

# Chapter 3

## Poor Relief Policy Under Severe Local Budget Constraints: An Example of an Urban Municipality in Belgrade



Vasko Kelić and Slavica Manić

**Abstract** This chapter explores how poverty reduction policies can be conducted by the local political authorities in the context of the lack of sufficient poor relief protection under the current national policy framework in Serbia. For this purpose, we consider an example of Stari Grad, an urban municipality in Belgrade that is, as such, particularly characterized by limited competences and budget. Taking the 2021–2024 period as a reference point, we can see that the local government allocated less than 0.12 percent of an already small local budget to poverty reduction policy. Meanwhile, the national financial social aid threshold has been put at a level below the absolute poverty line for a long time, let alone the significantly higher at-risk-of-poverty threshold. We explore the possibilities of allocating more funds to poor relief in Stari Grad. Considering the relevant data, we conclude that relatively modest reallocation of funds can literally eradicate involuntary absolute poverty from Stari Grad. At-risk-of-poverty rates, however, require significant additional budgetary resources to be meaningfully reduced.

**Keywords** Local budget • Budget constraints • Poor relief • Stari Grad • Absolute poverty • At-risk-of-poverty

### 3.1 Introduction

Discussions on the issue of reducing and/or eradicating poverty in a wider context cannot begin without emphasizing the differences between economic systems regarding the concepts (models) of the welfare state they advocate, since the main goal pursued by welfare states is the struggle against deprivation. Naturally, our

---

V. Kelić (✉)

Center for Economic Research, Institute of Social Sciences, Belgrade, Serbia

e-mail: [vkelic@idn.org.rs](mailto:vkelic@idn.org.rs)

S. Manić

Faculty of Economics and Business, University of Belgrade, Belgrade, Serbia

© The Author(s) 2026

M. Džunić et al. (eds.), *Advancing Urban and Local Governance in Western and Transition Europe*, Local and Urban Governance,  
[https://doi.org/10.1007/978-3-032-04265-1\\_3](https://doi.org/10.1007/978-3-032-04265-1_3)

33

attention will be focused on the European pattern of providing social and economic security, which differs from others (Anglo-Saxon and Asian ones), primarily by the much more active role of the state in solving the poverty issues (Gregory and Stuart 2014). Nevertheless, even within the European model of more than three decades ago, a typology of different regimes was devised, primarily according to the criteria of decommodification and social stratification (Esping-Andersen 1990), and the later addition of new criteria (defamilisation, universalism, marketization) made it possible to identify subgroups within the category of post-socialist countries (Fenger 2007; Orosz 2019), to which Serbia also belongs, as the subject of our analysis. However, after the last major crisis, at the end of the first decade of this century, the literature on the European welfare state is increasingly dominated by the ideas of convergence between different regimes (Taylor-Gooby et al. 2017).

Although the interdependence of national and supranational (EU) development, known as the Europeanization of welfare states, implies the possibility of policy creation taking place both on a bottom-up and a top-down basis, literature review suggests the dominance of the latter, since the EU member states as well as the majority of EU accession countries (Serbia included) keep internalizing EU-wide policies and regulatory measures (Banks et al. 2005; Damro 2015; Lj and Manić 2014).<sup>1</sup> Furthermore, we show that the currently adopted framework at the national level fails to address some crucial poverty issues in Serbia. The most pressing appears to be the prevalence of unaddressed absolute poverty.

However, even a more pronounced influence from the supranational or national level does not eliminate the necessity to undertake welfare activities at the local level. Therefore, we decided to analyze the possible role of the lowest level of local governance. More particularly, we focus on the urban municipality of Stari Grad in Belgrade as a case study in order to review the feasibility of reversing the pattern (i.e., to change typical approach to this issue). We are, in fact, wondering whether there is any chance to cure absolute and/or relative poverty at the local level independently, creating this way (at least) partial urban resilience. As we show, in spite of great constraints both in terms of competences and budget, local political authorities have options to conduct meaningful poor relief policies in Serbia.

For clarity and focus, our study is guided by three key questions. The first of them concerns the scope of poverty in Stari Grad and Serbia, both in absolute and relative terms, that is unaddressed by current policy frameworks and practices. The second one focuses on the limits on the number of poverty-alleviation constraints faced by urban municipalities in Serbia (Stari Grad included) that can be overcome at the local level. The third one, however, reads: “what local policies are available to address poverty concerns among the populace in a just and efficient manner?”

The remainder of this chapter is constructed in the following manner. Section 3.2 explores the relevant literature on welfare state regimes, the Europeanization of social policy, and the institutional and legal context of social assistance in Serbia. Section 3.3

<sup>1</sup> The Europeanization of the welfare state could be linked to the so-called Brussels effect (Bradford 2020). However, if we reduce this effect only to the manifestation of the EU’s global regulatory power (Hadjiyianni 2021), then the Europeanization is of a wider scale compared to the effect itself.

provides a short overview of methodological aspects of the research presented in the chapter. In Sect. 3.4, we present the main results of our document and secondary data analysis. We first examine the state of poverty and social policy in Serbia overall, and then delve into the specific case of Stari Grad—including its budget limitations and the estimated impacts of potential poor relief interventions. Section 3.5 includes a critical discussion of these findings, considering their practical implications for local and national policy under current constraints. Finally, Sect. 3.6 concludes the chapter by stressing how our key insights respond to the crucial research questions and pointing to issues that should be addressed by further research.

## 3.2 Literature Review

Generally speaking, there are two main approaches to providing social protection—poverty targeting and universal coverage. Poverty targeting is a commonly used method by states to channel social assistance to groups deemed to be living in poverty or extreme poverty. Universal protection is an approach that provides social security cover to all people—regardless of income—throughout the lifecycle.

This duality is deeply embedded in the broader ideological and institutional traditions of welfare regimes (Esping-Andersen 1990; Ferrera 1996). While universalism has historically been a key feature of the Nordic model, based on decommodification and social citizenship, poverty targeting has been more prominent in Anglo-Saxon and, increasingly, continental systems under fiscal constraints. Post-socialist states like Serbia, which underwent welfare retrenchment in the 1990s and early 2000s, have largely adopted targeting mechanisms in line with neoliberal policy prescriptions (Deacon 2000).

A further distinction in the literature is made between *absolute* and *relative* poverty, with significant policy implications. Absolute poverty refers to the lack of basic means for survival, while relative poverty highlights inequalities in living standards compared to societal norms (Townsend 1979; Atkinson 2019). In high-income European countries, tackling relative poverty has become a central concern, especially due to its link to social exclusion and intergenerational disadvantage (Nolan and Whelan 2011). Yet, in many post-socialist and Southern European states, the focus remains largely on absolute poverty reduction, often guided by international financial institutions' criteria (ILO 2022).

