

Facing the Challenges of the Financial Crisis: The Role of the Constitutional Court of the Republic of Lithuania

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I. Challenges for the concept of the socially orientated state in Lithuania during the financial crisis

A few introductory remarks. During the period of global economic crisis, when austerity became almost imperative in Europe, the Constitutional Court of the Republic of Lithuania, as well as many other European constitutional review institutions, had to undertake a big responsibility to evaluate the decisions adopted by the legislator, the so-called **austerity measures** (certainly not on its own initiative – the majority of the relevant cases were instituted by courts, some – by the parliamentary opposition). The Constitutional Court had to assess whether the introduction of austerity measures was actually determined by objective factors and whether they corresponded to the constitutional requirements, including the concept of the socially oriented state. The biggest challenge posed to the Constitutional Court by the financial crisis is to ensure the respect to the social orientation of the State and to protect the related human rights.

Even if the social orientation of the State of Lithuania is not *expressis verbis* mentioned in the Constitution, it is reflected in its various provisions which consolidate economic, social and cultural, as well as civil and political rights of a human being, the relations between the society and the state, the bases of social assistance and social security, the principles of the organisation and regulation of national economy, the bases of organisation and activity of state institutions, etc. According to the Constitution as interpreted by the Constitutional Court, the **socially oriented state** is under constitutional obligation and it **must undertake the burden of fulfilment of certain commitments** to the most vulnerable social groups. Under the Constitution these commitments are *inter alia* the ensuring of citizens' rights to receive old age and disability pensions, social assistance in the event of unemployment, sickness, widowhood, loss of the breadwinner¹, each human beings' right to receive fair pay for work and social

¹ Article 52 of the Constitution: "The State shall guarantee its citizens the right to receive old age and disability pensions as well as social assistance in the event of unemployment, sickness, widowhood, loss of the breadwinner, and in other cases provided for by law".

security in the event of unemployment², the guarantee to protect and to care for family, motherhood, fatherhood and childhood³.

I have to note that Lithuania was one of the most painfully affected State by the last global financial and economic crisis. For example, in 2009 the **Gross Domestic Product (GDP) of Lithuania has reduced drastically**, GDP of second quarter of 2009, if compared to 2008, has shrunk by 22,4%. Because of the complicated accumulation of the funds necessary to pay social benefits during economic crisis, the State of Lithuania, as some other European countries, had to apply such austerity measures as reduction of pensions, maternity and paternity benefits, state pensions, etc. The legislator also (and first of all) had to cut the remuneration of state servants, politicians and judges, other persons remunerated from the state or municipalities budgets.

The doctrine of the Constitutional Court of the Republic of Lithuania concerning the austerity measures could be divided into **two stages**: from 2002 till 2006 when the Constitutional Court was deciding on the constitutionality of legal acts cutting the social guarantees because of so-called Russian economic crisis (1999-2002), and since 2009 until now, when the Constitutional Court has to assess the measures applied because of the last global economic crisis.

The austerity measures launched in 2009 raised a number of constitutional cases with a complex of constitutional questions. The Constitutional Court had a mission to develop the official constitutional doctrine “case after case” by supplementing its elements revealed in the previous constitutional justice cases. The Constitutional Court had a chance to develop further the set of constitutional requirements for the austerity measures, which obliges to keep the social orientation of a state, to heed the balance between the interests of the person and society, to protect the most vulnerable groups of persons. Today our Constitutional Court has solved the absolute majority of requests related with the last economic crisis and the cut of social payments. There are few petitions, where the problem of the term of state pensions’ reduction⁴ arises, expected to be solved before 2015.

² Article 48 of the Constitution: “Each human being may freely choose a job or business, and shall have the right to have proper, safe and healthy conditions at work, to receive fair pay for work and social security in the event of unemployment.”

³ Provisions of Articles 38 and 39 of the Constitution: “Family, motherhood, fatherhood and childhood shall be under the protection and care of the State”; “The State shall take care of families that raise and bring up children at home, and shall render them support according to the procedure established by law. The law shall provide to working mothers a paid leave before and after childbirth as well as favourable working conditions and other concessions.”

⁴ Which is one year longer than social insurance pensions’ reduction was.

