all to national social protection floors.

Labor market activation policies during periods of slow economic growth or recession when the risk of disconnection and even exclusion from the labor market of certain vulnerable groups increases.

In some countries, supporting well-designed public employment programs ('workfare' programs) to provide essential and well-targeted social benefits and maintain connection to the labor market, as well as conditional cash transfers to effectively address structural poverty by linking benefit receipt to participation in a broad range of activation and integration measures and programs.

Social protection policies for vulnerable groups combined with targeted labor activation measures to help and encourage those who are able to work to get access to the labor market.

Almost all of these measures suggest greater public investment, directed interventions to alleviate poverty and create sustainable employment and provision and expansion of social protection programs. Where do government measures and public spending cuts belong in these? The scope is very limited, and the solutions to debt sustainability and fiscal stability belong mainly in the areas of raising productivity, redevising taxation policies, and effective enforcement of tax and non-tax revenues to reduce budget deficits on a sustainable basis. Given the two-way causal relationship between poverty and inequality, a synergistic approach to the reduction of both these features would normally draw upon measures such as improved tax administration with focus on tax evasion and avoidance, prioritizing income-generating employment opportunities, and public expenditure-related policies that enhance the welfare of the poor such as guaranteed minimum employment.

Creating and sustaining productive employment are major determinants of socio-economic development and its sustainability. The capacities of economic

systems and their governance strategies that draw upon inclusive economic growth strategies are essential for achieving sustainable development that also addresses poverty reduction in a significant manner. Among the enabling and supportive policies are right to work or guaranteed minimum employment, social protection systems, such as adequate health insurance at affordable rates, access to credit facilities for productive economic activities, and conditional cash benefits. Currently, fiscal adjustment through public budget cuts and reallocation of social expenditures are being carried out by various governments in the developed and developing regions. These measures have been targeting diluting social safety nets, including children welfare payments. With little evidence of the respective governments plugging loopholes in tax systems and effective enforcement of corporate taxation codes, one wonders if the last resort should have become their first resort as a means for attaining or attempting to attain fiscal stability.

A few major policy reports are noteworthy here. A report (G-20 2013) prepared for the Group of Twenty (G-20 countries) by the OECD argued for an inclusive economic policy package in order to address both employment issues as well as socio-economic and financial stability. Similarly, it is noteworthy that the group of 77 countries (G-77) China stated at the Fourth Session of the Open Working Group (OWG) on Sustainable Development Goals in New York (17 June 2013):

- (a) The global financial crisis has reinforced the need for activation policies to make labor markets more inclusive. This means providing the unemployed and other groups at the margins of the labor market with the support, incentives and skills and training they need to move into employment.
- (b) In many advanced G20 countries, the immediate short-term challenge is to tackle the increase in unemployment following the financial and economic crises. Also, “policies must tackle the long-standing structural obstacles that are keeping many youth, women, people with disabilities and low-skilled workers out of work or under-employed. ... for strengthening overall economic growth, equality and social cohesion.”

Some of the illustrative empirical studies are useful to offer guidance to fiscal and economic policies in relation to focus on employment. Using some of the ILO models for analyses, Torres et al. (2013) elucidated potential implications of reducing public spending for government austerity. Fiscal austerity is modelled here as a cut in public spending as a share of Gross Domestic Product (GDP) by 1.4 % points in high income countries. Output declines by 1.6 % points at peak and by 0.6 % points by 2015. Similarly, employment decreases by 1.3 % points at peak and 0.5 % points by end 2015. This corresponds to 2.84 million fewer jobs in high income countries by end 2015 as compared to the baseline scenario. In low and medium income countries, fiscal austerity is milder with the ratio of public spending to GDP declining by 1.1 % points only. This is translated into 11.5 million fewer jobs by end 2015. Compared to other modelling studies, the ILO model yields similar results concerning the effects of fiscal austerity. For instance, the IMF global model (so-called GIMF model) shows that in a situation of under-employment of productive resources, fiscal austerity will worsen the employment



situation. It has been observed that public investment enhances demand effects: boosting enterprise investment and labor demand. Some of the previous empirical studies based on macro-econometric model simulations (preceding the current financial crises and austerity measures) find evidence (Briotti 2005) that fiscal consolidations lead initially to production losses, while they can result in a higher output in the medium term.

