

## The Future of Social Services in Europe

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### ABSTRACT

This article explores the evolution of the social services in the member states of the European Union in the framework of the European Social Model. It inquires into key elements that determine the future of social services, based on the current social changes such as increasing inequality, marketization, technological innovation, migration, employment and social rights. It explores some new elements for the future of European social services related with its mission and approach. It ends by reflecting on the ideological, economic and pragmatic elements that will condition the effective position of social services as one of the pillars of social protection in the future.

**Keywords:** Social services, European Social Model, Welfare regimes, Social protection and Social Inclusion

**JEL classification:** I38, P16, O23

### 1. INTRODUCTION

The so-called European Social Model is considered a unique model and a key element of the identity of European societies and EU values; in fact, while the European Union population represents around 7% of the world population and its GDP is around 25%, social expenditure of Europe reaches 50% of the world. Nevertheless, there is not a unique social model in Europe; rather the opposite, different ideological, political, and economic circumstances have led to different welfare traditions.

While social services are considered essential elements of the welfare state, it is important to note that its development and relevance has not been at the same level as other pillars of the welfare state. Rather the opposite, in many EU countries social services could be consider as the “younger brother”, born later and fighting to create its own space in the family of social protection with less economic resources and in many cases an ambiguous task.

Social services today are gaining increasing relevance throughout Europe due to social changes and their potential contributions to the social challenges faced by our societies. At the same time, they are confronted with the need to redefine their role in the framework of the general determinants of European Social Policy, namely the place of social rights within the constitutional framework of the Union, the balancing of equality and diversity, the role of local administrations in integrated service provision, and the future of labour.

## 2. SOCIAL SERVICES AS A KEY ELEMENT OF A EUROPEAN WELFARE MODEL

### 2.1. The welfare states and welfare models in Europe

Welfare State development in the second part of the 20<sup>th</sup> Century is the result of the post-war pact and the consensus between dominant ideologies in the context of Keynesians economic policies. This resulting pact was a commitment and a balanced solution between the market following individual interests and the protection of the common interests of the people. In short, welfare systems are a way of protecting the common goods and *de-marketising* areas related to the wellbeing of the people, the reduction of inequalities and the development of inclusive societies (Esping-Andersen 1999).

Welfare models are founded on the principles of solidarity and equality and aim to close the gap between the *formal* equality proposed by the legal norms and *the facto* inequalities. The principles of *redistribution* – a society that reduces inequality levels- *protection* – the big brother that protects from the cradle to the grave- and *solidarity* –those who have the most contribute the most and those who has the least receive the most - are essential elements of the traditional welfare regimes.

Classical welfare regimes have been influenced by three ideologies: social democracy, Christian democracy and liberal democracy. Social democrats tend to point to the principle of *Universalism* and the idea that access to goods and services is based on the rights of the citizens. Individual autonomy is remarked and welfare policies are coincided to counterbalance the power of the market. Cristian democrats point to social justice and the principle of subsidiarity, meaning that assuming universalism the State should only intervene where there is a need. The liberal model points to the self-organization of civil society and as a consequence they are a leading force of the market in the provision of services, while the principal role of the State is to reduce poverty and solve basic needs.

Besides ideologies, welfare regimes in Europe have been classified traditionally according to region: Anglo-Saxon, continental, Nordic and Mediterranean (Esping-Andersen 1999; Moreno 2015).<sup>60</sup> These four models share common aspirations but are conditioned by traditions and social conditions that influence their objectives, priorities and the role of the private sector (for profit and non-profit) in the provision of services.

Regarding the integration of vulnerable people, different ideologies and welfare regimes may operate with different models of integration. The European Union has pointed to labour market activation as a major form of integration. This is understood according to different paradigms: while the “making work pay approach” offers security though financial incentives conditioned to work in exchange of employment, the “theory of the underclass” highlights the dependency of the persons on public services and insists on individual responsibilities conditioning the right to fulfilment of duties. More recently, the “theory of social investment” insists on the need for generous benefits and the need for investing in human capital.

Most European countries with well-established welfare regimes started to undertake reforms in the seventeen and eighteen decades of the past century, with the fall of full employment. In fact, these reforms called *recalibrations and retrenchments*, have been ongoing since the eighties. Although reforms may suffered budget cuts during the recent economic crisis, the fact is that social expenditure has continued to rise as a general trend in the last 4 decades. Reforms have been conditioned by different factors, such as: globalisation; the labour market situation; new social needs (increasing of old social risks and emerging of new social risks); and of course, maintaining the initial social pact in precarious political contexts.

