Theory and Practice of the Welfare State in Europe

Sessions 5 and 6

Ryszard Szarfenberg Ph.D. Hab.
Institute of Social Policy

Course web page
www.ips.uw.edu.pl/rszarf/welfare-state/
Models, Regimes etc. of the Welfare State
Three models of social policy (Titmuss)

The Residual Welfare Model

Motto: learn how to do without social policy
Three models of social policy (Titmuss)

The Industrial Achievement-Performance Model

Motto: social policy should be good to economy (and family)
Three models of social policy (Titmuss)

The Institutional
Redistributive Model

Motto: we can’t live without social policy!
Titmuss approach vs more recent comparative studies

• Titmuss’ primary focus was on the provision of services
• Titmuss was perhaps above all concerned with values and the 'ends' of social policy
• More recent comparative studies say little about values, adopt a more ‘scientific’ approach to the study of social institutions and focus on means rather than ends as the operational method for classifying welfare state regimes
Three main components of a welfare regime

• **The welfare mix**, the articulation of the state, households, and the market, to provide protection of living standards against social risks (family-state-market nexus)

• **The welfare outcomes** (measure the actual insulation of people’s welfare from social risks, with decommodification and defamilialism providing the key measures)

• **Stratification effects** describe the distributional effects of the welfare mix and welfare outcomes

Powell and Barrientos about Esping-Andersen’s new ideas (1999)
Welfare mix

State

<table>
<thead>
<tr>
<th>Government sector</th>
<th>Community sector (local government)</th>
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</thead>
</table>

Social welfare level and distribution

Family, relatives

International agencies

Social sector – individual donors and organizations

Market sector – formal and informal

Other sources of welfare
Welfare mix / mixed economy of welfare

P. Donatti, I. Colozzi in: Evers, Wintersberger (eds.), Shifts in the Welfare Mix, p. 64
Mixed economy of welfare – example of caregiving

A. M. Gross, in Evers, Svetlik (eds.) Balancing Pluralism, p. 235
Possible providers of social benefits and services

Legend:
- Unequivocal components of the social economy
- Uncertain components (case by case analysis)
- Not part of the social economy
## Esping-Andersen’s typology

<table>
<thead>
<tr>
<th></th>
<th>Liberal</th>
<th>Social-democratic</th>
<th>Conservative</th>
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</thead>
<tbody>
<tr>
<td><strong>Role of:</strong></td>
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<tr>
<td>Family</td>
<td>Marginal</td>
<td>Marginal</td>
<td>Central</td>
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<tr>
<td>Market</td>
<td>Central</td>
<td>Marginal</td>
<td>Marginal</td>
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<tr>
<td>State</td>
<td>Marginal</td>
<td>Central</td>
<td>Subsidiary</td>
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<tr>
<td><strong>Welfare state</strong></td>
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<tr>
<td>Dominant mode of solidarity</td>
<td>Individual</td>
<td>Universal</td>
<td>Kinship</td>
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<td></td>
<td>Corporatism</td>
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<tr>
<td>Dominant locus of solidarity</td>
<td>Market</td>
<td>State</td>
<td>Etatism</td>
</tr>
<tr>
<td>Degree of de-commodification</td>
<td>Minimal</td>
<td>Maximum</td>
<td>Family</td>
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<td></td>
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<td></td>
<td>High (for breadwinner)</td>
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<tr>
<td><strong>Dominant mode of social risks management</strong></td>
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<tr>
<td>Welfare state</td>
<td>Residual</td>
<td>Universal</td>
<td>Social insurance</td>
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<tr>
<td>Labour market regulation</td>
<td>Little</td>
<td>Moderate</td>
<td>Strong</td>
</tr>
<tr>
<td>Degree of de- familialization</td>
<td>High (non-familialist)</td>
<td>High (non-familialist)</td>
<td>Minimal (familialist)</td>
</tr>
<tr>
<td><strong>Examples</strong></td>
<td>USA</td>
<td>Sweden</td>
<td>Germany, Italy</td>
</tr>
</tbody>
</table>
## Esping-Andersen’s typology