In recent decades, an increasing number of high-income welfare states have supplemented their social policy packages with the so-called in-work benefits (Abbas and Robertson 2023) as the pro-employment as well as the anti-poverty measure (Marchal and Marx 2018), thus opting for a more poverty-targeting approach. Architects of this (in-work benefits or IWBs) concept expressed the assumption that *benefit dependency* and a *culture of inactivity* were drivers of poverty and unemployment (Cousins 2014). That is why they reinforced a political narrative of supporting people ready to work rather than those who “choose” to remain on welfare.

This shift is often interpreted as part of a broader transition from universalist welfare commitments toward *activation-oriented, means-tested* support structures (van Lancker and Van Mechelen 2015). Critics argue that targeting undermines solidarity, stigmatizes beneficiaries, and often leads to undercoverage due to complex eligibility criteria and bureaucratic hurdles (Mkandawire 2005). On the other hand, proponents claim that in fiscal environments with constrained resources, targeting ensures that support reaches those most in need, improving allocative efficiency (Coady et al. 2004).

The convergence of European welfare states regarding the similarity of the aforementioned reforms (Clasen 2020) has been attributed to frequent and comprehensive EU initiatives on this issue (European Parliament 2022). In other words, the reforms were driven by top-down networks of policy experts who dominantly focused on the expansion of the labor supply as a way to achieve growth and reduce poverty. The reforms in question, which took place mostly during the second decade of this century, led to declining share of social expenditure in GDP in the EU27, mostly due to the decrease in spending on unemployment and similar benefits (European Parliament 2022).

The existence of convergence, especially within the group of mature welfare states, opened up the issue of a noticeable stronger influence from the supranational level on the problems of social protection. Some researchers emphasized that it represented a *hidden welfare state policy*, which has existed since the beginning of the European Economic Community (Cornelissen and de Wispelaere 2020). Most, however, were inclined to see frequent and overarching EU initiatives on this front (such as the European Pillar of Social Rights, for example) as a hint of the Europeanization of the welfare state to the detriment of existing regimes (European Parliament 2022).

Serbia is also (at least officially) targeting poverty and sharing a top-down approach with mature welfare states, but it lacks a clear strategy (either of social protection or poverty reduction). The Serbian Law on Social Welfare was adopted in 2011, supporting the country's social welfare system reform. One of the main objectives of the reform was: the improvement of the protection of the poorest, ensuring minimum subsistence level and a more efficient system of benefits. Nonetheless, today—13 years later, the poor and most vulnerable are still insufficiently covered by social assistance programs. The main issue, as will be made clearer later, concerns the lack of straightforward connection between the thresholds for various forms of social assistance (most particularly, financial social aid) and poverty thresholds (Službeni glasnik Republike Srbije 2011a, 2011b).

### 3.3 Methodology

Our chapter is structured as a sort of mixed-methods case study analysis. As indicated by Patton (2015), the use of multiple methods often proves to be the most adequate strategy to address the complexity of social processes under study. This view is echoed by Creswell (2014), who argues that mixed methodology that combines

numerical data with qualitative analysis yields a more comprehensive explanation. The employment of multiple methods may also increase the credibility of research by compensating for the shortcomings of any individual methodological approach (Johnson and Onwuegbuzie 2004).

The main approach used in our chapter concerns document analysis. In his presentation of this research technique, Bowen (2009) stressed its capacity to provide important empirical insights by gleaning meaning from a variety of primary source materials, commonly used as the major component of the case study approach. Our chapter primarily relies on official documents such as city and urban municipality statutes, budget laws, and official budget documents. Another technique we use is secondary data analysis, primarily by collecting and synthesizing information about different poverty rates (Johnston 2014). As will be shown shortly, these data will prove to be crucial for our assessment of the state of poverty in both Stari Grad and Serbia in general, as well as the direction of policy measures to be taken. Finally, our chapter includes a kind of extrapolative estimation, particularly in order to make inferences about the number of individuals suffering from poverty in Stari Grad. More concretely, we utilize a simple ratio-based extrapolation for small areas, inspired by the one advanced by Fay and Herriot (1979). Even though it may lack the reliability of direct measurements, this method may prove to be instrumental in filling the data gaps that frequently occur in a variety of research contexts.

## 3.4 Results

Based on the previously defined methodological framework, this section presents the state of poverty and social policy in Serbia, along with the findings of the case study of the Stari Grad municipality, focusing on budgetary capacities, the state of poverty, and local responses in the field of social protection.

### 3.4.1 *The State of Poverty and Social Policy in Serbia in General*

In 2022 Serbia's at-risk-of-poverty rate, which represents the share of persons with disposable income below the relative poverty line of RSD 26,509 (approximately 224 euros) a month for a single-member household, was 20%. As shown in Table 3.1, that figure represents an improvement from previous years. The at-risk-of-poverty or social exclusion rate, which is more readily measured on the EU-wide level, reached 28.1% in 2022. This measure indicates a significantly larger share of potentially poor individuals in Serbia compared to the EU average of 21.6% in the same year (Eurostat 2024).

**Table 3.1** At-risk-of-poverty rate in Serbia, the latest available annual data

	2020	2021	2022
At-risk-of-poverty	21.7% (22,000 RSD)	21.2% (24,064 RSD)	20.0% (26,509 RSD)
At-risk-of-poverty or social exclusion	29.8%	28.4%	28.1%

Source Statistical Office of the Republic of Serbia (2023)

**Table 3.2** Absolute poverty in Serbia, the latest available annual data and projections

	2020	2021 (special programs included)	2022 (projections)	2023 (projections)	2024 (projections)
Absolute poverty (%)	6.9%	8.9%	9.2%	12.1%	11.8%
Absolute poverty headcount	446,000	607,572	627,391	824,220	803,717

Source SIPRU (n.d.) and Gassmann et al. (2023). Note Results from the latter source based on income instead of consumption that is used by the official estimates

The dimensions of absolute poverty in Serbia are also significant. Serbia has stubbornly high rates of absolute poverty, which, in 2020, stood at almost 7% of the overall population. This meant that almost a half million people lived under the threshold that enables them to meet their most basic needs (SIPRU n.d.). The UNICEF study projections (Gassmann et al. 2023) for the subsequent years (for which there are no official estimates) even suggest a sharp increase to around 12.1% percent in 2023, as shown in Table 3.2.