Debates on the sustainability of the Welfare States have long been taking place in Europe; in fact, many experts consider that the liberal tradition accepted welfare regimes because of the social pact, however, *de facto*, did not trust it. In the nineties arguments arose regarding economic sustainability “it is expensive”, efficiency “it does not solve the problems” and credibility “people do not trust it”. More recently, globalization, demographic trends like the aging population and migrations, and the upcoming changes in the labour market with the fourth industrial revolution have prompted debate on the Social European Model and its reforms for adapting to the future societal needs. On the contrary, the understanding of social protection as social investments, meaning social expenditure that pay economic returns (Fischer-Kowalski et al. 2012; Frazer and Marlier 2016), the new adopted European Pillar of the Social Rights (EAPN 2017; EC 2017, 2018b) or the increasing debates on Universal income, give new impetus to the welfare debate (Lowrey 2018; Parijs 2017).

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<sup>60</sup> Though it should be noted that these referenes propose a classification that does not take into account the Eastern and Baltic countries

## 2.2. Social services within the pillars of social protection

The welfare model of the *trente glorieuses* – the three post-war decades of sustained growth and redistribution – extended the entitlements based on homogenised provision lead by line ministries. In that way, the European states established a number of social protection systems for all risk during the life cycle. These have been defined as pillars of the welfare state.

TABLE 4.1

Need	Response of the Welfare State
Disease	Health Care and Public Health
Unemployment	Labour administration
Poverty	Income guarantee
Ignorance	Education System
Need for shelter	Housing Programmes

Source: Scheme following Beveridge 1942

While some areas of welfare are well-established in all the countries (i.e. education, health care or pensions) others are less established or have more ambiguous mandates as is the case of social services. In many European countries, social services developed gradually alongside these other pillars with the aim to foster the autonomy of the individuals and provide services in certain situations, namely: child protection; care for elderly and dependent persons; assistance in the event of life-crises such as addiction or homelessness. In that sense, social services could be defined as the sixth pillar of the welfare system. In other countries social services are less established or have been developed recently and focus rather on working with people at risk of poverty and social exclusion and with vulnerable groups such as immigrants, persons with disabilities, homeless persons, among others.

A classical tension in many countries is the inconsistency between the political and social expectation towards the social services “to combat poverty and social exclusion” and institutional capacities being limited in mandate and in human and economic resources. For instance, expenditure in social services in Europe, despite the fact that they are increasing, still only around 1.5% of social expenditure, compared to nearly 5% in education and 6-8% in the health. All this in a context of increasing needs related to inequalities, social exclusion and new social risks.

The configurations of social services within the European states are diverse: in some countries social services are clearly (and exclusively) oriented towards the most excluded, whilst in other countries they are set-up as *universal* services for all (incomes) strata of the population. Social services face the challenge of finding their own space and delimiting their perimeter of action. There is an increasing consensus that social services have to function on their own and cannot focus on supplementing the imperfections of other areas of social action such as education, employment, health, housing or income guarantees. The support, care and accompaniment of people in situations of dependency, disability, and exclusion and unprotected children seems to be the common denominator.

However, this has to be done in close coordination and interaction with other areas of social protection as most of the beneficiaries of social services present problems either related to insufficient income, poor education, special care needs or housing needs. Consequentially, these problems cannot be solved in isolation and neither can they be solved primarily by social services. Rather the opposite, they should be dealt with by other social protection pillars with the support of the social services. For instance there are many critics of minimum income systems forming part of the core of the social services instead of being managed by other social protection pillars.

A critical aspiration for social services today in Europe is to develop universal services and not poor services for poor people. These services need to be adapted to the needs of the population and support them in their autonomy, protection, care and assistance. These services needs to work in close cooperation with other welfare areas, but with their own mandate to avoid being last resort of the social system. For this to be possible, there is a need for sufficient resources and counterbalance social expenditure; as it has been demonstrated that investing a little more in social services could substantially reduce expenditures in some areas such as health (Dutton et al. 2018; Scaliter 2018).