II. Austerity measures: criteria of constitutionality

First of all, in order to keep the social orientation of a state and to respect the related human rights, the austerity measures have to fit the criteria of constitutionality, i.e. the requirements arising from the Constitution. No surprise that these criteria, as formulated by the Constitutional Court, are based on the general criteria of limitation of human rights recognized by international law and the majority of national legal systems.

Here the provisions of the **European Social Charter** (revised)⁵ can be recalled: it is stated in Article G of Part V that the rights and principles set forth in Part I⁶ when effectively realised, and their effective exercise as provided for in Part II⁷, shall not be subject to any restrictions or limitations not specified in those parts, except such as are **prescribed by law and are necessary in a democratic society for the protection of the rights and freedoms of others or for the protection of public interest, national security, public health, or morals** (paragraph 1); the restrictions permitted under this Charter to the rights and obligations set forth herein shall not be applied for any purpose other than that for which they have been prescribed (paragraph 2). Under Article 9 of **the International Covenant on Economic, Social and Cultural Rights** the States Parties⁸ recognize the right of everyone to social security, including social insurance; in the enjoyment of those rights provided by the State in conformity with the present Covenant, the State may subject such rights only to such limitations as are **determined by law only in so far as this may be compatible with the nature of these rights and solely for the purpose of promoting the general welfare in a democratic society** (Article 4).

The following criteria or requirements of constitutionality of the austerity measures can be seen from the case law of our Constitutional Court.

1. Constitutionally justifiable basis

First of all, according to the official doctrine of the Constitutional Court of the Republic of Lithuania, the reduction of social guarantees could be made only when there is a **constitutionally justifiable basis**. This means that the measures applied, such as reduction of old-age pensions and disability pensions, must be grounded upon the circumstances of the extremely difficult economic situation in the state. Only when there is an official statement of a grave economic and financial situation, which is not short-term, and when the state is unable to

⁵ <http://conventions.coe.int/Treaty/en/Treaties/Html/163.htm>

⁶ In Part I of European Social Charter the rights which the Parties accept to ensure are entrenched.

⁷ In Part II of European Social Charter the obligations which the Parties undertake are detailed.

⁸ <http://www.ohchr.org/EN/ProfessionalInterest/Pages/cescr.aspx>

perform the obligations, the legislator may temporarily reduce the social guaranties. These reductions could be made only by law, adopted by parliament⁹.

When especially difficult economic and financial situation occurs in the state suddenly and there is no time to prepare for it, it is constitutionally justifiable to ignore the requirement of *vacatio legis* (e.g., the requirement to provide a sufficient time (6 months for tax laws) for persons to prepare for changes in the regulation of economic life). It could be justified by the necessity of **urgent and effective decisions**, in order to handle the consequences of the economic crisis and to ensure an important public interest – to guarantee the stability of public finances¹⁰.

2. Necessity

Thus the second criterion is **necessity**: the austerity measures must be **necessary**. These measures could be applied only when it is essential to secure vitally important interests of society and the state and to protect other constitutional values. They should be like a **last resort** when the accumulation of the funds necessary to pay the pensions and other social guaranties is not secured.

It needs to be noted that in itself the economic crisis in the state does not suppose the right of the legislator to correct the legal regulation of pensionary relations – to reduce the pensions; first of all, the state must take all possible measures in order to overcome the economic crisis and to secure the accumulation of the funds. The state institutions forming economic and finance policies must implement the measures for overcoming the economic crisis in a **complex manner**, the measures must **be co-ordinated and balanced** between the interests of the person and society. Only in an exceptional case, when it is impossible to accumulate (or one does not succeed in accumulating) the amount of the funds necessary to pay the pensions after all internal and external opportunities have been used, the pensionary legal regulation may be corrected by reducing the pensions¹¹.

The similar criterion of necessity was also revealed by some other constitutional courts. E.g., **the Constitutional Court of the Republic of Latvia** recognized that the reduction of pensions was in conflict with the Constitution and that the impugned provisions were invalid from the moment of their adoption. The Court stated that the amount of securing the social rights may be subject to change depending on the amount of funds of the state, but the

⁹ *Inter alia* the Decision of 20 April 2010 on the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations During an Economic Crisis

¹⁰ Ruling of 15 February 2013 on the Adoption of the Law on the 2009 State Budget and Related Laws.

