
**SOCIAL SECURITY: PERSONAL AND SOCIO-ECONOMIC
RISKS (ILLNESS, INVALIDITY, OLD AGE, UNEMPLOYMENT,
POVERTY)**

INDIVIDUAL RISKS IN POSTINDUSTRIAL SOCIETIES

SHORT COURSE DESCRIPTION

**Prof. Dr . Frank ETRICH, Faculty of State Sciences, University of Erfurt, Erfurt,
Germany. Email: frank.etrich@uni-erfurt.de**

**Dr . Alfio CERAMI, Centre D'Etudes Européennes, Sciences Po, Paris, France.
Email : alfio.cerami@policy-evaluation.org**

Introduction

Contemporary European societies are undergoing a process of radical internal restructuring, which is involving a drastic transformation of the state-society relations. Demands coming from the population are changing, new social risks are emerging side by side with old social risks¹, new welfare constituencies are developing and, as a consequence, old welfare responses are no longer the most suitable to meet the new increasing needs. Moreover, since welfare expenditures have now exceeded the tolerability threshold in all European countries, governments are in the difficult position of attempting to *square the welfare circle*² with old or with no instruments (quoted in Cerami 2006, p. 217³). In Western Europe, for example, the social contract established during the *trente glorieuses* of the welfare state (the period from the 1950s to 1970s), based on full-time/male-breadwinner workers, is now undergoing a process of severe re-negotiations. The state, it is said, is no more in the position to ensure the benefits and coverage it was able to provide to its citizens until few decades ago. Individualization and privatization of social risks have then become the main political and policy responses. This is also involving a shift from public to private responsibility, as well as a shift from state-financed to privately financed provisions. In post-communist countries, changes are even more dramatic than those occurring in the West. The dissolution of the central planned economy has resulted, in fact, in the collapse of the majority of state-owned enterprises with the subsequent emergence of several million unemployed. This has meant not only the dismissal of the once established social contract based on full-employment, but also the redefinition of old and new social risks.

Problem-oriented Guiding Questions

On the basis of these considerations, the course will aim to find a response to a set of three problem-oriented guiding questions:

¹ While old social risks are those related to the reform of highly popular social policies (such as ensuring a basic pension or sufficient health care), new social risks policies primarily involve those marginal groups of the society (such as women, young, elderly, single parents) and aim to reconcile work and family life, take care of a frail relative, improve low or obsolete skills, to increase insufficient social security coverage (Armingeon and Bonoli and 2006).

² According to Bonoli et al. (2000, p. 2): “squaring the welfare circle refers to the contradictory pressures faced by governments, which, on the one hand, are expected to address the increasing demands coming from the population (such as better training, education or health services), while, on the other, are asked to contract welfare provisions in order to deal with the forces of global competition, and the fears of tax revolt”. Bonoli, G., George, V. & Taylor-Gooby, P., eds., 2000, *European Welfare Futures. Towards a Theory of Retrenchment*, Polity Press, Cambridge.

³ Cerami, Alfio 2006. *Social Policy in Central and Eastern Europe. The Emergence of a New European Welfare Regime*. Münster, Hamburg, Berlin, Wien, London: LIT Verlag.

(1) What kind of “old” social risks characterize post-industrial societies? How are European and non-European governments responding to these risks? Who are the most vulnerable groups? What kind of welfare policies are implemented?

(2) What kind of “new” social risks are emerging? How are European and non-European governments responding to these new risks? Who are the most vulnerable groups? What kind of welfare policies are implemented?

(3) Which is the main change occurring in the state-society relations? Are we witnessing a shift from public to private responsibility? If yes, is this trend leading to an individualization and privatization of social risks?

Theoretical approaches

The seminar will question basic assumptions concerned with the adaptive capabilities of contemporary societies. According to the classification made by Pierson⁴ (1998, pp.15-97, quoted in Cerami 2006, pp. 44-45), European welfare states can be described as: (a) the product of the needs generated by the development of industrial societies; (b) the consequence of political mobilization to attain full citizenship; (c) the outcome of both, industrial and political mobilization in the context of Keynesian reforms; and (d) the result of a struggle between political powers of social democracy and the economic powers of capital. In addition, other classifications have looked at the welfare state as: (e) an unprincipled intrusion to a functioning liberal market economy; (f) a form of developed capitalist state aiming at securing the long-term circumstances for the accumulation of capital; (g) a system embodying the essentially contradictory nature of developed capitalism and chronically subjected to the logic of fiscal and administrative crises; and (h) an organism now undermined by the process of globalization and characterized by an unsustainable development.

What these theories highlight is, in brief, the importance to look at welfare institutions as important forces of political, economic, societal and institutional engineering. These theories also call attention to the need of understanding, in a more systematic way, the extent to which contemporary welfare institutions are able or not to provide coverage to the citizens as well as to effectively respond to endogenous and exogenous challenges. Massive entrance of women

⁴ Pierson, Christopher 1998. *Beyond the Welfare State: The New Political Economy of Welfare* (2nd ed.). Cambridge: Polity Press.

in the labour market, de-standardization of employment and emergence of a knowledge-based society unquestionably require new forms of social protection, which will drastically alter the foundations of present and future welfare and societal institutions.