### 2.3. Social rights as evolution of a social contract

The guiding vision of the post-war period was equality. Starting in the seventies a conglomerate of alternative citizen movements – such as the feminist, the community psychiatry, self-help groups and, later on, the HIV/Aids support groups, amongst others – reclaimed a different set of values, putting diversity at the centre stage and demanding space for autonomy, emancipation and protagonism. The critique focussed heavily on state bureaucracy and the imposed homogeneity of provision. It reclaimed the subjectivity of beneficiaries, portrayed them as right-holders and stressed their role as actors on their own. Whilst community groups accused social bureaucracies of levelling down differences, social planners were horrified about opening up welfare systems to discretion. At that point, *person-centred care* – as opposed to siloed methods headed by line ministries and agencies – emerged as an approach, which would reconcile the conflicting values of equality and diversity.

With disabilities with the adoption of the UN conventions by member states and the EU (CPRD 2018; CRPD 2017; EP 2016; Groce 2018; UN 2006) the trends toward de-institutionalization have entered into the social agenda notably in the area of persons with disabilities. De-institutionalization is also at the heart of the social services in other areas such as elderly and child policies. Similarly, movements on independent living are claiming for self-determination and support in decision-making capacity. All this implies a change in the traditional patrons of social services - which previously mainly focused in the provision of services and benefits - to supporting people in their process of activation and integration into the community, options to choose and the right to take decision on their own lives.

Frequently, municipal service providers spearheaded these innovations, being forced by the proximity to the material situations to invent and negotiate integrated and adapted solutions. Their sensitivity to the context opened a way forward to overcome the contraposition of equality and diversity into an equity-focussed mode of provision. This included the idea of co-production of services between publically remunerated professionals, beneficiaries and the society as a whole. This materializes, first and foremost, in communal spaces of proximity. In that sense, municipal autonomy has to be acknowledged as one of the founding principles of Europe, constituting a significant part of its multilevel governance – and a democratic counterweight. Today, in a number of member states, the relation between the national state and the municipalities, together with issues such as the provision of integrated services, community care, and others, are being renegotiated.

Social rights – in the heart of the rhetoric on a “European Social Model” – have been, in fact, absent in the constitutional model of Europe, which is based and driven by economic and monetary integration. The adoption of the Charter of Fundamental Rights of the European Union enshrines certain political, social, and economic rights for EU citizens and residents into EU law. However, its then legal status was uncertain and it did not have full legal effect until the entry into force of the Treaty of Lisbon on the 1<sup>st</sup> of December 2009. The Charter applies only to the institutions of the European Union and its member states when implementing European Union law.

The subsidiarity principle and the defence of the respectively unique pathways of social welfare trajectories and its corresponding institutions have fenced the national social protection systems from interferences from “Brussels”. At present, this becomes tangible when comparing the respective power of European Semester recommendations and the EU member states’ adherences in the areas of economic and fiscal governance with the ones on social protection and social services.

Likewise, the so-called “horizontal social clause”, provided in the Lisbon Treaty (article 9) to promote common, decent living standards, has proven to lack the corresponding teeth. For example, the social Open Method for Coordination (OMC) has been extremely soft. The aspiration of convergence – a founding promise of the European Community – has become weaker and, since the crisis, has even suffered a setback, opening a new divide between central member states and the periphery states.

European models of social welfare have been subject to reforms and recalibrations in the whole of Europe since the eighties, when the crisis of full employment and the loss of hegemony of the industrial society in which they had been conceived occurred. While in the countries of central and northern Europe the social model was much more advanced and protective, in the countries of the south and periphery its implementation was late and segmented and its capacity limited coverage. The Great Recession (2007-17), which lasted almost a decade, brought reforms and cuts in the countries of Northern and Central Europe and especially cuts in the Southern and peripheral countries.

The European Pillar of Social Rights is an attempt to correct this shortcoming. It will structure the debate for the years to come, with a recent high-level event celebrated in November 2017 during the

Swedish Council presidency. Although the 2018 Semester cycle had explicitly included the dimensions of the Social Pillar, the recommendations remained largely symbolic and without teeth (EC 2018a). In that light, it is too early to assess the potential for impact of the Social Pillar and evaluate the instruments that would give weight to its vision.

### **3. THE CHANGING CONTEXT FOR SOCIAL SERVICES**

European societies have changed not only as consequence of the previous economic crisis, but also due to many other reasons related to technological development, demographic trends, evolvement of the labour market, new forms of participation, etc. Today's societies are different from those of the previous decade and the evidence indicates an acceleration of these changes in the coming years. In many EU countries, notably in the south and periphery, inequalities have increased and poverty has aggravated; there is an increasing generational transmission of poverty. The European social model needs to be reconsidered in the new context, including the role of social services.