<table>
<thead>
<tr>
<th>Type of Regime</th>
<th>Proto-typical Countries</th>
<th>Philosophical Basis</th>
<th>Degree to Which Labor is Decommodified</th>
<th>Entitlement Based On</th>
<th>Type of Public/Private Mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberal</td>
<td>Australia, Canada, United States</td>
<td>Classical Liberalism</td>
<td>Low</td>
<td>Need</td>
<td>Market dominated/residualist</td>
</tr>
<tr>
<td>Corporatist</td>
<td>Austria, France, Germany</td>
<td>Conservative Social Policy</td>
<td>Moderate</td>
<td>Contribution</td>
<td>State Dominated/Occupational Related</td>
</tr>
<tr>
<td>Social Democratic</td>
<td>Denmark, Sweden, Holland</td>
<td>Socialism/Marxism</td>
<td>High</td>
<td>Citizenship</td>
<td>State Dominated/Universal</td>
</tr>
</tbody>
</table>

R. A. van Voorhis, *Different Types of Welfare States?*, 2002
Construction of de-commodification index

Measures of the degree to which social rights ‘permit people to make their living standards independent of pure market forces’

<table>
<thead>
<tr>
<th>Pensions</th>
<th>Unemployment</th>
<th>Sickness</th>
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</thead>
<tbody>
<tr>
<td>(1) Minimum pension benefits for a standard production worker earning average wages.</td>
<td>(1) Pre-taxation benefit replacement rates for a standard worker during the first 26 weeks of unemployment.</td>
<td>(1) Pre-taxation benefit replacement rates for a standard worker during the first 26 weeks of sickness.</td>
</tr>
<tr>
<td>(2) Standard pension benefits for a normal worker.</td>
<td>(2) Number of weeks employment prior to qualification for benefit.</td>
<td>(2) Number of weeks employment prior to qualification for benefit.</td>
</tr>
<tr>
<td>(3) Contribution period required for a minimum pension.*</td>
<td>(3) Number of waiting days before benefits are paid.</td>
<td>(3) Number of waiting days before benefits are paid.</td>
</tr>
<tr>
<td>(4) Individual's share of pension financing.</td>
<td>(4) Usual number of weeks in which benefit can be maintained.</td>
<td>(4) Number of weeks in which benefit can be maintained.</td>
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<tr>
<td>(5) Percentage of the (relevant) population covered by the program.</td>
<td>(5) Percentage of the (relevant) population covered by the program.</td>
<td>(5) Percentage of the (relevant) population covered by the program.</td>
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# Measurement of defamilisation