In relation to the U.S. economy, important comments on total productivity, employment and austerity, made by the former US Federal Reserve Bank Chairman Ben Bernanke are summarized here briefly (Bernanke 2013):

The loss of output and earnings associated with high unemployment reduces accrual of government revenues and increases spending on income-support programs, thereby leading to “larger budget deficits and higher levels of public debt than would otherwise occur...” Citing the Congressional Budget Office (CBO) estimates, it has been suggested that the deficit reduction policies in current phase will slow the pace of real GDP growth by about 1.5 % points during 2013, relative to what it would have been otherwise. “To promote economic growth and stability in the longer term, it will be essential for fiscal policymakers to put the federal budget on a sustainable long-run path. Importantly, the objectives of effectively addressing longer-term fiscal imbalances and of minimizing the near-term fiscal headwinds facing the economic recovery are not incompatible. To achieve both goals simultaneously, the Congress and the Administration could consider replacing some of the near-term fiscal restraint now in law with policies that reduce the federal deficit more gradually in the near term but more substantially in the longer run.”

Also it is useful to note the comments of Robert Shiller (2013) who argued that the kind of fiscal austerity that is being practiced now has “the effect of rendering people jobless and filling their lives with nothing but a sense of rejection and exclusion”. It has been suggested that we need fiscal stimulus—ideally, the debt-friendly stimulus that raises taxes and expenditures equally, and that it is important to achieve *any* fiscal stimulus that boosts job creation and puts the unemployed back to work. Adoption of inclusive and sustainable development approaches, largely sought and contemplated in the post-2015 era and the new emerging international framework in this regard, will not be possible if millions of people are denied the opportunity to earn their living in conditions of equity and dignity (ILO 2013a).

Beyond the jobs scenarios, there are also pockets of specific vulnerabilities. Protecting the poor and the vulnerable is crucial to equitably sharing the adjustment costs of financial crises that are not caused by these sections of the society, to begin with. Since public expenditure reduction decisions are often taken without significantly assessing their potential impacts in terms of employment, social development, and inclusive and resilient growth (Ortiz et al. 2010), there is an urgent need to revamp the policy paradigms. Current policies focusing on fiscal consolidation tend to have major impacts on social spending and other expenditures that foster aggregate demand, and therefore recovery—since most of those likely to be hardest hit are poor, marginalized children and their families. The limited window of intervention for fetal development and growth among young



children means that their deprivations today, if not addressed promptly, will have largely irreversible impacts on their physical and intellectual capacities. This will in turn lower their productivity in adulthood, a high price for a country to pay both at the individual level as well as at the society level. A careful assessment of the risks facing vulnerable and poor populations and balancing policies to restore medium-term fiscal and economic sustainability with those to protect and support the socially and economically vulnerable is important for socioeconomic sustainability in light of various government austerity measures.

There is a need to note an important lesson from the implementation of such objectives and targets as the Millennium Development Goals (MDGs) for the purpose of devising and implementing government austerity measures as well as their implementation. It has been observed from experiences in other frameworks that progress towards inclusive, equitable and sustainable development requires a process of regular dialogue and negotiation. Mere lopsided economic logic alone does not deliver the public good when choosing specific measures of government budget cuts and seeking fiscal sustainability. A society that is at war within itself because of torn beliefs and socioeconomic stability can hardly deliver on the fiscal results expected from systems that do not care for a reasonable consensus and balancing of interests among various segments of the society, especially the vulnerable.