#### **3.1. Increasing income inequalities**

Income inequality has increased in many EU countries over the past 40 years. In the last decade inequalities have consistently grown across Europe and are a cause of concern in all countries. In fact, inequalities not only disband social cohesion, but also lock societies in a downward cycle by limiting the state's capacity to invest in education and social protection and to break the generational transmission of poverty.

Economic developments in the EU in the last four years are positive and the macroeconomic indicators demonstrate a return to pre-economic crisis figures in terms of income per capita. However, growth has been disassociated from employment and reduction of poverty. Additionally, while growth figures are rising in most member states, strong regional differences persist and have increased. More so, the generation contract seems to be damaged, as this is the first time that European youth will not achieve the income level of their parents. Welfare states need to evolve to meet the challenges of new inequalities.

During the hard years of the economic crisis, social services were overwhelmed by the new demands related to increasing needs of classical poor people and the emergence of "new poor people", mainly people from the established middle class losing their jobs. In recent years, social services continue to be under pressure despite economic growth; housing needs, working poor situations, lack of sufficient income, and isolation of many individuals are increasing demands in European societies.

A number of transformative approaches for overcoming inequality are emerging at local level such as establishing local governments as champions to provide common goods. Similarly, social entrepreneurship, often linked to the social economy, provide business solutions that consider their social and environmental impacts. The cooperative and solidarity economy can help to provide new solutions to inequality by activating the people and reducing inequalities while providing common goods. These are fresh approaches, driven mainly by non-state actors. Local public social services should study potential interfaces, in order to explore the synergies with their responsibilities.

Minimum income systems play a significant role in the reduction of inequalities and in tackling severe poverty. The conception, affluence and coverage of minimum income systems is heterogeneous in Europe and in many countries are currently under revision. Critical issues that are on the agenda of social planners in this area are activation, conditionalities, compatibility between employment and minimum income and relations, transfers and interconnections between social protection and social assistance.

In that sense, there is an increasing call to disassociate the administration of social benefits from the task of social services. Digitalization of public services and the increasing capabilities of oversight due to the suppression of cash payment being replaced by traceable electronic payment allows for "cold" conditionality: well defined requirements that may be «mechanically» verified. This liberates the social worker from their role as "gate-keeper" and makes space for a new role as "case-manager". Whilst in some situations the payment of benefits serves as an trigger to establish a personal relation, the majority of cases in which citizens need a simple financial assistance could be automated, in order to liberate the well-trained professionals to do the job they were trained for: assist vulnerable citizens in critical life crises to regain or maintain their autonomy.



### 3.2. Marketization in public service provision

The pillars of the European project need to find a balance between the economic, social and political dimensions. Nevertheless, as mentioned earlier in this paper, the social dimension is less developed. Since the end of the 20<sup>th</sup> Century the market has increased its presence in the provision of public services. The provision of services considered before as monopoly of the State - as supply of water, electricity, public transport - were transferred to private companies. This process was prompted in the middle of the middle of the 2000s with the development of the internal market that aimed at the liberalization and privatization of public services in order to *make an internal market open and competitive... contribute to the improvement and efficiency of the services and make this services more accessible* (Fresno and Chahin 2013; Fresno and Rauchberger 2016). The Bolkenstein Directive contributed to the creation of new legal instruments to support this process that lead to the emergence of PPP (Public Private Partnerships and Public Finance Initiatives) increasingly operating in health and social services.

Critical weaknesses of the marketization of public services have been largely studied. Among others: the transformation of public monopolies in private monopolies; the deterioration of employment conditions; the lack of guarantee of universal access to the services and non take-up for some groups; the deterioration of the quality of the services, etc. All this resulting in increasing influence of the private sector in the public goods, the loss of innovation and the lack of satisfaction of clients. (EC 2016) (Piketty 2013) (Fresno 2014).

De-marketization of public goods is closely related to welfare states and the wellbeing of the citizens, because at the end of the day the objective is to reduce the dependency of the citizens from the market and preserve these areas from private economic benefits as they are related to reciprocity and redistribution. In fact, welfare services are a right of citizens and not a commodity under negotiation.

New contractual relationships have emerged since the late eighties and private service providers have established great market power. Lately, new social economy organizations and beneficiary-driven providers have come on the scene. Beyond ideological blueprints, these modes need to be considered in terms of cost effectiveness, capacity to innovate and responsiveness in the realization of rights. Labour standards should be an additional criteria. The European Public Procurement Directive of 2014 introduces the concept of “good quality price” as guiding principle and leaves the administration the choice to opt out of the procurement (i.e. accreditation) , as social services are considered to be essential public goods. Whilst market forces strongly enter the provision, with mixed results, the state is, without doubt, the duty-holder that ensures social rights. Therefore, it should never hand over the control to shape the service offer.