Most cash benefits are subject to national regulation and are financed by the national budget. Serbia’s model of the welfare state shares features with the Eastern European (post-socialist) model characterized by a rigid and discriminatory labor market and lower government financial capacity to pursue generous social policies (Lj et al. 2018; Lauzadyte-Tutliene, et. al. 2018); it is not surprising that the level of social assistance in Serbia is grossly inadequate. More particularly, the type of social assistance dubbed “financial social aid,” designed to target particularly poor individuals, is not determined by any poverty measure (Službeni glasnik Republike Srbije 2011b). As such, this kind of aid is particularly low<sup>2</sup> from the standpoint of any poverty threshold, let alone any average consumption metrics (Živkov et al. 2019, 2020, 2023).

These circumstances warrant the exploration of ways to act at the local level. Given the serious constraints that local authorities face, which will be discussed shortly, any policy should be efficient in delivering its goals. The policy goals, on the other hand, should be focused on ensuring the most just outcomes. In this context,

<sup>2</sup> The exact measures of financial social aid and poverty thresholds in the observed period would be discussed in more detail in the next sections.

this may particularly mean giving priority to individuals who live under more severe poverty.<sup>3</sup>

### 3.4.2 *Urban Municipality of Stari Grad: Budgetary Constraints*

To explore how to conduct an efficient and just local poor relief policy in Serbia,<sup>4</sup> we consider the case of urban municipalities, the levels of governance with the narrowest competences at their disposal. We take into account Stari Grad, an urban municipality covering an area of around 5 square kilometers in the center of Belgrade and consisting of fewer than 45,000 inhabitants (Statistical Office of the Republic of Serbia 2024).

Unlike local self-governments, whose status is determined by the national-level laws on territorial organization and local self-government (Službeni glasnik Republike Srbije 2007a, 2007b), urban municipalities and the framework of policies they can adopt are only mentioned in relevant city statutes.<sup>5</sup> As a consequence, competences of urban municipalities usually present a fraction of those possessed by city governments as types of local self-government and are frequently merely complementary to them.<sup>6</sup>

A major source of current policy constraints placed upon urban municipalities concerns the city rules on public revenue distribution. During the last four years, less than 10 percent of the relevant public revenues were allocated to the urban municipality budget, whereas the rest remained in the city budget. Even though ratios for each revenue type amounted to less than 1:10 for the 2021–2024, there were no clear trends that would hold for all of them. Thus, for example, the percentage of revenue set to be collected from the personal income tax levied on Stari Grad citizens that ended up in the Stari Grad treasury declined from 8.17 percent in 2021 to a mere 3.52 in 2024. On the other hand, the planned local communal duty revenue of the Stari Grad budget rose from 4.10 percent in 2021 up to 7.27 and 6.06 percent in 2023 and 2024, respectively. The purported property tax revenue, however, exhibited an even less predictable behavior, reaching its peak in 2023 (6.82 percent of the Stari

<sup>3</sup> The justice principles that emphasize giving priority to the worst off were advanced by Parfit (1997).

<sup>4</sup> We assume that all policy constraints exist as they existed in the period between 2021 and 2024. Surely, some conclusions from this chapter may differ if these constraints either get easier or more severe in the subsequent period.

<sup>5</sup> Remarkably, not all cities in Serbia are composed of urban municipalities. The ones containing them include Belgrade, Niš, Požarevac and Užice (Pešović 2019).

<sup>6</sup> Thus, for example, urban municipalities can decide on the construction permits up to a certain area, whereas it is up to the city authorities to deal with the potentially larger projects. Urban municipalities can also partly sponsor city-funded projects on their territory (Službeni list grada Beograd 2008).



**Table 3.3** Basic Stari Grad budget data (in RSD currency, available data since 2021)

Year	Initially planned revenue (in RSD currency)	Initially planned expenditure (in RSD currency)	Expenditure realization (in RSD currency)
2021	329,242,283	389,033,578	505,449,640
2022	417,978,461	556,935,521	735,770,523
2023	467,165,293	563,680,493	614,748,896
2024	467,165,293	496,395,815	-

Source Službeni list grada Beograda (2020a, 2021a, 2022a, 2022b, 2023a, 2024a, 2024b)

Grad budget), which was followed by the second lowest point of 5.33 percent in 2024 (Službeni list grada Beograda 2020b, 2021b, 2022c, 2024c).<sup>7</sup>

Regardless of such rules, total amount of the initially projected Stari Grad budget revenue and expenditure steadily increased every year until 2024, when it slowed down and even showed lower values when it comes to planned expenditure. The realization of the planned budget expenditure in 2022, however, exhibited unusually high values, largely due to atypical and initially unplanned higher-level government transfers. Available Stari Grad budget data for the most recent period are provided in Table 3.3.

In line with relevant laws and budgetary rules,<sup>8</sup> Stari Grad authorities spent a tiny portion of the figures in Table 3.3 on social policy. Even though budget mostly focused on other social groups, particularly pensioners, the fraction of social policy budget has been directly allocated to individuals living in poverty (Službeni list grada Beograda 2020a, 2021a, 2022a, 2022b, 2023a, 2024a, 2024b). Our next section discusses poverty reduction policies conducted in Stari Grad in more detail.

### 3.4.3 The State of Poverty in Stari Grad

To assess any kind of poor relief policy, we should first inspect the state of poverty in Stari Grad. This Belgrade urban municipality is exceptional for being the territory whose citizens possess the highest average income in Serbia. This is illustrated by the fact that, during the observed period, average net nominal wage of Stari Grad citizens rose from 103,838 RSD in May 2021 to almost 187,000 RSD in May 2024. On the other hand, in the same period, average figures for Serbia ranged from 89,720 RSD in May 2021 to 100,170 RSD in May 2024. These numbers suggest that not

<sup>7</sup> Budgetary constraints urban municipalities face may, to a certain extent, be alleviated by additional sources of funding, including donations and various forms of blended finance (Ostojić et al. 2024). Due to various complexities associated with them, we leave these sources aside from the current discussion.

<sup>8</sup> Budgetary framework in Serbia is determined by the Law on Budgetary System (Službeni glasnik Republike Srbije 2009), along with relevant rules introduced by the Ministry of Finance (Ministarstvo finansija Republike Srbije 2021; 2023).



only have Stari Grad citizens possessed higher than average net nominal wage, but also that the discrepancy between them and an average citizen of Serbia significantly rose from 15.7 to more than 86 percent higher nominal wage (Republički zavod za statistiku Republike Srbije 2021b; 2024a).