¹¹ Decision of 20 April 2010 on the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations During an Economic Crisis.

legislator always must heed the fundamental rights of a person¹². **The Constitutional Court of Ukraine** formulated the doctrinal provisions that the social rights entrenched by laws are not absolute, the realization of these rights may be changed by state. Such measures may be used when the necessity to prevent or eliminate real threats to economic security of Ukraine arises¹³.

3. Temporal character

Necessity is with temporal character of the measures in question. The austerity measures must be **temporal, short-term**. During economic crisis the reduced pensions can be paid only on a **temporary basis** – only when there is an extraordinary economic and financial situation in the state. However, this doctrinal provision may not be interpreted as meaning that the state is exempted from the duty to look for ways for accumulation of the funds necessary for payment of the pensions. If, before the end of the economic crisis, there arises an opportunity to accumulate or receive the funds necessary to pay the pensions in the amounts that were before the reduction, the legal regulation under which the pensions were reduced must be abolished¹⁴. It should be mentioned that the Constitutional Court did not assess the financial situation of the state – is it economic crisis or not, it also cannot state that the economic crisis is over. The Constitutional Court **does not consider the question of economic expediency**, so the evaluation of financial situation of the state usually **is not a constitutional issue** and the Constitutional Court **does not assess the economic indicators** and, of course, does not pronounce about the end of economic crisis. The Court has first of all to rely on the decisions of the competent executive authorities, and can rule the issue of presence of economic and financial crisis only in exceptional circumstances when it is obvious that the situation is manifestly different from that existing when the measures in question were applied¹⁵ (i.e. that there is no ground for continuing the application of austerity measures). **The similar reasoning would also apply in assessing the necessity of austerity measures, i.e. whether there are any alternatives to the limitation of social guarantees.**

In this context one can mention the similar practice of the Portuguese Constitutional Court had *an a priori* constitutional review case, concerned with the reduction of pensions of public sector staff. The Court recognized that the reduction of pensions of public sector staff

¹² The Constitutional Court of the Republic of Latvia ruling of 21 December 2009.

¹³ The Constitutional Court of Ukraine ruling of 26 December 2011 No. 20-rp/2011.

¹⁴ *Inter alia* the decision of 20 April 2010 On the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations During an Economic Crisis

¹⁵ The administrative courts construed the state's financial situation in the cases of reduced remuneration of judges. For example, Vilnius regional administrative court, while assessing state's financial situation and considering if the economic crisis is over, referred to the Annual Government report of 2010 and mentioned the increase of GDP, the growth of export, the decrease of government debt deficit.

was in conflict with the Constitution and stated that the reduction of pensions **should be temporary and the validity of reduced pensions must be defined**¹⁶.

4. Proportionality

Next and perhaps the most important criterion of constitutionality of the austerity measures is proportionality. The Constitutional Court has held that the constitutional principle of proportionality as one of the elements of the constitutional principle of a state under the rule of law. In the particular context of austerity measures **three aspects of proportionality** have to be mentioned. The first is traditional: the measures must be **adequate with the legitimate objectives** which are important to society; these measures must be necessary in order to reach these objectives, and that these measures do not have to restrain the rights and freedoms of a person clearly more than necessary in order to reach these objectives¹⁷.

The second aspect is quite specific for Lithuania. That is the requirement **not to breach the existing proportions** between salaries (paid from state budget), pensions and other benefits, i.e. by applying the austerity measures not to destroy the existing system of salaries or pensions, not to apply more severe reductions (significantly larger percent of reduction) just because the persons concerned have more responsible duties, better qualification and education (that exactly happened during the last economic crisis when salaries for state servants and judges were reduced from 0.5 to 35 percent depending on the duties and qualification, the judicial salaries system was completely distorted when salaries of the judges of the Constitutional Court were cut by 35 percent (while for other judges – up to 18 percent) and they became less than those of the judges of ordinary and administrative courts). This is also related to the problem of discrimination: **the austerity measures cannot be of discriminatory character** and have to be equally applied to all the state servants and judges (e.g., for prosecutors in Lithuania those measures were terminated earlier than for other officials). The Constitutional Court of the Republic of Lithuania recognized that a number of legal acts were in conflict with the Constitution because of it disproportionately reducing the remuneration. The salary of state servants holding the higher positions and the remuneration of judges of “higher” courts were cut to a greater extent than the others. The Constitutional Court held that there were violated the proportions of the amounts of the remuneration of different positions of state servants and judges¹⁸.