### 3.3. Technological Innovation and Digitalisation

The world is beginning a large scale technological revolution that will change elements of human nature in the future; today it seems feasible to enlarge human memory, their cognitive processes, their physical and intellectual capacities and increase life expectancy can even change the human life cycle. The expectations for future development in areas such as biosciences, robotics, and artificial intelligence give rise to tremendous possibilities for the welfare of the people. Technological Innovation and digitalisation change both the practice of social services professionals as well potentially proving new opportunities for users of social services, such as vulnerable persons, unemployed youths, the elderly, people with disabilities, and so on.

Digitalisation is an opportunity to develop new modes of service provision as well as monitoring the impact of interventions. For example, Big Data can be used to improve evidence-based practice. Therefore, it is important to equip the workforce with the skills to work with new technologies, to handle data, and to enable information exchange between different databases and systems, whilst not losing on their core-competence: the face-to-face contact with service users. In the words of our medical colleagues: “treat the patient not the screen!”

Likewise, new technologies provide a wide range of opportunities to maintain and improve the sustainable living of people in the community. However, technology only supports the social innovations and needs to be inserted in the immediate context of the persons. The Digital Agenda of the European Union promises a number of solutions for the aging society. The “Internet of Things” (IoT), which interconnects objects and people through communication networks, has huge potentials

in creating smart environments. This can help foster inclusion, but might also exacerbate inequalities by deepening the digital divide, drastically reducing employment opportunities and questioning the social protection systems if other forms of financing are not put in place.

### **3.4. Refugees and migration**

The current refugee crisis has highlighted the ongoing challenge of integrating people from diverse backgrounds into cohesive societies; avoiding segregation, fostering integration and active participation in the communities are at the forefront of the priorities for building interculturally cohesive societies. Social services have a prominent task, together with community and neighbourhood networks, to receive and welcome refugees and assist them in settling. Innovative approaches to integration and empowering refugees have been developed by both public services and third sector organizations. Facilitating intercultural encounters, full integration in communal, education and workspace settings, and ensuring non-discrimination in general has become an added task for which professional reorientation is needed in many cases. Integrating intercultural competences in care for older people is paramount.

Beyond the issues of integration of refugees and ensuring rights for citizens with migration background from beyond Europe, the internal migration within the Union is becoming more relevant. The regional imbalances force European citizens, particularly the young ones, to emigrate, mainly from the recently constituted “periphery” to the centre states. A “European Social Citizenship” could not only provide for basic living standards everywhere but reinforce the right to mobility and the portability of social protection. The European Union need to be prepared for an intensive migration in the coming years in order to solve the demographic unbalances and social services need to adapt accordingly.

### **3.5. Social services and the future of employment**

Social services continue to be intimately related to employment. Undoubtedly, the link between social services and public employment services is essential to successful labour market integration. However, a forward-looking analysis should take into account the future of labour and the, still to come, impact of digitalization on the employment. In this regard, a number of previsions predict scenarios of severe cutbacks in jobs as we currently know them, due to automation, robotization and further technological change. The strand of debate on a universally guaranteed income – in order to unlink work and income, or question the linear relationship between (paid) work effort and well-being – has to be taken seriously. For now, the European Agenda 2020 is focused on “employment” in a sense that might become obsolete sooner than we expect (Lordan 21018).

Employment is a means to social inclusion, not only because of access to income but also because of the meaningful participation in society it entails. A key question today is the efficiency of the social services in relation to labour market transformation. Improving job stability and quality is crucial for the sustainability of social protection systems. On the other hand, “employability” has turned out to be a main outcome of social work. However, in the future, social services should intensely study the changing landscape of employment, particularly in the light of the ongoing loss of jobs due to technological change, such as the automation of production. Defining a just and cohesive model for a society which cannot offer (paid) labour to everyone is unresolved. Unlinking work and income indicates one of the possible directions of forward thinking. Social services have to define their place in this future.