However, scant available data indicate that, even in Stari Grad, some people live in poverty. The data we take as our reference point include the information on financial social aid administered on the national level. According to the latest estimates from 2023, 101 citizens of Stari Grad received this kind of aid (Statistical Office of the Republic of Serbia 2024). Taking into account the national rules on financial social aid from the given year, this included heads of the family who received 11,445 RSD or less on a monthly basis (Službeni glasnik Republike Srbije 2023).<sup>9</sup> Whether someone will receive this kind of poor relief depends on whether their total income surpasses the biannually updated threshold which equaled the aforementioned amount at the end of 2023. People who ended up below the given threshold for three months before application have the right to receive a differential between their income amount and the given threshold number (Službeni glasnik Republike Srbije 2011b).

Unfortunately, the available data on financial social aid recipients can only indicate the minimum number of individuals who should be addressed by poverty-alleviation policy. This implication follows from the fact that the financial social aid threshold has been placed below the absolute poverty threshold in Serbia during the observed period, let alone any income amount that may be sufficient to place a person above the relative poverty risk threshold. Yet, we are currently left to resort to the specified minimum number reference point due to serious lack of data on poverty on a municipal level. This difficulty only adds up to the already discussed constraints in terms of competences and budget.

What are the particular problems that exist in measuring poverty in Stari Grad and other localities? As for absolute poverty levels, as we have already mentioned, the Government of Serbia ceased to publish data on this variable since 2020. The last year of measurement, however, showed that the absolute poverty line in Serbia amounted to 12,695 RSD (SIPRU n.d.). Strikingly, this value is higher than the financial social aid threshold from 2023, let alone the one from the end of 2020 that equaled 8,626 RSD (Službeni glasnik Republike Srbije 2020). These data suggest that the number of people in absolute poverty is most likely bigger than the number of financial social aid recipients in Stari Grad.

The Social Inclusion and Poverty Reduction Unit of the Government of Serbia defined the absolute poverty line as the measurement that took place in 2006 to estimate monthly financial resources sufficient to secure food and other goods (including clothing, footwear, housing, health care, etc.) that are necessary to satisfy the most basic needs and has been adjusted for the each following year according to the inflation rate (SIPRU n.d.). Considering inflationary movements during the past several years, we can estimate that the absolute poverty line in 2024 may stand at around

<sup>9</sup> Financial social aid threshold number is twice lower for the second family member and 30 percent of the main one in the case of children (Službeni glasnik Republike Srbije 2011b).

16,965 RSD per month.<sup>10</sup> Such a high increase compared to the end of 2020 is owed to the 2021–2023 inflation surge that had an especially strong impact on Serbia. As a result, the monthly margin between financial social aid threshold and the absolute poverty line increased from 4,069 RSD to 5,520 RSD.

As for the relative poverty risk, data from Table 3.1 suggest that 22,000 RSD per month for a single-member household at the end of 2020 rose up to 26,509 RSD per month at the end of 2022, which is the year with the latest available data (Statistical Office of the Republic of Serbia 2023). It is fairly obvious that the margin between relative poverty risk line and financial social aid threshold is much larger than the one involving the absolute poverty line, thus presenting a much greater difficulty to local policymakers.

#### 3.4.4 Local Poverty Reduction Policy in Stari Grad

As goals of absolute and relative poverty risk reduction both point to measurable monthly income levels that may need to be attained, a self-evident policy direction is to explore ways to provide assistance that may help poor individuals reach either absolute poverty or relative poverty threshold. Starting from the absolute poverty measures, we find out that providing an additional amount of 5,520 RSD per month for each of 101 financial social aid recipients in Stari Grad to bridge the gap between the financial social aid threshold of the family head and the absolute poverty line would cost around 6,690,240 RSD annually in 2024. If we take into account that the application of 11,445 threshold depends on an individual's status inside their family, budget expenses may be substantially higher if we opt to raise everyone's monthly income to the level above the individual absolute poverty line of 16,965 RSD. Depending on what is more attainable from legal and practical perspectives, cash provisions for every month may occur on a monthly basis or may be provided once per year for twelve months. In some cases, they may even be accomplished as in-kind transfers.<sup>11</sup>

Further complications arise if we take into account people whose monthly income stands somewhere between the 11,445 RSD financial social aid threshold and 16,965 RSD absolute poverty line, as well as those whose true monthly income stands at the level of below 11,445 RSD but who are somehow omitted from the current social security system. The outcome for people from both of these groups is that they may not be eligible to receive financial social aid even though their income stands below the absolute poverty line. Lacking the full publicly available data on these individuals

<sup>10</sup> More precisely, this measurement is based on the inflation rate at year-ends, which means that the last estimate was made according to the inflation rate from December 2023 (Republički zavod za statistiku Republike Srbije 2021a; 2022; 2023).

<sup>11</sup> The article 11 of the relevant social security act does not recognize government poverty reduction provisions as determinants of the financial social aid recipient status (Službeni glasnik Republike Srbije 2011a), thus providing room for cash assistance. In some cases, however, it may be better to provide in-kind provisions.

328 makes it very hard to estimate expenses needed for them to reach the absolute poverty  
329 line. Using statistical measures to estimate their prevalence is complicated by the fact  
330 that wage distribution in Serbia (and, consequently, income distribution, since wages  
331 present the main source of income for the majority of citizens) does not follow normal  
332 distribution.<sup>12</sup>

333 How should we, in the face of such challenges, approximate the level of financial  
334 resources needed to bridge the gap between the absolute poverty line and lower  
335 incomes of some of Stari Grad citizens? Lacking the concrete data and procedures to  
336 obtain some reliable estimates, we opt to extrapolate based on the ratio between the  
337 number of individuals below the absolute poverty line and the number of financial  
338 social aid recipients across the country. The latest estimates of the former can be found  
339 in the already mentioned UNICEF study (Gassmann et al. 2023, p. 32) and indicate  
340 that 824,220 people in Serbia lived in absolute poverty at the end of 2023. On the  
341 other hand, data on the financial social aid provided by the national statistical office  
342 point to 167,060 individual aid recipients in 2023 (Republički zavod za statistiku  
343 Republike Srbije 2024b). These numbers suggest that the ratio between the number  
344 of individuals below the absolute poverty line and the number of financial social aid  
345 recipients stands at around 4.93:1.

