

Contemporary Social Policy in the E.U.

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Lecture 3

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

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Types of European Welfare States:

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

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Categorised into types according to:

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

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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*

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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

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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 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

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- 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.cabinetoffice.gov.uk/media/410872/web-poverty-report.pdf)
- movement from Beveridge principles to more liberal welfare system, and introduction of principles of ‘internal market’/privatisation

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4. Mediterranean Welfare States - 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’

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- 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