### **3.6. Measuring Social Rights**

Social services practitioners are the protectors of social rights. They have both the vocational commitment to defend rights and the technical capacity to measure them. The European Agenda 2020 has included social targets and indicators, namely the AROPE measure which is one of the five headline targets. However, the debate has not always trickled down to national audiences. Europe is an important resonance box for comparing standards and practices. The aforementioned challenges require engagement in innovation, social policy reforms and better monitoring of public policies to provide sound evidence of successful policies that convince member states to extend social rights.

This has two dimensions

1. At operational level, to establish what works and what doesn't. Too many times, social interventions follow an incremental dynamic of inertia. Systematic evaluations can base the

interventions on evidence and make space for disruptive designs that are better adapted to the changing needs of service users and more effective towards their objectives. Recently, a number of service innovations have been proposed and rolled out, such as the do-no-harm approaches with drug-users, the Housing First with homeless persons or deinstitutionalized care for people with disabilities. Beyond mere opinion, methodical analysis of user data allows for establishing evidence.

2. At political level, data allows not only to proclaim policy targets but to hold the public administration accountable against it. In this way social rights become measurable. The already mentioned Social Pillar points towards this direction, despite the fact that – for now – only a few of the elements have verifiable records.<sup>61</sup> One of the biggest innovations is the Global Agenda 2030 and the Sustainable Development Goals including targets and indicators. This agenda still has to trickle down to policy relevance at national and local level in order to unfold its potential. Furthermore, the linkages to the human rights frameworks, namely the Universal Convention on Social Rights and the European Charter of Social Rights, would connect policies with social outcomes in a measurable manner based on rights.

#### 4. NEW ELEMENTS FOR FUTURE EUROPEAN SOCIAL SERVICES

Current debates on the social services focus on its mission (*becoming universal services and not only focusing on poor people*), the essence of its activity (*supporting the persons in their autonomy and taking care of them when they need and not only providing grants and benefits*) and in its priorities in the future (*open to the whole population but focused on those more in need by following the principle of selective universality*). For this to happen, there are new elements that need to be taken in consideration.

##### 4.1. Proximity and community support

Much has been said about person-centred interventions. The consecutive step is to combine these with *community support*. The spatial dimension of supportive neighbourhoods is of utmost importance for the most vulnerable; community engagement is a requisite for their effective integration.

The increasing challenges of chronicity and complex dependence – both in terms of user demands and the efficacy of services – call for a deinstitutionalization. Nevertheless, this needs strong communal networks. A critical role for public services is to create conditions for enabling social capital in the local communities. In this sense, social services face the challenge of investing in fostering primary solidarity, creating alliances and joint strategies with locally rooted non-profit organizations, and increasing community-based approaches engaging local communities. Consequently, results-indicators should not only be related to “what we do”, but rather to “what we stimulate” and “contribute to emerge”.

Related to this, of ever-increasing importance is *housing policy and urban planning*. The competencies to ensure access to affordable quality housing are distributed amongst all levels of the National multilevel governance. The scandal of homelessness bounces between these. There is a wide range of instruments such as social housing, housing assistance, rent control, fiscal incentives amongst others. Housing policy not only has to link up with social policy, but also has to be inserted into urban social planning, in order to avoid segregation and spatial concentration of poverty. The urban planning perspective, again, supports the development of strong communal self-help structures that reinforce social interventions and prevent developing vulnerabilities or their deterioration. Habilitating urban environments for elderly and children, as well as ensuring accessibility for people with disabilities is, as such, a strategy of inclusion that can save a lot of downstream interventions. Ethnic ghettoization is another critical issue that interrelate housing policies with community and policy support.

Additionally, a distinction of service provision should be made on the urban-rural divide. Whilst some urban areas might suffer syndromes of gentrification or ghettoization, the challenges in rural areas are altogether different. Some regions in Europe are being depopulated. Particularly, the strongest members of working age move away and leave behind vulnerable persons in sparsely populated zones, which represent enormous difficulties to cover with public services.

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<sup>61</sup> See the interactive panel on the Europe Pillar of Social Rights provided by Eurostat in the social Scoreboard: [ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/social-scoreboard-indicators](http://ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/social-scoreboard-indicators)



## 4.2. Co-production of services and Citizen Empowerment

The shift from “beneficiaries” to “co-producers of services” is on course. This, however, has a number of conditions and consequences.

*The future role of public servants* is not “to occupy the space” but rather “creating spaces” for the engagement of the people, the solidarity of the communities and the participation of volunteers. Communities and volunteers are not competing with the public services, but they rather play a role of supplementary contribution that multiply the effects of the public offer and, most often, condition their sustainability. Public servants need to understand that if the technical capacities are still essential, there are no effective solutions without the engagement of individuals and communities. In that sense, a number of good practices have been gathered for involving service users.