## **Poverty, Vulnerability and Rawlsian Justice**

Measures to address fiscal deficits and debt sustainability issues need to bear in mind that the financial crisis has not brought upon the respective societies by the poor but by the elite financial institutions in their excessive risk-taking operations and by the government in its lax regulatory regimes. The poor have been the helpless victims and the turn of events should not cause loss of some of the pro-poor development and other public spending programs in the name or guise of government austerity. If anything, the relevant pro-poor and pro-employment activities, including those relating to human capital formation (child development, skill development and job training, and related policies and activities) must be augmented with greater resources. To bring in the relevant perspectives, let us take stock of the features of contemporary misery, and seek focus to ensure that the situation does not get worse in terms of socioeconomic sustainability.

About 50,000 people die prematurely every day because of poverty and /or poverty-induced causes (Pogge 2005). Prevalence of severe poverty constitutes human rights violation (Pogge 2007) as per the international (soft) laws, and also as per the constitutions of several countries. Some of the estimates (for example, Ahmed et al. 2007) indicate that there may be about 162 million people (size of a seventh largest nation) living in ultra-poverty, defined at less than \$0.50 per day. This magnitude of population has been an estimate of revolving population rather than stationary population- regionally, physically, and physiologically. If we

juxtapose the roles of adverse impacts of climate change and disasters, there is a perfect recipe for irreversible losses—human and economic. Hence there is little room to remain insensitive to the resiliency requirement of the socio-economic vulnerable segments in various societies.

Principles of fairness and social justice (Rawlsian framework, see Rawls 1971, 2001) require priority attention to the most needy (also referred to as ultra-poor) as a socioeconomic norm for an equitable society (see also Rao 2014). Rawls (1971 at p. 303) stated: Social and economic inequalities are to be arranged so that: they are to be of the greatest benefit to the least advantaged sections of the society (this is the ‘Difference Principle’, also termed as the ‘maxmin’ principle). The focus of the Difference Principle is to the absolute position of the least advantaged rather than their relative position in comparison with other sections.

Invoking Rawlsian ‘maxmin’ criterion enables a large-scale restoration of fairness and equity in societies that depict significant prevalence of ultra-poverty. The maxmin principle is amongst the most important normative principles of justice. It is also noteworthy here that Rawls (1971) classic contribution is seen to have about 38,000 citations in literature, relative to the best cited economics paper (‘The Problem of Social Cost’ by Nobel Laureate Ronald Coase 1960) that has about half this number of citations (source: [scholar.google.com](https://scholar.google.com)).

Rawlsian pointer to the limited capacity of public institutions to cater to the needs of the vulnerable suggests that national policies may predictably lag behind the imperatives of just and equitable socio-economic development, and this feature is more pronounced when there is little conscious effort to alleviate the barriers to sustained poverty and other forms of neglect of vulnerable populations.

An anti-poverty policy or program—even if it is not disaster-specific in its focus, reduces vulnerability or exposure to disasters (UN and World Bank 2010 at p. 108). As an example of measures that ensure dedicated funding for anti-poverty programs, it may be noted that Peru’s fiscal prudence and transparency law (created in 1999) protects poor during a fiscal adjustment. In general, safety nets and related protection mechanisms have been useful for addressing vulnerability on a limited scale, but adoption of Rawlsian justice calls for much greater interventions in asset distribution, wages and incomes policies, social protection and social justice. There are wide variations among countries in each of these features. As long as preferential attention to the needs of the vulnerable sections of the society does not create perverse incentives for inactivity or loss of productivity, such refocus can lead to social and economic integration and socioeconomic sustainability. Various welfare measures and ‘entitlements’ need to be viewed within this framework, and the relative costs of undertaking such policies and programs must be weighed against those of the alternatives, including lack of neglect of the vulnerable. Rawlsian justice principles constitute ethical foundations but not necessarily indicate economic approaches for devising relevant policies. These approaches arise from pragmatic adoption of institutional and transaction cost economics (see, for example, Rao 2004) that enable ranking merits of plausible alternatives for policy choices as well as their cost effective implementation, with due consideration of the roles of incentives and disincentives for improved performance.