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<tr>
<th>Relative female economic activity rate for persons aged 15–64&lt;sup&gt;a&lt;/sup&gt; 2003</th>
<th>Maternity leave compensation for duration covered (per cent of normal wages) 2004</th>
<th>Compensated maternity leave duration (number of weeks) 2004</th>
<th>Average female wage (per cent of male average wage)&lt;sup&gt;h&lt;/sup&gt; 2003</th>
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<tbody>
<tr>
<td>Australia</td>
<td>15</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Austria</td>
<td>17&lt;sup&gt;i&lt;/sup&gt;</td>
<td>100</td>
<td>16</td>
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<td>Belgium</td>
<td>16</td>
<td>75&lt;sup&gt;b&lt;/sup&gt;</td>
<td>15</td>
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<tr>
<td>Canada</td>
<td>12&lt;sup&gt;i&lt;/sup&gt;</td>
<td>55&lt;sup&gt;c&lt;/sup&gt;</td>
<td>18</td>
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<td>Denmark</td>
<td>9</td>
<td>90&lt;sup&gt;d&lt;/sup&gt;</td>
<td>18</td>
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<td>Finland</td>
<td>6</td>
<td>70</td>
<td>21</td>
</tr>
<tr>
<td>France</td>
<td>14</td>
<td>100&lt;sup&gt;d&lt;/sup&gt;</td>
<td>16</td>
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<tr>
<td>Germany</td>
<td>16</td>
<td>100</td>
<td>14</td>
</tr>
<tr>
<td>Greece</td>
<td>23&lt;sup&gt;i&lt;/sup&gt;</td>
<td>100</td>
<td>17</td>
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<tr>
<td>Ireland</td>
<td>21&lt;sup&gt;i&lt;/sup&gt;</td>
<td>70</td>
<td>18</td>
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<td>Italy</td>
<td>25</td>
<td>80</td>
<td>22</td>
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<td>Japan</td>
<td>26</td>
<td>60</td>
<td>14</td>
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<tr>
<td>Netherlands</td>
<td>17</td>
<td>100</td>
<td>16</td>
</tr>
<tr>
<td>New Zealand</td>
<td>15</td>
<td>100&lt;sup&gt;d&lt;/sup&gt;</td>
<td>14</td>
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<td>Norway</td>
<td>8</td>
<td>100&lt;sup&gt;e&lt;/sup&gt;</td>
<td>52</td>
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<tr>
<td>Portugal</td>
<td>15</td>
<td>100</td>
<td>17</td>
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<tr>
<td>Spain</td>
<td>24</td>
<td>100</td>
<td>16</td>
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<td>Sweden</td>
<td>4</td>
<td>80&lt;sup&gt;f&lt;/sup&gt;</td>
<td>69</td>
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<tr>
<td>Switzerland</td>
<td>18</td>
<td>80</td>
<td>14</td>
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<td>UK</td>
<td>16</td>
<td>50&lt;sup&gt;g&lt;/sup&gt;</td>
<td>26</td>
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<tr>
<td>USA</td>
<td>14</td>
<td>0</td>
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<sup>a</sup> Calculated as the difference between the female and male labour participation rate. For example, if the male participation rate was 78.9 per cent and the female participation rate was 76.4 per cent, then the relative female labour participation rate would be (−)2.5 per cent.
Many critiques of the three worlds of welfare capitalism

• It has been criticised for being or having:
  – too centred on Scandinavian debates;
  – ignoring the development of feminism...;
  – not being well-adapted to encompass the postmodern development of industrial society;
  – being ill-adapted to understand the differences between welfare states in the politics of retrenchment;
  – not paying sufficient attention to the political differences between consensus and majoritarian regimes;
  – methodological defects (arbitrary cut-off points, weaknesses of multiple regression statistical method, flawed indicators);
  – not being valid for different programs of the welfare state (e.g. housing);
  – ignoring services (e.g. health care, social care, education);
  – simplifying and exaggerating distinction between universal vs means-tested benefits.
What would happen when we add health services?
| Titmuss  
(Titmuss, 1974) | Residual Welfare Model  
a) Market and family provision  
b) Social welfare institutions as last resort  
c) Temporary assistance | Industrial Achievement-Performance  
a) Significant role for social welfare institutions  
b) Social need-merit, work performance and productivity | Institutional Redistributive  
a) Major integrated institutions of society, providing universalist services on needs basis  
b) Social equality and redistribution |
|---|---|---|---|
| Furniss and Tilton  
(Furniss and Tilton, 1977) | Positive State  
a) Government-business collaboration for economic growth  
b) Social insurance on actuarial principles  
c) Ensures work discipline | Social security State  
a) Government-business collaboration for growth  
b) Full employment-public employment as last resort  
c) Guaranteed minimum as a right | Social Welfare State  
a) Full employment, govt-union cooperation  
b) Solidaristic wage policy  
c) Social policy aims-equality, redistribution of income |
| Mishra  
(Mishra, 1981) | Residual  
a) Minimal state responsibility  
b) Limited range, mainly means-tested services, low benefits, covering a minority of the population  
c) Low % of GDP spent on services  
d) Coercive orientation of service-clients low status  
e) Primary role for non-statutory agencies in welfare | Institutional  
a) Extensive range of services, to majority of population, citizenship basis  
b) Acceptance of State responsibility for meeting needs  
c) Medium level of benefits  
d) Medium % of GDP spent on services  
e) Secondary role for non-statutory agencies in welfare |
### Other typologies of the welfare state / social policy models / regimes