346 Applying the obtained ratio to extrapolate to the urban municipal level would  
347 provide us with an estimate of 498 individuals below the absolute poverty line in  
348 Stari Grad. It may be harder to get an adequate extrapolation of required budget  
349 expenses to bridge the gap as the differential between the absolute poverty line and  
350 each individual's income remains unknown. We can, however, multiply the already  
351 calculated expenses for 101 financial social aid recipients with 4.93 to approximate  
352 the expenses required to cover every Stari Grad citizen below the absolute poverty  
353 line. This calculation assumes that, on average, each Stari Grad citizen living in abso-  
354 lute poverty would require around 5,520 RSD per month to reach the income level  
355 above the absolute poverty line. Under this assumption, the total absolute poverty  
356 reduction expenses would lie at around 32,982,883 RSD annually.

357 Total budget expenses estimate may be biased downward if people living in abso-  
358 lute poverty in Stari Grad include a large enough group of individuals receiving less  
359 than 11,445 RSD in 2023 who are excluded from the current social security system.  
360 The estimate of total expenses may, however, be biased upward if, among estimated  
361 498 absolutely poor Stari Grad citizens, there is a prevalence of individuals who  
362 received between 11,445 and 16,965 RSD on a monthly basis in 2023. If we take  
363 into account that, in all likelihood, some eligible poor individuals may not apply for  
364 additional aid regardless of how informed they are, the figure of 32,982, 883 RSD  
365 may stand as a reasonable maximal approximation of the required funds from the  
366 practical budget planning perspective.

367 Whether we opt for the more ambitious absolute poverty reduction annual budget  
368 of around 32,982,883 RSD or the less ambitious one amounting to circa 6,690,240  
369 RSD, we would have to significantly alter the size of the present budget of Stari

---

<sup>12</sup> This is evident from the inequality between median and mean wages in Serbia and its localities (Republički zavod za statistiku Republike Srbije 2021b; 2024a).

**Table 3.4** Stari Grad budget directly aimed at people living in poverty

Year	Absolute value (in RSD currency)	% of total budget (in %)
2021	399,000	0.095
2022	468,032	0.069
2023	624,952	0.118

Source Authors' calculations and Službeni list grada Beograda (2022b, 2023a, 2024b)

Grad allocated directly to transfers for people living under material deprivation.<sup>13</sup> Table 3.4 lists how much has been spent on poor relief in the Stari Grad budget, both in absolute and relative terms:

As it can be seen, around 0.1 percent of annual Stari Grad budget has been spent on poverty reduction in every year between 2021 and 2023. Yet, it remains unclear how exactly these funds benefitted people living in absolute poverty, or those possessing a relative poverty risk. On the other hand, if we substitute our proposed figures for the ones in Table 3.4 that occurred in 2023, we will get the absolute value spent in the range between 6,690,240 and 32,982,883 RSD, which translates into 1.27 to 6–25 percent of the total budget.

## 3.5 Discussion

The question now remains how attainable are the increases of local poor relief spending. That at least some of the figures from the aforementioned range are attainable is evident from the example of Savski Venac, another urban municipality located in the center of Belgrade. Interestingly, the government of Savski Venac spent around 2.31% of its total budget on social aid in 2022. This figure was followed by the 1.537 percent spending on the same purpose in 2023. There is no reason why a similar fraction of total budget may not be spent on poverty reduction in Stari Grad, especially if we take into account the similarity of the budget sizes of these two municipalities (Službeni list grada Beograda 2023b, 2024d). The main question that remains is how to collect sufficient resources to cover the planned rise in expenses.

Assuming that the rules on public revenue distribution between the city of Belgrade and its urban municipalities remain constant, the switch to a higher poverty reduction budget would likely need to be gradual. How fast the higher budget targets may be reached may depend on several factors. One of them concerns the expected rise of public revenue as a consequence of mere GDP growth, the evidence of which is present in figures from Table 3.3 to a certain degree. This factor may have a stronger effect if a higher percentage of budget revenue growth is allocated to poverty reduction compared to some other purposes. More likely, some budget programs from

<sup>13</sup> These comprise resources spent on the program activity dubbed “One-time and other kinds of aid,” as well as the one meant for refugees and internally displaced people, the groups assumed to mainly include poor individuals (Službeni list grada Beograda 2022b; 2023a; 2024b).

other areas may need to experience cuts. The Stari Grad budget shows some potentially good candidates for such reallocation. The best example is the program activity dubbed “The realization of public interest in the area of public information.” In 2023, the government of Stari Grad spent 36,761,142 RSD on this program activity, more than our higher estimated amount required for absolute poverty reduction (Službeni list grada Beograda 2024b). Available data suggest that these funds were used to print a sort of magazines, the price and purpose of which may need to be further assessed (Službeni list grada Beograda 2023a). Similar moves may be made in other urban municipalities in Serbia to increase local social policy budgets.

It is clear that achieving an annual budget of 6,690,240 RSD for absolute poverty reduction would not take very long.<sup>14</sup> The higher target would, surely, require more time as it may depend more on the effect of real GDP growth.<sup>15</sup> It is, nonetheless, safe to conclude that, even under the constraints governments of urban municipalities currently face, meaningful absolute poverty reduction policy can be implemented. Yet, bridging the gap between the relative poverty risk and financial social aid threshold seems to be much less practical given the constraints. It may, thus, take around 90,022,464 RSD annually to help 498 Stari Grad citizens living in absolute poverty reach the relative poverty risk threshold. This amounts to a little bit above 17 percent of the total budget spent in 2023. Surely, the number of individuals under relative poverty risk is significantly larger than those living in absolute poverty, so the required budget would likely be much higher. As striving for such a large poverty reduction budget may severely impact the quality of other services provided by the urban municipality,<sup>16</sup> and since people living in absolute poverty should be prioritized under priority principles of justice, we do not find it sufficiently justified to pursue that goal.

## 3.6 Conclusion

The primary goal of our chapter was to evaluate the prospects of local poverty reduction policy under significant constraints imposed by the national legal framework. To do so, we attempted to respond to three guiding research questions. Regarding the first one, we found that the national social policy system in Serbia, characterized by the top-down poverty-targeting approach, does not directly tie social assistance to any kind of poverty measure. As a consequence, many individuals are left with

<sup>14</sup> If sufficient reallocation sources could be found among different budget programs, it may be achieved much quicker than otherwise.

<sup>15</sup> This growth, primarily measured on a national level, is, however, determined by a whole host of other factors, such as investment, education, government expenditure and corruption (Kelić et al. 2024).