## References

- Ahmed, A. U., Hill, R. V., Smith, L. C., Wiesmann, D. M., & Frankenberger, T. (2007). *The world's most deprived: Characteristics and causes of extreme poverty and hunger* (Discussion Paper #43). Washington, DC: IFPRI.
- Bernanke, B. (2013). The Economic Outlook Report-Comments Before the Joint Economic Committee, U.S. Congress, Washington, DC, May 22, 2013.
- Briotti, M. G. (2005). Economic reactions to public finance consolidation: A survey of the literature, Frankfurt. European Central Bank Occasional Paper Series # 38. <http://www.ecb.int>
- Coase, R. (1960). The Problem of Social Cost. *Journal of Law & Economics*, 3, 1–44.
- G-20. (2013). Task Force on Employment Activation Strategies for Stronger and More Inclusive Labour Markets: Key Policy Challenges and Good Practices prepared by the OECD.
- ILO. (2014). *Global employment trends 2014: Risk of a jobless recovery?*. Geneva: ILO.
- ILO. (2013a). *Concept note on the post-2015 development agenda: Jobs and livelihoods at the heart of the post-2015 development agenda*. Geneva: ILO.
- ILO. (2013b). *Global employment trends for the youth 2013*. Geneva: ILO.
- ILO. (2013c). *World of work report 2013*. Geneva: ILO.
- ILO. (2012). *World of work report 2012*. Geneva: ILO.
- ILO. (2011). *Social protection floor for a fair and inclusive globalization*. Geneva: ILO.
- OECD. (2014). *Society at a Glance 2014: The crisis and its aftermath*. Paris: OECD.
- OECD. (2013a). *OECD's employment outlook*. Paris: OECD.
- OECD. (2013b). *How's Life?* Paris: OECD.
- OECD. (2011). *Divided we stand*. Paris: OECD.
- Ortiz, I., Chai, J., Cummins, M., & Vergara, G. (2010). *Prioritizing expenditures for a recovery for all: A rapid review of public expenditures in 126 developing countries*. New York: UNICEF.
- Pogge, T. (2007). Severe poverty as a human rights violation. In T. Pogge (Ed.), *Freedom from poverty as a human right*. New York: Oxford University Press.
- Pogge, T. (2005). Real world justice. *Journal of Ethics*, 9, 29–53.
- Rao, P. K. (2004). *The economics of transaction costs: Theory, methods and applications*. London: Palgrave Macmillan.
- Rao, P. K. (2014) *Global Poverty: Resources and Institutions*. Heidelberg: Springer Verlag
- Rawls, J. (2001). *Justice as fairness: A restatement*. Cambridge, MA: Belknap Press.
- Rawls, J. (1971). *A theory of justice*. Cambridge, MA: Harvard University Press.
- Shiller, R. (2013). The High Cost of Unemployment: It hurts the morale of a nation's citizens, and austerity is no solution posted at [www.project-syndicate.org](http://www.project-syndicate.org) (June 2, 2013).
- Torres, R., Kühn, S., Charpe, M., & ILO. (2013). Fiscal austerity is detrimental to output growth and employment. In R. Genevey, R. Pachauri & L. Tubiana (Eds.), *Reducing inequalities: A sustainable development challenge*. New Delhi: TERI Press.
- UN and World Bank. (2010). *Natural hazards, unnatural disasters*. Washington, DC: The World Bank.
- UNRISD. (2010). *Combating poverty and inequality: Structural change, social policy and politics*. Geneva: UNRISD.



<http://www.springer.com/978-3-319-04234-3>

Government Austerity and Socioeconomic Sustainability

Rao, P.K.

2015, VII, 44 p., Softcover

ISBN: 978-3-319-04234-3