<table>
<thead>
<tr>
<th>Study</th>
<th>Liberal</th>
<th>Conservative</th>
<th>Non-Right Hegemony</th>
<th>Radical</th>
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</thead>
<tbody>
<tr>
<td><strong>Castles and Mitchell</strong></td>
<td>a) Low benefits and benefit equality</td>
<td>a) High social expenditure and low benefit equality</td>
<td>a) High benefit levels and high equality</td>
<td>a) Low benefit levels - high degree of equality</td>
</tr>
<tr>
<td><em>(Castles and Mitchell, 1991)</em></td>
<td>b) Political dominance of right</td>
<td>b) Low trade union density</td>
<td>b) High trade union density</td>
<td>b) High trade union density</td>
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<tr>
<td></td>
<td>c) Low trade union density</td>
<td>c) Germany, Italy, Netherlands, France, Austria</td>
<td>c) Political dominance by left parties</td>
<td>c) Political dominance by parties of the right</td>
</tr>
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<td></td>
<td>d) Ireland, Japan, Switzerland, USA,</td>
<td></td>
<td>d) Belgium, Denmark, Norway, Sweden</td>
<td>d) Australia, NZ, UK, Canada, and Finland.</td>
</tr>
<tr>
<td><strong>Leibfried</strong></td>
<td>Anglo-Saxon</td>
<td>Bismark Countries</td>
<td>Scandinavian</td>
<td>Latin Rim</td>
</tr>
<tr>
<td><em>(2000)</em></td>
<td>a) Residual welfare</td>
<td>a) Subsidised exit from labour market</td>
<td>a) Right to work</td>
<td>a) Rudimentary welfare state</td>
</tr>
<tr>
<td></td>
<td>b) Welfare as last resort</td>
<td>b) Economic development priority</td>
<td>b) Universalism</td>
<td>b) Focus-entry to labour market, residualism</td>
</tr>
<tr>
<td></td>
<td>c) Welfare as work enforcing mechanism</td>
<td>c) Substitutes right to social security for right to work</td>
<td>c) State is employer of first resort</td>
<td>c) Welfare associated with religion</td>
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<tr>
<td><strong>Huber and Stephens</strong></td>
<td>Liberal</td>
<td>Christian Democratic</td>
<td>Social Democratic</td>
<td>Wage Earner</td>
</tr>
<tr>
<td><em>(Huber and Stephens, 2001)</em></td>
<td>a) Partial program coverage</td>
<td>a) Fragmentation of entitlements-mainly employment-based</td>
<td>a) Universalistic</td>
<td>a) Partial program coverage</td>
</tr>
<tr>
<td></td>
<td>b) Income or needs testing</td>
<td>b) Emphasis on transfers</td>
<td>b) Comprehensive</td>
<td>b) Income testing but with high income limits</td>
</tr>
<tr>
<td></td>
<td>c) Moderate to low replacement rates</td>
<td>c) Moderate/ high replacement rates</td>
<td>c) Citizenship based</td>
<td>c) Moderate to low income limits</td>
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<tr>
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<td>d) Few public services</td>
<td>d) Private or third sector delivery</td>
<td>d) High income replacement rates</td>
<td>d) Few publicly delivered services</td>
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<td>e) Passive family and labour market policy</td>
<td>f) Passive LMP</td>
<td>e) High levels of publicly delivered services</td>
<td>e) Passive LMP</td>
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<td>f) Gender equality</td>
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<td>g) Active LMP</td>
