LESSONS FROM EUROPE IN SOCIAL ASSISTANCE (SA) DESIGN

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LESSONS FROM EUROPE IN SOCIAL ASSISTANCE (SA) DESIGN

1. Copying parts will not work
Social Protection System in Europe: the Life course framework
LESSONS FROM EUROPE IN SA DESIGN

1. Copying parts will not work
2. Copying the systems may work
Social Protection System in Europe: the Life course framework

- UCA, age 0 - 16
- EA, age 16 - 24
- ILI; SA; CSP, age 24 – 60+
- UP; CP+CSP; PP; SA

DA for people disabled from birth as well as for those who are permanently or temporarily disabled

Investment in human capital/educational system

- Re-training, employment protection, minimum standards, wage

Health, disasters, family protection, care facilities all age groups and handicapped
Social Protection System in the USA

- ILI, SA; CSP, age 24 – 60+
- CP+CSP; PP; SA
- DA for people disabled from birth as well as for those who are permanently or temporarily disabled
- Investment in human capital/educational system
- Re-training, employment protection, minimum standards, wage
- Health, disasters, family protection, care facilities all age groups and handicapped
Social Protection System in the typical middle/low income country

DA for people disabled from birth as well as for those who are permanently or temporarily disabled
LESSONS FROM EUROPE IN SA DESIGN

1. Copying parts will not work
2. Copying the systems may work BUT ADJUSTMENTS WILL BE NEEDED
   ADJUSTMENTS TO LOCAL SITUATION

IMPROVEMENTS ARE POSSIBLE

SEE END PRESENTATION POINT 7
LESSONS FROM EUROPE IN SA DESIGN

1. Copying parts will not work
2. Copying the systems may work
3. Costs should be contained
LESSONS FROM EUROPE IN SA DESIGN

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2. Copying the systems may work
3. Costs should be contained
4. Implementation issues are important
LESSONS FROM EUROPE IN SA DESIGN

1. Copying parts will not work
2. Copying the systems may work
3. Costs should be contained
4. Implementation issues are important
   Outreach and local offices
   Social workers
   Extended portfolio of non-cash benefits
LESSONS FROM EUROPE IN SA DESIGN

1. Copying parts will not work
2. Copying the systems may work
3. Costs should be contained
4. Implementation issues are important
5. Capacity in implementation
   - Capacity to pay
   - Capacity to implement
   - Capacity to design
LESSONS FROM EUROPE IN SA DESIGN

1. Copying parts will not work
2. Copying the systems may work
3. Costs should be contained
4. Implementation issues are important
5. Capacity in implementation
6. Budget constraints and designing for the future
LESSONS FROM EUROPE IN SOCIAL PROTECTION SYSTEM DESIGN

1. Copying parts will not work
2. Copying the systems may work
3. Costs should be contained
4. Implementation issues are important
5. Capacity in implementation
6. Budget constraints and designing for the future

7. LESSONS IN EUROPE

LESSONS FROM EUROPE IN SP SYSTEM DESIGN
LESSONS IN EUROPE ON SOCIAL PROTECTION SYSTEMS

• SOCIAL POLICY AS PRODUCTIVE INVESTMENT
• ACTIVE SOCIAL POLICY AND LIFE COURSE APPROACH
  – Priority 1 Children and youngsters
  – Priority 2 Families
  – Priority 3 Activate active age groups
  – Priority 4 Contain the costs of ageing
LESSONS IN EUROPE

Priority 1 Children and youngsters
- the importance of generous child benefits
  (universal versus means tested)
- early childhood intervention programs
- the importance of guaranteed access to high quality education
  availability of “free” public education
  availability of educational allowances, scholarships and scholing grants
- cushioning family instability (see priority 2)
Social Protection System in Europe: the Life course framework

- UCA, age 0 - 16
- EA, age 16 - 24
- Investment in human capital/educational system
LESSONS IN EUROPE

Priority 2 Families
- reconcile work and family care
  parental leave
  accessible child care facilities
  family friendly workplaces
- boost employment of mothers
Social Protection System in Europe: the Life course framework

UCA, age 0 - 16

EA, age 16 - 24

Investment in human capital/educational system

Re-training, employment protection, minimum standards, wage, parental leave, child care, family friendly work

Health, disasters, family protection, care facilities all age groups and handicapped
LESSONS IN EUROPE

Priority 3 Activate active age groups
- boosting maternal employment
- raise effective retirement age
- reintegrate disadvantaged and disabled
- provide employment protection but preserving flexibility for workers and employers
- activation of unemployed and other beneficiaries (financial incentives, administrative pressures and retraining programs)
European type cash benefits system: the stylised picture

- Child allowance
- Educational allowance
- Basic public pension
Income Loss Insurances (unemployment, illness, temporary disability) with activating benefit scheme: financial incentives to activation
Social Protection System in Europe: the Life course framework

ILI; SA; CSP, age 24 – 60+

Re-training, employment protection, minimum standards, wage

Health, care facilities all age groups and handicapped
Successful activation leads to changing the productivity distribution in the economy.
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LESSONS IN EUROPE

Priority 4 Contain the costs of ageing
   - activate older age groups (see priority 3)
   - reform pension system
   - reform long term care system
Social Protection System in Europe: the Life course framework

DA for people disabled from birth as well as for those who are permanently or temporarily disabled

Health, disasters, family protection, care facilities all age groups and handicapped
LESSONS FROM EUROPE IN SP SYSTEM DESIGN AND IMPLEMENTATION

• Plan overall design and fill the system gradually by adjusting benefit levels and overall generosity to economics growth and fiscal constraints

• Avoid the European traps:
  – Assume demographic changes in population structure, migration, family structure and family (in)stability
  – Assume economic changes in growth and composition of economic activities
  – Plan for avoiding dependency and poverty traps
  – Learn form useful experiments around the globe
Useful social engineering from Europe and OECD

- **Children:**
  - EU (Universal) Child and educational allowances
  - Idem conditional on school attendance (Mexico Oportunidades)
  - Pre-school programs (Head Start USA)
Useful social engineering from Europe and OECD

- **Children**
- **Families with children:**
  - Paid parental leaves, child care facilities and cash or tax support, out-of-school care, flexible working hours for parents (most EU and especially Sweden and other Nordic countries)
  - Special assistance to unemployed lone parents through tax benefits and job search assistance (UK)
Useful social engineering from Europe and OECD

- Children
- Families with children
- **Welfare in work:**
  - Employment protection (most EU)
  - Minimum job quality guarantees (most EU)
  - Minimum wage standards (most EU)
  - Anti-discrimination laws (EU)
Useful social engineering from Europe and OECD

- Children
- Families with children
- Welfare in work
- **Welfare to work:**
  - Flexicurity: little employment projection together with long and generous unemployment benefits and forced retraining or re-employment (Denmark)
  - Social inclusion agencies (PWA) (Belgium)
  - Integrating disabled (Luxemburg, UK [Pathways])
Useful social engineering from Europe and OECD

- Children
- Families with children
- Welfare in work
- Welfare to work
- **Activating older workers:**
  - Pension reforms in Germany, Sweden, almost all European countries
  - Revision early retirement (Belgium, France, Netherlands)
  - EU legislation on anti-discrimination on age
Useful social engineering from Europe and OECD

- Children
- Families with children
- Welfare in work
- Welfare to work
- Activating older workers
- **Containing costs long term care (elderly):**
  - Old age care insurance (Belgium, Luxemburg)
  - Co-ordination care services (Australia)