<sup>16</sup> Such an impact may, of course, be subdued by an increase in certain taxes or other sorts of public revenue instruments. This move may even have positive effects on various economic variables, such as investment (Kelić 2024). We, however, leave this option aside as our focus remains on conditions characterized by legal and budgetary constraints.

incomes below the absolute poverty line, let alone the one concerning the relative poverty risk. To make things worse, current local policy practices in Stari Grad do not do much to alleviate these hardships. These circumstances propelled us to investigate whether local political authorities can act in an efficient and just manner to alleviate poor material conditions of some of their citizens. By considering the case of the urban municipality of Stari Grad, we found out that attainable budget increases may be made to tackle individuals living below the absolute poverty threshold. Instead of current expenditure of around 0.1 percent of the local budget on poverty reduction, relatively modest budget reallocation may be done to ensure that poverty reduction expenditure reaches 1.3 to 6.2 percent of total budget, potentially leading to the eradication of absolute poverty in Stari Grad. These findings provided a response to our third research question.

Even though many obstacles that we found in response to our second research question can be overcome by increased local spending, there are severe limitations that can hardly be surpassed by the budgets and competences of local authorities. The main one concerns the capacity for significant reduction of the number of individuals below the at-risk-of-poverty threshold. Any meaningful policy aimed at this direction would severely limit the ability of the local government to finance other policies. It is also important to note that urban municipalities in Serbia, as the lowest level of governance, are primarily concentrated in urban areas that are characterized by the lower prevalence of poverty. Even though local self-governance units, a higher level of local governance, possess much wider competences and larger budgets than urban municipalities (Službeni glasnik Republike Srbije 2007a, 2007b), it remains to be seen whether they can sufficiently tackle poverty, especially in generally poorer areas of Serbia. Further research should elucidate the level of variation among both urban municipalities and local self-governance units in absolute and relative poverty addressing capability, as well as the sources of their differences. It may also be worthwhile to explore whether some other policy measures, less direct than the one discussed in this chapter, can induce significantly positive effects on poverty eradication. Despite a variety of possible courses of action, it seems highly likely that the most comprehensive and effective poverty reduction policies will require devoted activity from the national level.

## References

- Abbas J, Robertson E (2023) The rise of in-work benefits: policy, politics and evaluation. In: Clegg D, Durazzi N (eds) *Handbook of labour market policy in advanced democracies*. Edward Elgar, Cheltenham, pp 280–294
- Atkinson AB (2019) *Measuring poverty around the world*. Princeton University Press
- Banks J, Disney R, Duncan A, Van Reenen J (2005) The internationalisation of public welfare policy. *Econ J* 115(502):C62–C81. <https://doi.org/10.1111/j.0013-0133.2005.00980.x>
- Bowen GA (2009) Document analysis as a qualitative research method. *Qual Res J* 9(2):27–40
- Bradford A (2020) *The Brussels effect: how the European Union rules the world*. Oxford University Press, Oxford



- Clasen J (2020) Subsidizing wages or supplementing transfers? The politics and ambiguity of in-work benefits. *Soc Policy Admin* 54(1):1–13. <https://doi.org/10.1111/spol.12488>
- Coady D, Grosh M, Hoddinott J (2004) Targeting of transfers in developing countries: review of lessons and experience. World Bank and IFPRI. <https://doi.org/10.1596/0-8213-5769-7>
- Cornelissen R, de Wispelaere F (2020) Sixty years of European social security coordination. In: Vanhercke B, Ghailani D, Spasova S, Pochet P (eds) *Social policy in the European Union: 1999–2019; the long and winding road*. ETUI-OSE, Brussels, pp 143–166
- Cousins M (2014) In-work benefits: effective social protection or ‘emperor’s new clothes’? *Eur J Soc Secur* 16(2):100–121. <https://doi.org/10.1177/138826271401600201>
- Creswell JW (2014) *Research design: qualitative, quantitative, and mixed methods approaches*, 4th edn. Sage, Thousand Oaks
- Damro C (2015) Market power Europe: exploring a dynamic conceptual framework. *J Eur Public Policy* 22(9):1336–1354. <https://doi.org/10.1080/13501763.2015.1046903>
- Deacon B (2000) Eastern European welfare states: the impact of the politics of globalization. *J Eur Soc Policy* 10(2):146–161. <https://doi.org/10.1177/095892870001000205>
- Esping-Andersen G (1990) *The three worlds of welfare capitalism*. Princeton University Press, Princeton
- European Parliament (2022) *EU welfare systems and the challenges of poverty and inequality*. EPRS, Brussels. [https://www.europarl.europa.eu/thinktank/en/document/EPRS\\_S\\_TU\(2022\)698916](https://www.europarl.europa.eu/thinktank/en/document/EPRS_S_TU(2022)698916). Last accessed 30 Sep 2024
- Eurostat (2024) Persons at risk of poverty or social exclusion by age and sex. [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_PEPS01N\\_\\_custom\\_6444563/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ILC_PEPS01N__custom_6444563/default/table?lang=en). Last accessed 18 Sep 2024
- Fay RE, Herriot RA (1979) Estimates of income for small places: an application of James-Stein procedures to census data. *J Am Stat Assoc* 74(366):269–277
- Fenger HJM (2007) Welfare regimes in Central and Eastern Europe: incorporating post-communist countries in a welfare state typology. *Contemp Issues Ideas Soc Sci* 3(2):1–30
- Ferrera M (1996) The ‘Southern’ model of welfare in social Europe. *J Eur Soc Policy* 6(1):17–37. <https://doi.org/10.1177/095892879600600102>
- Gassmann F, Hunns A, Iacolla F, Morais J, Manzoni D (2023) Development of poverty projections based on the potential impact of conflict in Ukraine: on the most vulnerable groups in Serbia, with a particular focus on children. UNICEF Serbia, Belgrade
- Gregory PR, Stuart RC (2014) *The global economy and its economic systems*. South-Western, Cengage Learning Company, Boston
- Hadjiyianni I (2021) The European Union as a global regulatory power. *Oxf J Legal Stud* 41(1):243–264. <https://doi.org/10.1093/ojls/gqaa042>
- Social Inclusion and Poverty Reduction Unit (SIPRU) (n.d.) *Apsolutno siromaštvo [Absolute Poverty]*. <https://socijalnoukljucivanje.gov.rs/en/social-inclusion-in-rs/poverty-statistics/absolute-poverty/>. Last accessed 3 Aug 2024
- International Labour Organization (ILO) (2022) *World social protection report 2020–22: Social protection at the crossroads – in pursuit of a better future*. ILO, Geneva
- Johnson RB, Onwuegbuzie AJ (2004) Mixed methods research: a research paradigm whose time has come. *Educ Res* 33(7):14–26
- Johnston MP (2014) Secondary data analysis: a method of which the time has come. *Qual Quant Methods Libr* 3:619–626
- Kelić V (2024) Dinamička panel analiza uticaja stope poreza na dobit na nivo stranih direktnih investicija u jugoistočnim evropskim zemljama. In: Krstić G, Randelović S (eds) *Ekonomski rast i ekonomska stabilnost*. Faculty of Economics, University of Belgrade, Belgrade, pp 103–118
- Kelić V, Ostojić I, Jovanović P (2024) Assessment of the impact of the perceived corruption on economic growth using the GLS model. *Acta Economica* 22(41):91–114. <https://doi.org/10.7251/ACE2441091K>
- Lauzadyte-Tutliene A, Balezentis T, Goculenko E (2018) Welfare state in central and Eastern Europe. *Econ Sociol* 11(1):100–123