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<tr>
<td>Author</td>
<td>Measures</td>
<td>Welfare state regimes</td>
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<tr>
<td>Esping-Andersen (1990)</td>
<td>18 countries&lt;br&gt;• Decommodification&lt;br&gt;• Social stratification&lt;br&gt;• Private–public mix</td>
<td>Liberal&lt;br&gt;Australia&lt;br&gt;Canada&lt;br&gt;Ireland&lt;br&gt;New Zealand&lt;br&gt;UK&lt;br&gt;USA</td>
<td>Conservative&lt;br&gt;Finland&lt;br&gt;France&lt;br&gt;Germany&lt;br&gt;Japan&lt;br&gt;Italy&lt;br&gt;Switzerland</td>
<td>Social Democratic&lt;br&gt;Austria&lt;br&gt;Belgium&lt;br&gt;The Netherlands&lt;br&gt;Denmark&lt;br&gt;Norway&lt;br&gt;Sweden</td>
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<tr>
<td>Leibfried (1992)</td>
<td>15 countries&lt;br&gt;• Characteristics&lt;br&gt;• Rights&lt;br&gt;• Basic income</td>
<td>Anglo-Saxon&lt;br&gt;Australia&lt;br&gt;New Zealand&lt;br&gt;UK&lt;br&gt;USA</td>
<td>Bismarck&lt;br&gt;Austria&lt;br&gt;Germany</td>
<td>Scandinavian&lt;br&gt;Denmark&lt;br&gt;Finland&lt;br&gt;Norway&lt;br&gt;Sweden</td>
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<tr>
<td>Castles and Mitchell (1993)</td>
<td>14 countries&lt;br&gt;• Aggregate welfare expenditure&lt;br&gt;• Benefit equality</td>
<td>Liberal&lt;br&gt;Ireland&lt;br&gt;Japan&lt;br&gt;Switzerland&lt;br&gt;USA</td>
<td>Conservative&lt;br&gt;Germany&lt;br&gt;Italy&lt;br&gt;The Netherlands</td>
<td>Non-right hegemony&lt;br&gt;Belgium&lt;br&gt;Denmark&lt;br&gt;Norway&lt;br&gt;Sweden</td>
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<tr>
<td>Kangas (1994)</td>
<td>15 countries&lt;br&gt;• Cluster analysis of decommodification</td>
<td>Liberal&lt;br&gt;Canada&lt;br&gt;USA</td>
<td>Conservative&lt;br&gt;Austria&lt;br&gt;Germany&lt;br&gt;Italy&lt;br&gt;Japan&lt;br&gt;The Netherlands</td>
<td>Social democratic&lt;br&gt;Denmark&lt;br&gt;Finland&lt;br&gt;Norway&lt;br&gt;Sweden</td>
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<td>Ragin (1994)</td>
<td>18 countries&lt;br&gt;• BOOLEAN comparative analysis of pensions decommodification</td>
<td>Liberal&lt;br&gt;Australia&lt;br&gt;Canada&lt;br&gt;Switzerland&lt;br&gt;USA</td>
<td>Corporatist&lt;br&gt;Austria&lt;br&gt;Belgium&lt;br&gt;Finland&lt;br&gt;France&lt;br&gt;Italy</td>
<td>Social democratic&lt;br&gt;Denmark&lt;br&gt;Sweden&lt;br&gt;Norway</td>
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<td>Ferrera (1996)</td>
<td>15 countries&lt;br&gt;• Coverage&lt;br&gt;• Replacement rates&lt;br&gt;• Poverty rates</td>
<td>Anglo-Saxon&lt;br&gt;Ireland&lt;br&gt;UK</td>
<td>Bismarck&lt;br&gt;Austria&lt;br&gt;Belgium&lt;br&gt;France&lt;br&gt;Germany&lt;br&gt;Luxembourg&lt;br&gt;The Netherlands&lt;br&gt;Switzerland</td>
<td>Scandinavian&lt;br&gt;Denmark&lt;br&gt;Finland&lt;br&gt;Norway&lt;br&gt;Sweden</td>
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<td>Bonoli (1997)</td>
<td>16 countries&lt;br&gt;• Social expenditure as % GDP&lt;br&gt;• Social expenditure financed via contributions</td>
<td>British&lt;br&gt;Ireland&lt;br&gt;UK</td>
<td>Continental&lt;br&gt;Belgium&lt;br&gt;France&lt;br&gt;Germany&lt;br&gt;Luxembourg&lt;br&gt;The Netherlands&lt;br&gt;Switzerland</td>