¹⁶ The Portuguese Constitutional Court ruling of 19 December 2013 No. 862/2013

¹⁷ The ruling of 11 December 2009 on Wages of Officers of the System of the Internal Service, the Decision of 20 April 2010 on the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations During an Economic Crisis.

¹⁸ The ruling of 1 July 2013 on the reduction of the remuneration of state servants and judges.

Similarly when there is a necessity to temporarily reduce the pensions in order to secure vitally important interests of society and the state and to protect other constitutional values, the legislator is under obligation to establish a uniform and non-discriminatory scale of reduction of pensions – the pensions should be reduced in a manner **not violating the proportions** of the amounts of the pensions established with regard to pensioners of the same category.

The third aspect of proportionality is that the austerity measures **should not impair the enjoyment of other rights**, i.e. the rights other than the right to pension or other social benefit. Constitution prohibits such legal regulation when a person, while implementing one constitutional right, **would lose the possibility to implement another constitutional right**. E.g., it was recognized by Constitutional Court that it is not permitted to establish any such legal regulation whereby the old-age pension paid to the persons who have a certain occupation or conduct certain business would be reduced to a greater extent comparing with the persons who do not have any occupation and do not conduct any business¹⁹.

5. Broad discretion depending on the peculiarities of the constitutional guarantees in question

The Constitution does not exclude the possibility to differentiate the austerity measures. However, **this differentiation is related to the extent of constitutional guarantees in question, i.e. whether they are imperative under the Constitution or dependent on a certain discretion of a state** (therefore also on the economic situation). In general, **the Court does recognize a broad discretion** of the legislative and executive authorities when applying austerity measures.

E.g., some of the types of pensions specified *expressis verbis* in Article 52 of the Constitution. One of them is old-age pension. As it has been held by the Constitutional Court, the person who meets the conditions established by law in order to receive the old-age pension, and who has been awarded and paid this pension, has the right to a monetary payment of a respective amount – the right to possession. This right must be protected also under Article 23 of the Constitution, where the right to ownership is entrenched. The other type of pensions specified *expressis verbis* in Article 52 of the Constitution is a disability pension. The state has a constitutional duty to ensure the creation of such social protection system (*inter alia* a system of social support and disability pension) so that a person who, due to health disorders (caused by illness, accident, occupational disease, innate health disorders, etc.), permanently or

¹⁹ The ruling of 22 October 2007 on the State Pensions of Judges, the Decision of 20 April 2010 on the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations during an Economic Crisis, the ruling of 6 February 2012 on the Recalculation and Payment of Pensions upon Occurrence of an Especially Difficult Economic and Financial Situation in the State.

temporarily did not acquire or lost a possibility to earn the living from work or business income, or where such possibilities significantly diminished, in the cases provided by law, would receive social support and/or disability pension²⁰.

Under the Constitution, the law may also establish other pensions, not only those which are *expressis verbis* specified in Article 52 of the Constitution (i.e., not only old-age and disability pensions). The legislator enjoys constitutional powers to establish by the law the pensions and/or types of social assistance granted solely to the state servants or individual groups of state servants, the grouping of which is objectively reasonable. The pensions which are not directly named in Article 52 of the Constitution are at present established *inter alia* in the Law on State Pensions. The peculiarities of state pensions, which, in their nature and character are different from old-age pensions, as well as from disability pensions, imply that during financial crisis the legislator may correct the legal regulation of such pensions of different nature by reducing these pensions to **greater extent than old-age and disability pensions**. However, while doing so, the proportions of the amounts of state may not be violated²¹. The mentioned peculiarities also give **more flexibility** in legal regulation of the reimbursement of losses caused by reduced state pensions.

It could be mentioned that the Portuguese Constitutional Court noted that it is permissible to change the legal regulation of pensions of public sector staff, but it should be done with the respect of number of constitutional principles, especially with the principle of the protection of trust.