Teaching Scientific Methods

The seminar will use a combination of different teaching methods. Close to a **literature review** aiming at exploring the basic issues and problematic situations concerned with the emergence of new social risks, students will be actively involved in an in-depth **exploration of case studies**, which will aim at providing a detailed insight of intra-country peculiarities. The analysis of national case studies will be associated to **sectoral analysis** of six main social policy areas (pension, health care, labour market, family, long-term care and social assistance policies). This is supposed to provide students with the necessary tools to compare different social security systems in a cross-country context. Finally, a crucial part of the seminar will be devoted to **group discussions**. In this context, group discussions are intended to facilitate understanding of more complex processes of social policy transformation.

Multi-disciplinary Social Science Approach

This course has a strong multi-disciplinary orientation, since it puts together three main social sciences approaches: political science, sociology and economy. From a political science point of view, the course will explore the responses of government to the emerging challenges caused by the transition to a post-industrial society. From a sociological point of view, the seminar will involve an in-depth investigation of the repercussions that these changes have in the life-course of citizens. Finally, from an economic point of view, the seminar will investigate the economic shortcomings and fragilities of post-industrial economies.

Students' Skills

Close to critical thinking, the course will also help to foster students' analytical, research, group-working and writing skills. In addition, the course will help students to improve their problem solving capacities through practical exercises.

Integration of Theoretical and Professional Aspects

The investigation of welfare state responses to emerging new social risks will open up new horizons for the students' theoretical and professional development. On the theoretical side, the course will allow students to understand complex processes of institutional and social

change, while, on the professional side, the in-depth knowledge of practical economic, political and societal problems will provide the opportunity to apply for job vacancies as social policy analysts, social workers, employees of NGOs, or civil servants in various ministries (such as Ministries of Labour and Social Affairs).

Structure of the Course

The course is divided into four main parts, which will be discussed during the 15 days of the seminar (each session will be of 3 hours). Part I will discuss the difference existent between old and new social risks, while Part II will involve a sectoral analysis of six main crucial social policy areas. These correspond to: pension, health care, labour market, family, long-term care and social assistance policies. Part III will concern case studies, providing a brief picture of the most recent changes occurring in Western, Eastern European countries, as well as in Russia. Finally, Part IV will attempt to identify the key aspects of a new politics of social risks.

Assessment

According to the rules of the MA program.

Brief Course Time Table

Time Table				
PART I <i>UNIT 1</i> Introduction	PART I <i>UNIT 2</i> - Changes in Postindustrial Societies	PART I <i>UNIT 3</i> - Poverty and Social Exclusion	PART I <i>UNIT 4</i> - Old versus New Social Risks	PART II <i>UNIT 5</i> - Pension - Health Care
PART II <i>UNIT 6</i> - Unemployment - Family	PART II <i>UNIT 7</i> - Long-Term Care - Social Assistance	PART III <i>UNIT 8</i> - United Kingdom - Germany	PART III <i>UNIT 9</i> - France - Southern Europe	PART III <i>UNIT 10</i> - Scandinavian countries - Eastern Europe
PART III <i>UNIT 11</i> - Russia	PART IV <i>UNIT 12</i> - Social Classes and New Social Risks	PART IV <i>UNIT 13</i> - Recalibrating Postindustrial Welfare States - The Politics of New Social Risks	PART IV <i>UNIT 14</i> - EU and New Social Risks	CONCLUSION UNIT 15 WRAP-UP DISCUSSION

Key Readings:

Taylor-Gooby, Peter ed. 2004. *New Risks, New Welfare. The Transformation of the European Welfare State*, Oxford: Oxford University Press.

Armingeon, Klaus and Giuliano Bonoli 2006. *The Politics of Postindustrial Welfare States. Adapting Post-War Social Policies to New Social Risks*. London/New York: Routledge.

Overview of the Course

1. Introduction : Changes in Postindustrial Societies

- Changes in Postindustrial Societies
 - o Esping-Andersen, Gøsta (1999), *The Social Foundations of Postindustrial Economies*, Oxford: Oxford University Press, Ch.3 pp. 32-46.
- Poverty and Social Exclusion
 - o Vranken, Jan (2001), “Unravelling The Social Strands of Poverty: Differentiation, Fragmentation, Inequality, and Exclusion”, in Andersen, H.T. & Van Kampen, R. (eds.), *Governing European Cities*, Aldershot: Ashgate, pp. 71-91
- Old versus New Social Risks
 - o Taylor-Gooby, Peter (2004), “New Risks and Social Change”, in Taylor-Gooby, Peter (ed.), *New Risks, New Welfare. The Transformation of the European Welfare State*, Oxford: Oxford University Press, pp. 1-28.