<td>Nordic&lt;br&gt;Denmark&lt;br&gt;Finland&lt;br&gt;Norway&lt;br&gt;Sweden</td>
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<td>Author</td>
<td>Measures</td>
<td>Welfare state regimes</td>
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<tr>
<td>Korpi and Palme (1998)</td>
<td>18 countries (Social expenditure as % GDP, Luxembourg income study, Institutional characteristics)</td>
<td>Basic security: Canada, Denmark, Ireland, The Netherlands, New Zealand, Switzerland, UK, USA</td>
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<td>Corporatist: Austria, Belgium, France, Germany, Italy, Japan</td>
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<td>Encompassing: Finland, Norway, Sweden</td>
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<td>Targeted: Australia</td>
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<td>Pitzurèllo (1999)</td>
<td>18 countries (Cluster analysis of decommodification)</td>
<td>Liberal: Canada, Ireland, UK, USA</td>
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<td>Conservative: Germany, The Netherlands, Switzerland</td>
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<td>Social Democratic: Belgium, Denmark, Norway, Sweden</td>
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<td>Conservative–Bismarckian: Austria, Finland, France, Italy, Japan</td>
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<td>Radical: Australia, New Zealand</td>
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<td>Navarro and Shi (2001)</td>
<td>18 countries (Political tradition)</td>
<td>Liberal–Anglo Saxon: Canada, Ireland, UK, USA</td>
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<tr>
<td></td>
<td></td>
<td>Christian Democrat: Belgium, Germany, France, Italy, Switzerland</td>
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<td>Social Democratic: Sweden, Norway, Denmark, Finland, Austria</td>
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<td>Ex-fascist: Spain, Greece, Portugal</td>
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<td>Kautto (2002)</td>
<td>15 countries (Expenditure on services and social transfers)</td>
<td>Transfer approach: Belgium, The Netherlands, Austria, Italy</td>
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<td>Service approach: Sweden, Norway, Finland, Germany, Austria, UK</td>
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<td></td>
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<td>Low approach: Ireland, Greece, Portugal, Spain</td>
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<tr>
<td>Bambra (2005)</td>
<td>18 countries (Healthcare services and decommodification)</td>
<td>Liberal: Australia, Japan, USA</td>
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<tr>
<td></td>
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<td>Conservative: Austria, Belgium, Canada, Denmark, France, Italy</td>
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<td></td>
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<td>Social Democratic: Finland, Norway, Sweden</td>
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<td></td>
<td>Conservative subgroup: Liberal: Subgroup Australia, Ireland, UK, New Zealand</td>
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Evaluative comparisons of welfare regimes

