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WELFARE STATE: DIFFERENCE BETWEEN NORTH AND SOUTH EUROPE.

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INTRODUCTION

Most scholars agree that the welfare state is going through a period of profound transformation.
A set of factors including the ageing population, the slowdown in domestic consumption, and the expansion of globalisation with over a third of the inhabitants of the planet that are approaching industrialisation, have contributed to generating crisis of the welfare state.
The interest in the topic has guided the drafting of this work. Trying to retrace the history of the welfare state, the work has defined its concrete meaning, and then it has analysed the different stages of development and the different existing models, especially to highlight and understand the differences between European countries in the ways they respond to the political and social needs of the community.
In fact, according to the connections existing between economic, political, cultural and social elements, social policies in Europe adopt four different theoretical models of welfare, which obviously reflect the individual historical, political and cultural experiences of each country.
The first chapter opens with a historical overview of the concept of welfare state, necessary in order to understand the theoretical contributions that have marked the evolution of the studies on social policy models.
The evolution of the welfare state can be divided into three subsequent phases.
A first form of social state, or more precisely of welfare state, was introduced in 1601 in England with the promulgation of laws on the poor (Poor Law). The second phase, the work of conservative constitutional monarchies or liberal thinkers, is connected to the first Industrial Revolution and to the English legislation of 1834, and in this context the first social insurances were born to guarantee workers against accidents at work. These services weight on public accounts through the so-called social spending; they require considerable financial resources, largely coming from the tax levy.
Subsequently, in 1883, the German chancellor Otto von Bismarck introduced the social insurance, to promote the reduction of mortality and accidents in the workplace and to establish a first form of social security.
The third phase, i.e. the current welfare, begins in the post-war period.
1942 was the year in which, in the UK, social security took a decisive step forward thanks to the so-called Beveridge report, drawn up by the economist William Beveridge, which introduced and defined the concepts of public health and social pension for citizens, thus becoming universal and balancing the acquired civil and political rights.
The study then moved on to its definition. Today, in fact, the Welfare State, Assistance State or Social State can be generally defined as the set of public policies implemented by a state, in a market economy, to guarantee the well-being and progress of the community and improve the life conditions of citizens,

ensuring that they enjoy certain basic services, such as education, healthcare, social insurance, pensions and other forms of social benefits, as well as guaranteeing the right to work and housing.

The first part of this work has also analysed the phases of development of the welfare state (experimentation, consolidation and expansion) and has described its various models.

Titmuss and Esping-Andersen have identified three main types of welfare state: using as a criterion the burden and complexity of the interventions implemented by the State.

The institutional-redistributive model typical of continental European countries such as Germany and Italy, the meritocratic-redistributive one typical of the Scandinavian states and finally the residual one typical of Reagan's USA and Thatcher's GB.

The classification by Titmuss (residual, meritocratic-occupational and institutional-redistributive) develops along a growing scale with respect to the burden and complexity of state interventions: while in the residual and the meritocratic-occupational welfare state there is a strong presence of the market and the employment system, in the institutional-redistributive welfare, based on the principles of equality and the fulfilment of social needs, state services are manifold and generous.

Esping-Andersen was then the first author who understood the importance of considering the principles that regulate the relations between state, family and market as an analytical element able to explain the differences between the welfare systems.

In his analysis, the welfare state is intended as a historically defined construction, with the aim of structuring the social contract between state and citizens in market economy societies.

Andersen considers "that the sum total of social welfare depends on the way in which the inputs of state, market and family are combined".

The second chapter analyses the four types of welfare identified by Andersen: liberal regime (Anglo-Saxon countries: United States, Canada, Australia and United Kingdom), social democratic regime (Scandinavian countries: Sweden, Norway, Finland and Denmark), conservative-corporate regime (continental European countries, including France, Germany, but also Japan) and Mediterranean or familist regime (present in Italy, Greece, Spain and Portugal).

The main features of the models mentioned above relate to the instruments used, the access rules, the financing methods adopted and the organisational structures.

These European social protection systems are modelled on the historical, political and cultural experiences of each country and are born historically on the basis of different models, inspired by different objectives and criteria.

The various systems differ mainly by the size and composition of public spending, the institutional aspects, the types of services provided and the funding mechanisms.