2. Sectoral Analysis

- Pension
 - o Bonoli, Giuliano (2000), *The Politics of Pension Reform. Institutions and Policy Change in Western Europe*, Cambridge: Cambridge University Press. Ch.1, pp. 7-28
- Health Care
 - o Freeman, Richard & Moran, Michael (2000), “Reforming Health Care in Europe”, in Ferrera, Maurizio and Martin Rhodes (eds.), *Recasting European Welfare States*, London: Frank Cass, pp. 35-58.
- Unemployment
 - o Bonoli, Giuliano (2006), “Adapting Employment Policies to Postindustrial Labour Market Risks”, Working Paper de l’IDHEAP no. 6, Chavannes-près-Renens, Switzerland.
- Family

- Daguerre, Anne (2006), “Child Care Policies in Diverse European Welfare States. Switzerland, Sweden, France and Britain”, in Armingeon, Klaus and Giuliano Bonoli (eds.). *The Politics of Postindustrial Welfare States. Adapting Post-War Social Policies to New Social Risks*. London/New York: Routledge, pp.211-226.
- Long-Term Care
 - Morel, Nathalie (2006), “Providing Coverage against New Social Risks in Bismarckian Welfare States: The Case of Long-Term Care”, in Armingeon, Klaus and Giuliano Bonoli (eds.). *The Politics of Postindustrial Welfare States. Adapting Post-War Social Policies to New Social Risks*. London/New York: Routledge, pp.227-247.
- Social Assistance
 - Saraceno, Chiara (2002), “Introduction: Exploring Social Assistance Dynamics”, in Saraceno, Chiara (ed.), *Social Assistance Dynamics in Europe. National and Local Poverty Regimes*, Bristol: The Policy Press, pp.1-34.

3. Case Studies

- United Kingdom
 - Taylor-Gooby, Peter & Larsen, Trine, P. (2004), “ The UK – A Test Case for the Liberal Welfare State?”, in Taylor-Gooby, Peter ed., *New Risks, New Welfare. The Transformation of the European Welfare State*, Oxford: Oxford University Press, pp. 55-82.
- Germany
 - Aust, Andrea & Bönker (2004), “New Social Risks in A Conservative Welfare State”, in Taylor-Gooby, Peter ed., *New Risks, New Welfare. The Transformation of the European Welfare State*, Oxford: Oxford University Press, pp. 29-54.
- France
 - Palier, Bruno & Mandin, Christelle (2004), “France: A New World of Welfare for Social Risks”, in in Taylor-Gooby, Peter ed., *New Risks, New Welfare. The Transformation of the European Welfare State*, Oxford: Oxford University Press, pp. 111-132.
- Southern Europe
 - Matsaganis, Manos, Ferrera, Maurizio, Luis Capucha and Luis Moreno (2004), “Mending Nets in the South: Anti-Poverty Policies in Greece, Italy, Portugal and Spain”, in Taylor-Gooby, Peter (ed.), *Making a European Welfare State? Convergences and Conflicts over European Social Policy*, Oxford: Blackwell Publishing, pp.98-113.
- Scandinavian countries
 - Timonen, Virpi (2004), “New Risks –Are They Still New for the Nordic Welfare States”, in Taylor-Gooby, Peter ed., *New Risks, New Welfare. The Transformation of the European Welfare State*, Oxford: Oxford University Press, pp. 83-110.

- Eastern Europe
 - Ringold, Dena (2005), “The Course of Transition”, in Barr, Nicholas (ed.), *Labor Markets and Social Policy in Central and Eastern Europe. The Accession and Beyond*, Washington DC: The World Bank, pp.31-58.
- Russia
 - Tikhonova, Nataliya (2004), “Social Exclusion in Russia”, in Manning, Nick and Nataliya Tikhonova (eds.), *Poverty and social Exclusion in the New Russia*, Aldershot: Ashgate, pp. 109-148.

4. Conclusions

- Social Classes and New Social Risks
 - Kitschelt, Herbert & Rehm, Philipp (2006), “New Social Risk and Political Preferences”, in Armingeon, Klaus and Giuliano Bonoli (eds.). *The Politics of Postindustrial Welfare States. Adapting Post-War Social Policies to New Social Risks*. London/New York: Routledge, pp 52-82.
- Recalibrating Postindustrial Welfare States
 - Ferrera, Maurizio & Rhodes, Martin (2000), “Building a Sustainable Welfare State”, in Ferrera, Maurizio and Martin Rhodes (eds.), *Recasting European Welfare States*, London: Frank Cass, pp. 257-282.
- The Politics of New Social Risks
 - Bonoli, Giuliano (2005), “Time Matters. Postindustrialization, New Social Risks and Welfare State Adaptation in Advanced Industrial Democracies”, paper prepared for presentation at the “Congrès des quatre pays”, Université de Lausanne, 17-18 November.
- EU and New Social Risks
 - Treib, Oliver & Falkner, Gerda (2006), “The European Union and New Social Risks: The Need for a Differentiated Evaluation”, in Armingeon, Klaus and Giuliano Bonoli (eds.). *The Politics of Postindustrial Welfare States. Adapting Post-War Social Policies to New Social Risks*. London/New York: Routledge, pp.248-263.