- Lj J, Manić S (2014) Policy making in Serbia: state of affairs and upcoming challenges. In: Cerović B (ed) Role of the state in new growth model of the Serbian economy. Faculty of Economics, University of Belgrade, Belgrade, pp 252–279
- Lj J, Manić S, Jović D (2018) Public sector's innovativeness: theoretical and methodological perplexities. *Manag J Sustain Bus Manag Solut Emerg Econ* 23(1):53–62
- Marchal S, Marx I (2018) Stemming the tide: what have European Union countries done to support low-wage workers in an era of downward wage pressures? *J Eur Soc Policy* 28(1):1–17. <https://doi.org/10.1177/0958928717704747>
- Ministarstvo finansija Republike Srbije (2021) Uputstvo za izradu programskog budžeta [Instruction on program budgeting]. <https://www.mfin.gov.rs/dokumenti2/uputstvo-za-izradu-programskog-budzeta>. Last accessed 8 Aug 2024
- Ministarstvo finansija Republike Srbije (2023) Uputstvo za pripremu odluke o budžetu lokalne vlasti za 2024. godinu i projekcija za 2025. i 2026. godinu [Instruction on preparation of decision on local government budget for 2024 and the projection for 2025 and 2026]. <https://www.mfin.gov.rs/dokumenti2/uputstvo-za-pripremu-odluka-o-budzetu-lokalnih-vlasti-za-2024-godinu-sa-projekcijom-za-2025-i-2026-godinu>. Last accessed 3 Aug 2024
- Mkandawire T (2005) Targeting and universalism in poverty reduction. *Soc Policy Dev Programme Paper* 23. UNRISD
- Nolan B, Whelan CT (2011) Poverty and deprivation in Europe. Oxford University Press
- Orosz A (2019) The emergence of East Central Europe in welfare regime typology. *Border Cross* 9(2):97–112
- Ostojić I, Petrović P, Kelić V (2024) Blended finance as a sustainable development support mechanism. In: Stojković-Zlatanović S, Sovilj R, Ostojić I, Dimitrovska M (eds) Legal insights into environmental sustainability, Institute of Social Sciences, Belgrade, pp 170–194
- Parfit D (1997) Equality and priority. *Ratio* 10(3):202–221
- Patton MQ (2015) Qualitative research and evaluation methods: integrating theory and practice, 4th edn. Sage, Thousand Oaks
- Pešović M (2019) Gradske opštine u Republici Srbiji [Urban municipalities in the Republic of Serbia]. *Pravni Zapisi* 10(1):101–124
- Republički zavod za statistiku Republike Srbije (2021a) Indeksi potrošačkih cena, decembar 2021 [Consumer price indices, December 2021]. <https://www.stat.gov.rs/sr-Latn/vesti/statisticalrelease/?p=8542>. Last accessed 4 Aug 2024
- Republički zavod za statistiku Republike Srbije (2021b) Prosečne zarade po zaposlenom, maj 2021 [Average wage per employed person, May 2021]. <https://publikacije.stat.gov.rs/G2021/HtmlL/G20211205.html>. Last accessed 3 Aug 2024
- Republički zavod za statistiku Republike Srbije (2022) Indeksi potrošačkih cena, decembar 2022 [Consumer price indices, December 2022]. <https://www.stat.gov.rs/sr-latn/vesti/statisticalrelease/?p=13611>. Last accessed 4 Aug 2024
- Republički zavod za statistiku Republike Srbije (2023) Indeksi potrošačkih cena, decembar 2023 [Consumer price indices, December 2023]. <https://publikacije.stat.gov.rs/G2024/HtmlL/G20241010.html>. Last accessed 4 Aug 2024
- Republički zavod za statistiku Republike Srbije (2024a) Prosečne zarade po zaposlenom, maj 2024 [Average wage per employed person, May 2024]. <https://publikacije.stat.gov.rs/G2024/HtmlL/G20241204.html>. Last accessed 3 Aug 2024
- Republički zavod za statistiku Republike Srbije (2024b) Broj korisnika novčane socijalne pomoći [Number of financial social aids recipients]. <http://devinfo.stat.gov.rs/Opstine/libraries/asp/dataview.aspx>. Last accessed 8 Aug 2024
- Službeni glasnik Republike Srbije (2007a) Zakon o lokalnoj samoupravi [Law on Local Self-Government] 129:41–50
- Službeni glasnik Republike Srbije (2007b) Zakon o teritorijalnoj organizaciji Republike Srbije [Law on Territorial Organization of the Republic of Serbia] 129:3–41

Službeni glasnik Republike Srbije (2011a) Uredba o primanjima i prihodima koji su od uticaja na ostvarivanje prava na novčanu socijalnu pomoć [Regulation on income and revenue relevant for the realization of right to financial social aid]. 36:97–98

Službeni glasnik Republike Srbije (2011b) Zakon o socijalnoj zaštiti [Law on Social Security] 24:15–40

Službeni glasnik Republike Srbije (2009) Zakon o budžetskom sistemu [Law on Budgetary System] 54:3–24

Službeni glasnik Republike Srbije (2020) Rešenje o nominalnim iznosima novčane socijalne pomoći [Decision on Nominal Amount of Financial Social Aid] 126:20

Službeni glasnik Republike Srbije (2023) Rešenje o nominalnim iznosima novčane socijalne pomoći [Decision on Nominal Amount of Financial Social Aid] 97:92