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<th></th>
<th>Never poor</th>
<th>Transient poor</th>
<th>Recurrent poor</th>
<th>Persistent poor</th>
<th>Total</th>
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<td><strong>Social democratic</strong></td>
<td>77.7</td>
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<td>6.1</td>
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<td>Denmark</td>
<td>77.4</td>
<td>13.2</td>
<td>6.0</td>
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<tr>
<td>The Netherlands</td>
<td>77.9</td>
<td>9.6</td>
<td>6.1</td>
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<td>Corporatist</td>
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<tr>
<td>France</td>
<td>68.4</td>
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<td>7.9</td>
<td>13.3</td>
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<tr>
<td>Liberal</td>
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<td>Ireland</td>
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<td>UK</td>
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<td>Residual</td>
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Panel data 1994-1998

Varieties of capitalism and welfare state regimes

Capitalist countries

Coordinated Market Economies
AT/ GER/ NO/ BE/ JA/ FIN/ DK/ SWE/ NL/ CH
Intermediate: FR / IT / ESP / POR / TUR

Liberal Market Economies
UK/ US/ CA/ AUS/ IRE/ NZ

Conservative welfare states
AT/ GER/ BE/ FR/ IT/ ESP/ POR
Ambiguous when compared to grouping 1990:
NL/ JA

Social-democratic welfare states
SWE/ FIN/ DK/ NOR

Liberal welfare states
UK/ US/ CA/ AUS/ IRE/ NZ

State Capitalism
AT/ GER/ BE/ NL/ FR/ IT/ ESP/ POR

Meso-corporatist Capitalism
JAP

Social-partner Capitalism
SWE/ FIN/ DK/ NOR

Market Capitalism
UK/ US/ CA/ AUS/ IRE/ NZ (NOR partially)

Continental European
CH/ NL/ IRE/ BEL/ NOR/ GER/ FR/ AT

Mediterranean
GR/ IT/ POR/ ESP

Asian
JAP/ KOR

Social-democratic
SWE/ FIN/ DK

Liberal
CA/ UK/ US/ AUS

Varieties of Capitalism
Welfare state research (Esping-Andersen)
Regulation theory
Amable's empirical typology

M. Schroeder,
Integrating Welfare and Production Typologies, p. 27
Theories and explanations of the welfare state
Impact of industrialization on social welfare (Wilensky)

H. L. Wilensky, Ch. N. Lebeaux, Industrial Society and Social Welfare, 1958, 1965
Social order and culture

A CHANGING SOCIAL ORDER

Large-scale organization and the factory system

More specialization (with more emphasis on achievement)

Labor protest

Increase in size of income and maybe more equal distribution

New and enlarged middle class

More social and residential mobility

Accent on immediate (nuclear) family

Urbanism

IN CONTEXT OF AMERICAN CULTURE

(especially those values shaping economic action—e.g., individualism, private property, the free market, and minimum government)

H. L. Wilensky, Ch. N. Lebeaux, Industrial Society and Social Welfare, 1958, 1965
THE SOCIAL PROBLEMS OF URBAN-INDUSTRIAL SOCIETY

New problems:
- unemployment
- old age
- leisure time
- city planning

Organized public attention to old problems (whether they involve larger or smaller portions of population):
- family breakup
- delinquency, crime
- mental illness
- poverty
- accidents
- physical illness

CHARACTERISTIC MODES OF SOCIAL ORGANIZATION

- Professionalized service occupations
- Bureaucratic structure of organizations
- Centralized control in both public and private spheres

H. L. Wilensky, Ch. N. Lebeaux, Industrial Society and Social Welfare, 1958, 1965
Types and organization of welfare services

CHARACTERISTIC SUPPLY OF WELFARE SERVICES

Social insurance—e.g., unemployment insurance, employment services, workmen’s compensation, pensions, etc.

Health and medical services

Family adjustment services

Correctional services

etc.

dispensed through

CHARACTERISTIC STRUCTURE OF WELFARE SERVICES

Specialized, bureaucratic agencies, professionally staffed—e.g., Department of Health, Education and Welfare, Council of Social Agencies, Family Service Association, etc.

H. L. Wilensky, Ch. N. Lebeaux, Industrial Society and Social Welfare, 1958, 1965
Neomarxist theory of the welfare state origins

- Workers struggle against exploitation
- Requirements of the industrialization
- Owners of the capital and ruling class concessions

Origins of the welfare state in capitalism
Impact of economic growth and its correlates (Wilensky 2)

- Industrialization
- Economic growth
- Bureaucratization

Impact on:
- Population ageing
- Needs
- Costs
- Organization

Politics, culture, social forces etc.
Industrial conflict and its impact on distributive policy

W. Korpi, Democratic Class Struggle, p. 169
Power resources theory

- Economic growth
- Composition of the population
- Historical factors
- Politics
- State interventions
- Distribution of power resources between main classes
- Distributive process
- Inequality in distribution of levels of living