Some traditional roles of social services might fall away, can be overtaken by communal or voluntary structures, or can be delegated to other providers. However, “co-production” cannot be misunderstood as a mere downsizing of services. Client involvement, community support, and participation in the design, implementation and evaluation of social protection policies takes time and effort and is not an immediate means to save costs. It is, no doubt, more effective in the long term, but it needs significant investment and political will to change mind-sets in both the social administrations as well as the end users and their environment.

An integrated approach requires cooperation of stakeholders within all relevant public policy domains and across all required disciplines by connecting services between public parties, social partners, private partners, non-governmental organisations, civil society and the target groups. Cooperation should lead to more efficient interventions that are both comprehensive and personalized. This requires new *skills among the local policy makers and in civil servants* as well as attribution of new responsibilities.

## 4.3. Reviewing means of provision and allocation of funds

The abovementioned changes bring with them a number of consequences for reconfiguring the public administration and funding.

*Balance of benefits during the life cycle:* If social benefits are not balanced across the life course, intergenerational conflicts might arise. This balance can be visualised taking into account the basic distinction between benefits in the life cycle in the sectors of child/family, active age, and older persons as established in the ILO’s social protection floor recommendation (202/2012). In that way, one might detect an inclination of social protection systems towards old age, work or childhood.

*Connecting social services and health care:* Health-care expenditure needs to be related to social benefit spending, particularly when providing services for similar ends such as community-based long-term care for elderly and people with disabilities etc. Segmentation between the two systems could be overcome by entrusting municipal authorities with coordination, including budgetary oversight. The medicalization of social services, especially in some areas long term care is not ideal nor oriented to the person-centred services. Whilst medical services may have an overall better social prestige, recent research shows that return on investment is greater in social services than in health care provision (Dutton et al. 2018).

*Social security and social assistance:* The relation between social security and social assistance is of crucial importance. In practical terms, the trends are towards a dual system of social protection, closely related to individual circumstances and the capacity of the people to find adequate jobs. The future social cohesion depends on avoiding a system of layered coverage, dividing the protection system into a first-class and second-class system.

*State and municipalities:* As mentioned above, the municipal administration has a privileged position to respond to the current challenges of multi-dimensional poverty, chronicity and cost-effective integrated services anchored in proximity. However, the state – within the European framework! – has to ensure equal level of provision within the territory. This opens the debate to reconsidering competences and budget allocation between state, regional and municipal administrations and searching for innovative models of cooperation that avoid slack and foot-dragging. An instantaneous indicator for the state-municipal relation is the distribution of budgets between nation state, regions and municipalities. These have been set, for example, to be 50%-25%-25% or 30%-30%-30%, according to the fiscal and budgetary objectives of each national context.

#### 4.4. Prevention

Social work too frequently works as a palliative service for long-standing victims of social exclusion. Much of the work and budget is spent on administering assistance. A reinforced stream of thought has to be focussed on preventive social work that identifies cases of drop-out from societal support networks as soon as possible and is proactive in looking for high-impact interventions in early stages of social exclusion. Prevention and early interventions can reduce intensive investments in areas where individual itineraries towards exclusion can be predicted as is the case of homelessness by following approaches of “No second night”.

Improving the systems of gathering information and treating it can support preventive policies in the era of big data. Risk prediction models are widely used in insurance companies and health services. However, the use of these models to allow an early detection of social exclusion by social workers is not a common practice. The use of machine learning paradigms such as logistic regression and random forest makes possible a high precision in predicting chronic social exclusion and allows social workers to calculate the risk of a social exclusion case to become chronic through a smartphone (Serrano et al. 2018).

#### 4.5. Defending social rights and arguing for return on social investment

A point has been made to reframe social welfare expenditures as an investment. This has found its way even in the European Commission language, most notably in the “*Social Investment Package*” of 2013. It is not yet quite clear if this has just been a mere exercise of renaming or if the shift from “expenditure to investment” signifies doing things differently. If this is the case, it needs to be rigorously documented. Additionally, more research is needed in providing evidence on the monetary and non-material returns of social investment and the cost effectiveness of more “upstream”, preventive interventions (EC 2016).

In any case there is extensive academic literature that demonstrate how early interventions in social services, notably with children and their families can produce economic returns in the long term (EP 2017). Additionally, other studies insist that high levels of inequality and social exclusion impact negatively on economic development (OECD 2017).

