Professor John Wilton

Lecture 3

Four types of European Welfare States: Conservative – corporatist, Social Democratic, Anglo-Saxon, and the Mediterranean model



Types of European Welfare States:

- Conservative-corporatist, i.e. Germany, Austria, Luxembourg, France, Belgium
- Social Democratic, i.e. Sweden, Denmark, Finland, Netherlands
- Anglo-Saxon, i.e, United Kingdom, Ireland
- Mediterranean; i.e. Greece, Portugal, Spain, Italy



Categorised into types according to:

- a) relative importance assigned to central welfare producers state, market, family;
- b) differing requirements on citizens for access to welfare services and payments;
- c) level of support to citizens through social policy and welfare provision;
- d) degree to which able to maintain social status of clients (effectiveness of the 'safety net');
- e) degree to which clients are pressured to join labour force



1. Conservative-corporatist

- tradition of strong state managing and incorporating social groups
- relatively little emphasis on redistribution as a goal of social policy

- organisation of welfare and social policy provision are *pluralistic;* i.e. non-state and para-state organisations predominate in administration and distribution of services

- reflect the influence of Catholic social teaching, particularly the principle of *subsidiarity*



2. Social Democratic Welfare States

- promotes minimum needs, and equal and high standards of welfare for all citizens
- work and welfare closely connected welfare system dependent on having as high a proportion as possible of adult population in employment
- Swedish approach based on 4 pillars:
- a) social and welfare tradition
- b) high personal taxation and low corporate taxation
- c) cautious and competent state management
- d) employer/union cooperation



3. Anglo-Saxon Welfare States

- UK system founded on 'Beveridge model' = wide range of contributory benefits, National Health Service (since 1948) provided a tax-financed universalist service, unique sector of public sector /local municipal authority owned (council) housing

- poverty and social exclusion grown rapidly since 1980s;
 - proportion of population living in households below 50% of average income = 10% 1979, 25% 1997, 35% 2015.



- children living in households with no working adult:
 20% in 2000, 28% in 2008 (1.9 million children)
- 'Income inequality in the U.K. is now at its highest level since comparable statistics began in 1961' ('State of the Nation Report, 2010', page 6 www.nationalarchives.gov.uk/+/http://www.cabinet office.gov.uk/media/410872/web-povertyreport.pdf)
- movement from Beveridge principles to more liberal welfare system, and introduction of principles of 'internal market'/privatisation, resulting in greater social exclusion



- <u>4. Mediterranean Welfare States</u> characteristics
 - a) high fragmentation and inconsistency of provision imbalances in social protection;
 - b) the role of the family as important institution;
 - c) relatively low degree of state activity led to 'public/private' collusion and massive waste and inefficiency;
 - d) a 'clientelistic culture' political corruption,
 'political clientelism' and vote trading
 - e) relatively weak state apparatus weak state institutions, bureaucracy, and 'political class'



f) strong role and influence of Catholic church;
g) generous pension provision (until recent Eurozone crisis and global financial crisis)
h) 'demographic time bomb' – imbalance between numbers of elderly people and those of working age