W. Korpi, *Democratic Class Struggle*, p. 169
Power resources theory cont.

Working class

Mobilization

Trade unions

Labour parties

Impact

Corporatism, tripartism

Left governments

Welfare State

Conditions and factors facilitating or hindering of mobilization and impact of the working class
Stein Rokkan and T. H. Marshall

Modernization process

State formation → Nation building → Political participation → Income redistribution

Civil rights → Political rights → Social rights

Welfare state

Economic inequality reduction

Political inequality reduction

Citizenship development

XVIII century and earlier → XIX and XX century

time
Institutionalism

Politics and its process

Electoral system

Political system

Judical system

Level of federalism

Rules of the game in the state – institutions, civil and political rights

Path dependency

Results of politics – social policy, social rights

Development path

Welfare state institutions
Neomarxist theory of the fiscal crisis of the late capitalism

**FUNCTIONS**

- Capitalist state

- Accumulation: profit for owners of capital
- Legitimacy: mass support for capitalism

**GOALS**

- Economic and social policy
  - Increase productivity
  - Reproduce labour power
  - Maintain order among unemployed

- Globalization of firms
  - Taxes
  - Strengthen of the unions
Conservative theory of the welfare state crisis

Welfare state – moderate redistribution from the rich to the poor

New groups in the system of redistribution e.g. farmers, miners

Churning state – redistribution to powerful interest groups

Fiscal crisis and overloaded state

Public and social expenditures in GDP
Keynesian National Welfare State

**Keynesian**
- Full employment
- Demand management
- Infrastructure to support mass production and consumption

**Welfare**
- Collective bargaining
- State help to generalize norms of mass consumption
- Expansion of welfare rights

**National**
- Relative primacy of national scale
- Economic and social policy-making with local as well as central delivery

**State**
- Market and state form a ‘mixed economy’
- State is expected to compensate for market failures
Schumpeterian Postnational Workfare Regime

Schumpeterian
Focuses on innovation, competitiveness in open economies, Supply side to promote Knowledge based economies

Postnational
Relativization of scales, Competition to establish a new primary scale, but continued role of national states

Workfare
Subordinates social policy to an expanded notion of economic policy, downward pressure on the ‘social wage’, Attack on welfare rights

Regime
Increased role of self-organizing governance to correct both for market and state failures
Some of the key forces of change and their labour market impacts.

P. Sunley et al.  
*Putting Workfare in Place*, p. 27
Employment rates of men and women in UK

P. Sunley et al. *Putting Workfare in Place*, p. 32
Fordism and Postfordism

**FORDISM**

- Mass production of standardized products
- National economy and full employment
- Keynesian economics and corporatism
- Male breadwinner family with uninterruptible career

**POST FORDISM**

- Flexible production of individualized products
- Global economy, international competitiveness
- Monetarism and supply side economics
- Rise in women employment, careers more frequently interrupted

Reforms of the welfare state
Four Shocks

- National economy
- Women in home
- Traditional family with many children
- Young population

Welfare state development

- Global economy
- Women participation in labour market
- Unstable family with fewer children
- Population ageing

Welfare state crisis
Impact of globalization

Economic globalization: international competitiveness

National welfare state

Taxes and contributions down => labour costs should be lowered

Restructuring of expenditures => more on education and training, R&D

Investment and business friendly policies

THREE REFORMS TO CHOOSE OR COMBINE
Theory of the welfare state impact on GDP

P. Lindert, Growing Public, vol. 2
Theory with emphasis on cultural factors

B. Pfau-Effinger, *Culture and Welfare State Policies*, p. 5
An institutional type of social policy, where universal programmes tend to dominate, benefits most households in one way or another. Thus an institutional type of policy leaves a much smaller constituency for a potential welfare backlash.

Figure 9.3 Size of welfare backlash constituencies created by marginal and institutional social policy strategies: (a) marginal, (b) institutional

W. Korpi, Democratic Class Struggle, p. 194