We have then focused on a careful analysis of the Italian model primarily with reference to the constitutionally guaranteed principles.
In fact, the Italian Constitution envisions social assistance for those who are not in a position to work, which is a right and no longer a provision of charitable organisations recognised by the State.
Health, as well as assistance in illness, becomes a "fundamental right of the individual and interest of the community" and the State guarantees free treatment to the needy (art. 32).
Finally, the study analyses the new Europe 2020 strategy. Social inclusion is one of the various objectives, with the commitment to remove at least 20 million EU citizens from poverty and social exclusion by 2020.
The third and last chapter is dedicated to presenting and analysing social spending in Europe.
The European Union estimates around 120 million European citizens in a situation of poverty or social exclusion, so a series of measures have been developed to try to achieve the objective set out in the Europe 2020 strategy.
Social protection is at the heart of the European social system model and aims at achieving, by 2020, the goal of taking about 20 million people out of poverty and social exclusion.

CHAPTER I

The *welfare state*

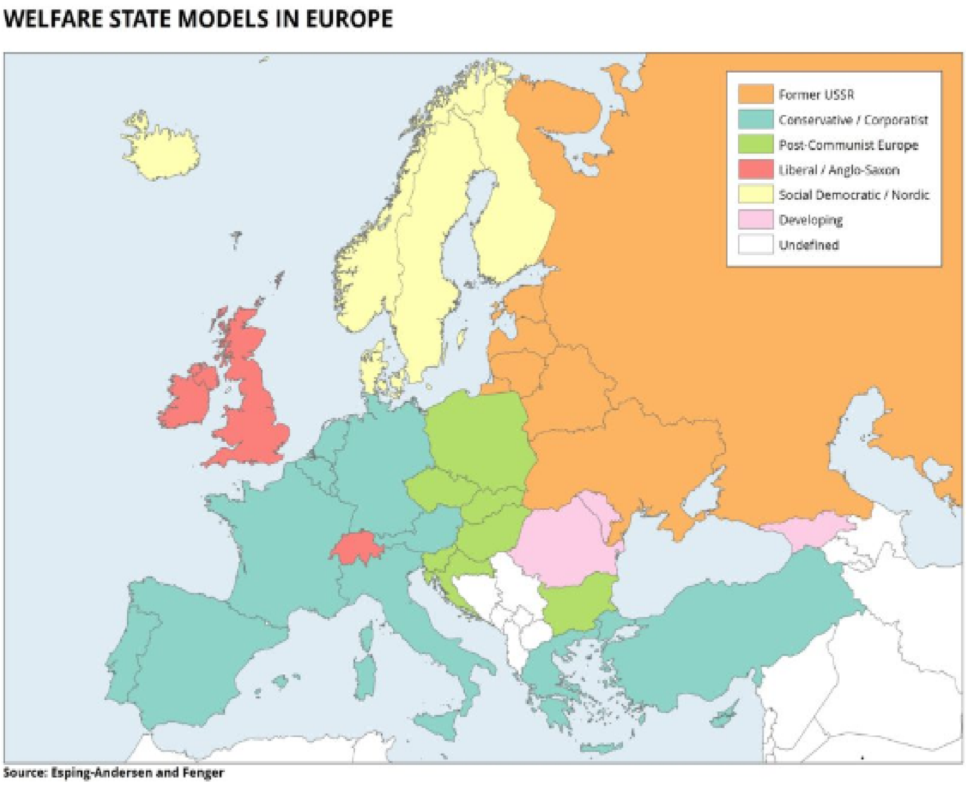
1.1 Introduction.

The *welfare state*, assistance state or social state, can generally be defined as the set of public policies implemented by a State, in a market economy, to guarantee the well-being and progress of its community and improve the living conditions of its citizens, guaranteeing the same access to some basic services, such as education, healthcare, social insurance, pensions and other forms of social benefits, as well as the right to work and social housing.

Starting from their origins, more than a century ago, the institutes of the *welfare state*[1] have provided an important contribution to the modernisation of European society, stabilising the market economy and consolidating democratic institutions.

Although in the past there were forms of public intervention with the same goals, there is a close correlation between the development of social protection programs and the advent of the industrial revolution: the protection of the needs covered by the *welfare* systems, in general, has arisen in response to the challenges of the industrial age, on the initiative of workers and their organisations. In this context, the first social insurance policies had been created to guarantee workers against accidents at work.

According to the existing connections between economic, political, cultural and social elements in social policies in Europe, four models are identified by [2] welfare theorists (figure 1).