Similarly, the Constitutional Court also interpreted some requirements, which arise from the Constitution, regarding social support for the families raising underage children, i.e. issues of awarding and limitation upon payment of maternity, paternity, maternity (paternity) benefits, which had directly been determined by the circumstances of the economic crisis. The Constitution does not *expressis verbis* establish any bases, conditions, terms and amounts of giving support to the families that raise and bring up children at home; these are to be established by the legislator in compliance with the norms and principles of the Constitution. The capabilities of society and the state must be taken into account when regulating by laws the relations of assistance given to the families that raise and bring up children at home and the legislator has a **broad discretion** in this field. The Constitution establishes the guarantee of **a paid leave before and after childbirth to working mothers (short-term maternity leave)**.

²⁰ The decision of 20 April 2010 on the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations During an Economic Crisis.

²¹ The decision of 20 April 2010 on the Construction of the Provisions of Acts of the Constitutional Court Related to Reduction of Pensions and Remunerations During an Economic Crisis.

It is implied that the legislator must establish *inter alia* the conditions for giving such a leave, a reasonable (minimum and maximum) length of this leave. The amount of this short-term maternity leave must comply with the average remuneration received during a reasonable time prior to the leave²².

6. Solidarity

The Constitutional Court has held that the **solidarity principle** entrenched in the Constitution implies that the burden of fulfilment of certain obligations to certain extent should be distributed also among members of society, however, such distribution should be constitutionally reasoned, it cannot be disproportionate, it cannot deny the social orientation of the state and the obligations to the state, which arise from the Constitution. However, the constitutional principle of solidarity does not deny personal responsibility for one's own fate.

First of all, the requirement of solidarity implies **absence of discrimination in applying of austerity measures, i.e. in principle all the groups of society has to share the burden of economic crisis**. The Constitutional Court has held that in case of a difficult economic and financial situation, the financing of all the institutions implementing state powers that are financed with the funds from the budget, as well as the financing of various spheres that are financed with the funds from the state or municipal budget, should normally be revised and reduced. It means that the **judiciary also is not immune from the reduction of remuneration**. If one established any such legal regulation to the effect that only the reduction of the financing of courts or only the reduction of the remuneration and pensions of judges would not be allowed in case of an extremely difficult economic and financial situation in the state, it would mean that courts would groundlessly be singled out from among other institutions that implement state power, and judges — from among other persons that participate in implementing the powers of the corresponding institutions of state power; the consolidation of such an exceptional situation of courts (judges) would not be in line with the requirements for an open, fair and harmonious civil society and the imperatives of justice²³.

On the other hand, the legal regulation of the social security should create preconditions for each member of the society **to take care for one's own welfare**, but not to rely solely on the social security guaranteed by the state. The social support should not create preconditions for a person not to attempt for a higher income, not to search for possibilities to ensure to

²² Ruling of 27 February 2012 on Awarding Maternity, Paternity, Maternity (Paternity) Benefits and Limitation upon Payment thereof, as well as on Limitation upon the Right of Customs Officials to Hold Another Job.

²³ The ruling of 1 July 2013 on the reduction of the remuneration of state servants and judges.

oneself and one's family by one's own effort the living conditions that are in line with human dignity, and **social support should not become a privilege**.

However, solidarity has to be understood in the context of **positive discrimination of the most vulnerable persons**, i.e. there can be a limit below which the austerity measure cannot be applied (a certain minimum of guaranteed income – a minimal pension or salary). The constitutional principles of justice and proportionality do not mean that it is not allowed to establish a **limit in the amount of the pensions below which the pensions would not be reduced**. But it is not allowed to establish any such legal regulation whereby the pension becomes reduced to an amount, where the person receiving the pension would not be secured the minimal socially acceptable needs and the living conditions compatible with human dignity. However, as mentioned, the constitutional principle of social solidarity does not imply any social egalitarianism. According to the Constitutional Court, the egalitarianism also is not permitted reducing the remuneration of state servants and judges. The Constitutional Court recognized that the proportions of the amounts of salaries established at the time prior to the occurrence of a particularly difficult economic and financial situation in the state for the persons performing different duties, must be retained²⁴.

Similarly the Constitutional Court of the Republic of Latvia has held that the state has to define the groups of pensioners who would be immune from the reduction or to whom a different reduction amount would be applied²⁵. The Constitutional Court of Ukraine has emphasized that while cutting the social guaranties an adequate living conditions and the human dignity must be maintained²⁶.