Službeni list grada Beograda (2020a) Odluka o budžetu Gradske opštine Stari grad za 2021. godinu sa projekcijama za 2022. i 2023. godinu sa Kadrovskim planom Gradske opštine Stari grad za 2021. godinu [Decision on the Budget of the Urban Municipality of Stari Grad for 2021 along with Projections for 2022 and 2023 with Personnel Plan for 2021] 156:31–60

Službeni list grada Beograda (2020b) Odluka o utvrđivanju obima sredstava za vršenje poslova grada i gradskih opština i određivanju prihoda koji pripadaju gradu, odnosno gradskim opštinama u 2021. godini [Decision on Scope of Resources Allocated to the City and Urban Municipalities for 2021] 137:87–91

Službeni list grada Beograda (2021a) Odluka o budžetu Gradske opštine Stari grad za 2022. godinu sa projekcijama za 2023. i 2024. godinu sa Kadrovskim planom Gradske opštine Stari grad za 2022. godinu [Decision on the Budget of the Urban Municipality of Stari Grad for 2022 along with Projections for 2023 and 2024 with Personnel Plan for 2022] 136:35–65

Službeni list grada Beograda (2021b) Odluka o utvrđivanju obima sredstava za vršenje poslova grada i gradskih opština i određivanju prihoda koji pripadaju gradu, odnosno gradskim opštinama u 2022. godini [Decision on Scope of Resources Allocated to the City and Urban Municipalities for 2022] 120:96–101

Službeni list grada Beograda (2022a) Odluka o budžetu Gradske opštine Stari grad za 2023. godinu sa projekcijama za 2024. i 2025. godinu sa Kadrovskim planom Gradske opštine Stari grad za 2023. godinu [Decision on the Budget of the Urban Municipality of Stari Grad for 2023 along with Projections for 2024 and 2025 with Personnel Plan for 2023] 114:40–67

Službeni list grada Beograda (2022b) Odluka o konsolidovanom završnom računu budžeta Gradske opštine Stari grad za 2021. godinu [Decision on the Consolidated Final Account of the Urban Municipality of Stari Grad Budget for 2021] 49:3–35

Službeni list grada Beograda (2022c) Odluka o utvrđivanju obima sredstava za vršenje poslova grada i gradskih opština i određivanju prihoda koji pripadaju gradu, odnosno gradskim opštinama u 2023. godini [Decision on Scope of Resources Allocated to the City and Urban Municipalities for 2023] 108:94–99

Službeni list grada Beograda (2023a) Odluka o konsolidovanom završnom računu budžeta Gradske opštine Stari grad za 2022. godinu [Decision on the Consolidated Final Account of the Urban Municipality of Stari Grad Budget for 2022] 55:2–37

Službeni list grada Beograda (2023b) Odluka o završnom računu Gradske opštine Savski venac za 2022. godinu [Decision on the Final Account of the Urban Municipality of Savski Venac for 2022] 39:30–56

Službeni list grada Beograda (2024a) Odluka o budžetu Gradske opštine Stari grad za 2024. godinu sa projekcijama za 2025. i 2026. godinu sa Kadrovskim planom Gradske opštine Stari grad za 2024. godinu [Decision on the Budget of the Urban Municipality of Stari Grad for 2024 along with Projections for 2025 and 2026 with Personnel Plan for 2024] 91:55–87

Službeni list grada Beograda (2024b) Odluka o konsolidovanom završnom računu budžeta Gradske opštine Stari grad za 2023. godinu [Decision on the Consolidated Final Account of the Urban Municipality of Stari Grad Budget for 2023] 44:30–114

Službeni list grada Beograda (2024c) Odluka o utvrđivanju obima sredstava za vršenje poslova grada i gradskih opština i određivanju prihoda koji pripadaju gradu, odnosno gradskim opštinama u

2024. godini [Decision on Scope of Resources Allocated to the City and Urban Municipalities for 2024] 88:86–94
- Službeni list grada Beograda (2024d) Odluka o završnom računu Gradske opštine Savski venac za 2023. godinu [Decision on the Final Account of the Urban Municipality of Savski Venac for 2023] 55:47–81
- Službeni list grada Beograda (2008) Statut grada Beograda [Belgrade City Statute] 39:1–21
- Statistical Office of the Republic of Serbia (2023) At-risk-of-poverty thresholds, monthly level. <https://data.stat.gov.rs/Home/Result/01020503?languageCode=en-US>. Last accessed 4 Aug 2024
- Statistical Office of the Republic of Serbia (2024) Development Info Profile of Stari Grad. <http://devinfo.stat.gov.rs/SerbiaProfileLauncher/>. Last accessed 3 Aug 2024
- Taylor-Gooby P, Leruth B, Chung H (eds) (2017) After austerity? Welfare state transformation in Europe after the Great Recession. Oxford University Press
- Townsend P (1979) Poverty in the United Kingdom: a survey of household resources and standards of living. University of California Press
- van Lancker W, Van Mechelen N (2015) Universalism under siege? Exploring the association between targeting, child benefits and child poverty across 26 countries. *Soc Sci Res* 50:60–75
- Živkov D, Đurašković J, Manić S (2019) How do oil price changes affect inflation in Central and Eastern European Countries? A wavelet-based Markov switching approach. *Balt J Econ* 19(1):84–104
- Živkov D, Manić S, Đurašković J (2020) Short and long-term volatility transmission from oil to agricultural commodities—the robust quantile regression approach. *Borsa Istanbul Rev* 20(1):S11–25. <https://doi.org/10.1016/j.bir.2020.10.008>
- Živkov D, Manić S, Đurašković J, Momčilović M (2023) Multiscale interdependence between economic policy uncertainty and industrial production of Central and Eastern European countries. *Acta Oecon* 73(3):365–381. <https://doi.org/10.1556/032.2023.0002>

**Vasko Kelić** has worked as a junior research assistant at the Center for Economic Research, Institute of Social Sciences in Belgrade, Serbia, since 2023. He is currently doing his PhD studies at the Faculty of Economics and Business at the University of Belgrade in Serbia. His main research focus includes the topic of inclusive economic growth, as well as issues surrounding social policy, economic justice, and green transition.

**Slavica Manić** is a full professor at the University of Belgrade—Faculty of Economics and Business, where she graduated and obtained master and PhD degree in Economics. During her career she has published two books and more than 100 papers (scientific articles in peer-reviewed journals, chapters in monographs, communication on conferences and other scientific publications). Her main fields of interest and research are economic theory, methodology of economics, and economic development issues.

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