#### 4.6. Consequences for social work and social workers

Issues of community support structures, co-production of services and “public procurement to ensure rights” change the role of social work altogether. And they do so for the staff as well. There is a general shift in the role from “doer to facilitator”. For this to transmit to the frontline, it needs a great effort in *reorienting the professional profiles and roles*, which is an intense process of re-training, revising job descriptions, changing incentives and staff evaluation grids, restructuring of provision structures and altogether ensuring organizational change. Service managers are advised to detect committed midlevel service staff, who need to be empowered to actually drive these changes at the point of delivery.

Furthermore, social work has long focused on administering financial or material benefits and processing the respective means-testing hurdles. It should now focus on building the capacities of people to navigate their own lives. Social work has to leave the welfare offices and get back on the street to where there people are.

### 5. OUTLOOK

Modern welfare states attend to solve the gap between formal equality and *de facto* inequalities. The second part of the 20<sup>th</sup> century demonstrated that capitalism needs for the State to continue, and as a result Europeans created the “social market economy” of which they are proud. Today, the social pacts that formed the bases of the welfare system in Europe have been broken, the structure of the economy has changed and the new demographic and social trends, together with the upcoming era of the fourth industrial revolution, question the continuity of the welfare states. In fact, there is an increasing consensus that the social state as we know it today will not survive much longer (Larsson 2017; Moreno 2017).

The “golden age” of welfare (1945-1875) was followed by the “silver age” (1976-2017) initiated by the petrol crisis, the end of full employment and the limits to social expenditure. Since 2007, we have entered into the “Bronze Age” and the key question today is how the European Social Model is sustainable and if it may continue to be founded on the collective solidarity, the social equity and the product efficiency. Alternatives may be the Anglo-American neoliberal model of globalization based on the mercantilist logic of individual wellbeing or the Asian neo-slavery that denies social rights and confront social values (Moreno and Jiménez 2018).

It is becoming obvious that the social pact from which the welfare state emerged in post-War times, articulated around the values of social equity (equality), collective solidarity (redistribution) and productive efficiency (optimization), has broken down and a reformulation is needed. Beyond the classic opposition between labour and capital, the protagonists must include more than the social agents (trade unions and entrepreneurs), because in the current context a new deal must entail a contract between men and women, between generations, between cultural origins and between humanity and the ecological bases of life. Furthermore, new actors such as civil society organizations, or NGOs play a crucial role in the provision of well-being.

European citizens continue to trust in the welfare systems and have great expectations in its protective role. Despite the long crisis and despite the dissatisfaction of many in recent years, the attitudes towards wellbeing in a transforming Europe, shows that the majority of Europeans still trust in the European social model; furthermore, they expect that it will continue working based on the principles of justice and solidarity, as demonstrated by the results of the European Social Survey.

European social systems are at a crossroad, facilitated by a number of megatrends such as the aging of the population, the 4<sup>th</sup> industrial revolution, global migration and the degradation of the physical bases of life (biodiversity, pollution, climate change). European societies have to redefine the social contract in this new framework. The critical issue is the role of social services in this new framework and its effective position as one of the pillars of social protection. That would be conditioned by different factors:

1. Possible ideologies and pathways when understanding the social pact, either: (1) authorization, (2) liberalization, (3) communalization. Social services would play a very different role in each of the scenarios
  - a) Authorization: Social Services are gatekeepers to state services, pacify the unrest and mediate a new kind of forced labour (conditional benefits linked to “activation”).
  - b) Liberalization: Social Services are mediators between services provided by the market and certain population groups, particularly the most deprived. It is not a universal service but residual. Other services such as long-term care are publically subsidised but clearly segmented due to co-payment.
  - c) Communalization: a universal approach focused on enabling citizens and providing common goods. Social services acts as facilitator.
2. Affluence of resources and economic capacity of the countries to invest and to counterbalance social expenditure between the different social protection pillars, notably between health and social services. For the moment, the capacity of expenditure on social services is very diverse in absolute and relative terms between the countries and this depends on both political options and the levels of public indebtedness and revenue-raising capacity.
3. Capacity to carry out its mission to support the persons in their autonomy and taking care of them when they need credible and effective way. This needs to be done taking into account the old and new social risks, following both a communitarian and person-centred approach, using the opportunities provided by emerging technologies and in close cooperation with other social actors, notably civil society organizations and with other lines of social protection.

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