7. Reimbursement of the losses

Finally, the State while applying austerity measures can be obliged to reimburse certain related losses. That is due to the protection of the right to pension or salary as **the property right** (but not a specific sum) in terms of the Constitution. E.g., the right to demand the pensionary maintenance payments, which are established in the Constitution and laws, arises from Article 52 of the Constitution, whereas the proprietary aspects of **this right are defended under Article 23** of the Constitution²⁷. Therefore the losses caused by the reduction of pensions should be **reimbursed** to a certain extent. First of all, it is obligatory to reimburse the losses caused by the reduction which was held unconstitutional. The reimbursement of other

²⁴ *Ibid.*

²⁵ The Constitutional Court of the Republic of Latvia ruling of 21 December 2009.

²⁶ The Constitutional Court of Ukraine ruling of 26 December 2011 No. 20-rp/2011.

²⁷ *Inter alia* the ruling of 6 February 2012 on the Recalculation and Payment of Pensions upon Occurrence of an Especially Difficult Economic and Financial Situation in the State.

losses (which were determined by the legal regulation which was recognized as not in conflict with the Constitution) is the discretion of legislator.

The reimbursement must be implemented during **the reasonable time** after the economic crisis is over, it has to be also **balanced with other commitments** and interests of the State and society. The legislature must, without unreasonable delay, establish the essential elements (grounds, amounts, etc.) of compensation for the reduced old-age pensions. After the economic crisis is over, according to **objective data** (economic indicators, indicators of economic growth, funds accumulated by the state), the capabilities of the state, **a fair compensation** must be ensured to all persons for the losses caused by the reduction. Under the constitutional imperative of social harmony, this may be ensured as appropriate in a fair manner. It is important that the said mechanism should be established by taking account of the consequences of an extreme situation and the **capabilities of the state**, *inter alia*, various obligations assumed by the state, which are related to financial discipline, thus, also to the imperative of balancing the revenue and expenditure of the state budget²⁸. In this context it should be mentioned that the Constitutional Court of the Republic of Latvia also held that while planning a temporary reduction of pensions, the legislator must ensure its fair reimbursement at a later time²⁹.

III. Final remarks

The most difficult challenge for the Constitutional Court after its decisions on constitutionality of austerity measures is **to withstand the fierce criticism** that it usually does not deserve. E.g., after the decisions, where the austerity measures adopted by parliament were assessed and some of them were recognized unconstitutional, the Constitutional Court of the Republic of Lithuania was accused that it was not enough sensitive and gentle for the most vulnerable groups of people, moreover, that the court was blamed for its “supporting” the financially strongest groups of people, for example, working pensioners, state pensioners, judges and state servants of higher positions. The concept that the constitutional principle of social solidarity does not imply any social egalitarianism was very unwillingly accepted by some groups of the society. It must be mentioned that some politicians additionally strengthened this contention by populist speeches. It is curious that while the Constitutional Court is blamed for decisions concerning austerity measures, it is the activity of politicians and the legislator, which led to the deepest possible economic crisis and more severe austerity

²⁸ Decision of 7 March 2014 On the Construction of Certain Provisions of the Ruling of the Constitutional Court of the Republic of Lithuania of 6 February 2012

²⁹ The Constitutional Court of the Republic of Latvia ruling of 21 December 2009

measures. E.g., just before the crisis and on the eve of parliamentary elections in summer of 2008 the legislator decided not to accumulate any reserves, but to spend all the surplus in the state budget by increasing the social guarantees (pensions, parental leaves (which were one of the highest and longest in all Europe), etc.) and in such a manner causing ungrounded expectations.

My last final remarks is that obviously the economic and financial problems **strongly affected the doctrine of limitations of social guarantees** of many European constitutional review institutions. We could come to a conclusion that the standards of limitation of social rights during the period of economic crisis has to differ *inter alia* because of various austerity policies used by governments to reduce budget deficits during the grave economic conditions. However, on the other hand, we also cannot deny that there are **universally recognized criteria** which the austerity measures should meet to avoid violations of the recognised social and economic rights, the settled balance between the interests of a person and society. It should be mentioned that **during the period of global economic crisis the same criteria based on the concept of socially oriented state could be easily recognized in the decisions of many European constitutional review institutions**. This similarity proves that there is **unity in diversity** of every state's constitutional doctrine on austerity measures.