[3]

[1] The *welfare state* is generally identified with all funding allocated to social security, healthcare, social safety nets, assistance, education and housing policies. This is the largest part of public spending, aimed at satisfying a wide range of basic needs.
[2] Esping-Andersen, Ferrera, Ferrera and Esping-Andersen.

The distinctive features of the various models are connected to the instruments used, the rules for access, the financing methods as well and the organisational structures. These four different European social protection systems obviously reflect the individual historical, political and cultural experiences of each country.
Therefore, the various European states have peculiarities and specificities, in the definition and organisation of their respective social policies, which reflect the dominant cultural and solidarity values in each system.
The lack of homogeneity between the various social states has also been recognised by the European Commission, which avoided imposing forced harmonisation processes, introducing an "open method of coordination"[4], outlined in the subsequent Lisbon, Feira and Nice Councils, with a view to strengthening European integration and cohesion.

1.2 The birth of the *welfare state* systems.

The English expression ***Welfare State***, was created in Great Britain during the Second World War, to indicate "*a system aimed at guaranteeing citizens' political rights as minimum standards of the fundamental components of well-being* (income, food, health, education, housing)"[5], with the goal of caring for citizens from cradle to grave. It found its full application after the Second World War.
During the nineteenth century, however, following the industrialisation process and the need to intervene on the dramatic conditions of life of the urban proletariat, a social insurance system was defined to address the most serious situations of hardship and to build social consensus.
Until the mid-twentieth century, the interventions were directed to specific social categories, as in the measures in favour of the workers of the Otto von Bismarck industry (1883-1889), which provided for the payment of contributions by that category of workers for the financing of their social insurance.
About twenty years later, in England, between 1906 and 1911, the liberal government led by Lloyd Gorge launched an important cycle of social reforms. In 1908, the Old Age Pension Act was adopted, which established a state pension for all the elderly in need and in 1911 the National Health Insurance Act was approved and the compulsory insurance against unemployment was created, in full contrast with the principles of "*liberal philosophy*".
After the Great War, Germany adopted a new political-juridical structure, approving the Weimar Constitution, which recognised for the first time in history, social rights, the full legitimacy of assistance as an institution to guarantee a high degree of physical safety and security (also through the active participation of all social subjects) and above all the formal acceptance of the role of the trade unions[6].
Throughout the second post-war period, the Beveridge plan will constitute the ideological basis for the promotion of welfare policies by European governments.

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[3] The welfare models in Europe:http://www.learneurope.eu/index.php?cID=300
[4] The open method of coordination is an intervention strategy in the field of social policies, designed to help Member States in the process of developing their public policies. In short, this method involves the drafting of guidelines within the Community, to be translated into national and regional public policies, the definition of specific timelines for achieving the objectives, the introduction of common indicators to compare best practices, carrying out periodic checks and evaluations.
[5] P. COLOMBO, Stato, in Politica (State, in Politics). Dictionary, edited by L. ORNAGHI, Jaca Book, Milan 1993.
[6] F. GIROTTI, Welfare State. Storia, critica e modelli (History, criticism and models), Carocci, Rome 1998, page 188.

