Summary of research results

European welfare states have undergone significant changes in the past two decades. However, existing literature on welfare reform seems unclear about how to capture and assess the quality of contemporary welfare state change. It remains a major methodological challenge to decide on an empirically sound indicator of change. Terms such as ‘restructuring’ or re-calibration’ tell us little about what the substantive content of current reform dynamics might be. In short, existing research demonstrates a considerable ‘dependent variable problem’. This small-scale explorative project investigated whether classic principles of redistributive justice (need, reciprocity, universalism) could be conceptualised and operationalised to serve as an indicator for qualitative change in modern European social security programmes. The project covered five countries (United Kingdom, Germany, the Netherlands, Denmark and France) and three social security programmes (unemployment benefits, pensions and family support). The period of observation was twenty years, from the early 1980s to the present.

The study began with a thorough literature review of comparative welfare state analysis and the way qualitative studies have conceptualised and operationalised indicators of change. The aim was to gauge how existing research has drawn on philosophical, sociological and political science literature on principles of redistributive justice. The review fed into a refined conceptualisation and operationalisation of indicators of change.

For social security benefits, the primary condition for support is membership of a category of support; being unemployed for unemployment benefits, being over a certain age for a retirement pension etc. A further, or tertiary, dimension of conditionality is situated at the level of benefit administration. Ill health, for example, tends to require some form of professional validation. Situated between these two levels is a secondary form of conditionality that rests on classic principles of redistributive justice (need, reciprocity, universalism). These are inherent in the policy instruments most commonly used to distribute cash transfers: means-tested benefits, insurance-based benefits and universal benefits. These instruments can further be differentiated in ideal-typical terms by the intensity and the mode of conditionality. For example, eligibility to social insurance benefits is generally restricted to those who have made prior contributions (a form of desert based mode of conditionality), but there is a considerable degree of variation on the intensity of the application (between a rigorous orientation on actuarial principles versus a more tempered orientation involving a considerable degree of crediting, for example). Furthermore, it has to be noted that particular transfer programmes often comprise of more than one mode of secondary conditionality (e.g. universal basic pensions might involve a degree of means or income testing, as in Denmark, for example).

The framework above can be used to assess shifts in the basis for social rights. For example, a particular social insurance programme for the unemployed might have once been based on tempered or strict principles of desert, but gradually transformed into primarily needs based (means-tested) support. While such an assessment requires a careful analysis of legislative regulation, this type of data only enables statements on the changing character of social provision. It does not say anything about its scope. For the latter, additional quantitative
information, on caseloads and expenditures, is required. Unfortunately such data is not readily available at an international level.

The second phase of the study thus consisted of visits to relevant universities or research centres in the five countries in order to collect relevant data, comprising legislative changes in relevant benefit schemes, as well as volume indicators such as expenditure and beneficiary figures. The third stage was to test the framework empirically. 15 tables depicting relevant legislative changes in the three policy programmes over the twenty years were constructed, allowing a coding of particular benefit reforms. At times, this proved difficult due to legislation incorporating multiple alterations affecting different levels of conditionality on the one hand, and causing shifts within the secondary type of conditionality itself on the other, i.e. altering the character and (or) the scope of particular principles.

Nevertheless, such a procedure allowed the identification of broad patterns of reforms over time, within particular programmes in certain countries (e.g. a sequence of change in category, principle and administrative types of conditionality within British unemployment support), or in certain programmes across countries (e.g. the clear shift away from desert-based to more universal form of maternity benefit provision). Judgements about such patterns of reforms were supplemented with appropriate quantitative data in order to assess the actual impact of legislative change at the level of benefit recipients.

It should be noted that the study covered only publicly provided transfers, leaving out non-mandatory form of income protection. This is problematic when, for example, occupational or private pensions grow in importance over time, and public pensions become increasingly subsidiary forms of income protection in old age. The approach needs to be aware therefore of contextual developments which might seriously change the role of the public social security system. Secondly, contemporary welfare reform may be characterised by the emergence of new forms of conditionality. Increasingly, eligibility conditions to certain types of benefits are augmented by, for example, activation requirements for working age claimants or other behavioural conditions attached to the eligibility of social security. Remaining outside the scope of this particular study, it would have been interesting to investigate the specific relationship between these new forms of conditionality and those inherent in classic principles of social security within current reform dynamics.

On the other hand, the focus on changes in classic principles of redistributive justice has considerable advantages. It is capable of distinguishing between types of change and identifying which reforms are based on what kind of conditionality. It thus allows a classification of patterns of reforms, perhaps indicating that in some countries or within some benefit programmes certain levers of conditionality prevail. This, in itself, produces new perspectives for a better understanding of the paths of welfare reforms that different countries have paved. Analytically, it contributes to a more systematic definition of what it is welfare state analysts might want to measure as (one aspect of) welfare state change, and offers qualitative comparative analysis an empirical basis that is less ad-hoc and less contradictory in its assessment than it appears at times.