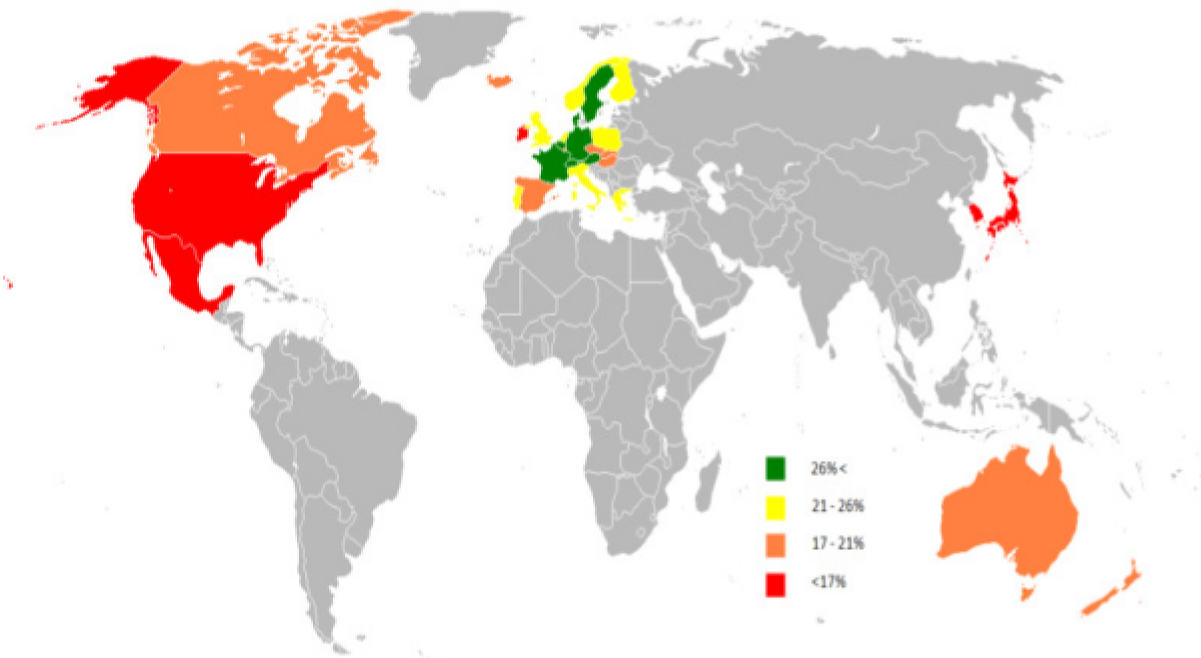
In fact, the first measures of a universal nature, i.e. directed at all citizens rather than individual categories of workers, (anticipated in the thirties by the *New Deal* of Franklin D. Rooswelt and the Swedish Social Democratic governments) were implemented in Britain with the Beveridge plan[7] (1942), which extended social protections to all British subjects regardless of the payment of contributions, financing it with general taxation.

In fact, in December 1942 Beveridge published his report, entitled "Social Insurance and Allied Services", announcing an action program aimed at mobilising the whole society to defeat the "five giants" that kept humanity enslaved: need, sickness, ignorance, misery and idleness.

It was after the publication of this report that the term **"welfare state"** was increasingly used to indicate a government action aimed at reaching the aforementioned objectives.

In the '60s and' 70s, *social security* was also introduced in other industrial countries.

Scope of the phenomenon



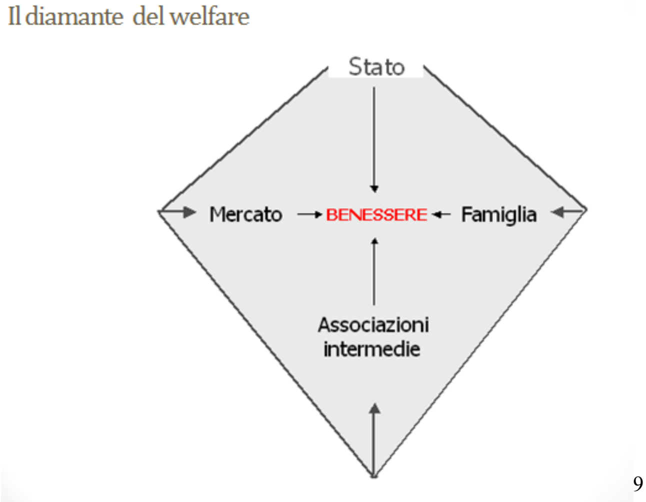
[8]

Generally, the objectives of the welfare state have been to ensure a minimum standard of living for all citizens, provide security to individuals and families in the face of unfavourable circumstances and guarantee access of all citizens to fundamental rights relating to education and healthcare. The instruments through which the welfare state has operated so far have been allowances relating to family life, old age, maternity, disability and unemployment, cash payments to address specific existential or family conditions; the provision of education, healthcare, and social housing services; the granting of tax benefits for family needs, the purchase of a home and the regulation of certain aspects of the economic activity.

[7] F. GIROTTI, Welfare State, op. cit., pages 229-236.
[8] https://margheritadisavoia.wordpress.com/2010/02/12/la-geografia-del-welfare-state

1.3 The definition of *welfare state.*

The welfare state or "well-being state" is the term by which we indicate a political, economic and social system in which the State assumes as its own prerogative and responsibility the promotion of social security and economic well-being of citizens.



[9]

The welfare diamond

	State	
Market	WELL-BEING	Family
	Intermediate Associations	

The first attempts to define the object in question were made in the 1960s. Asa Briggs, in 1961, defined it as follows: "*A welfare state is a state in which organised power is used deliberately (through politics and administration) to direct the market forces in at least three directions: first, guaranteeing individuals and families a minimum income regardless of the market value of their property; second, reducing the degree of insecurity by putting individuals and families in a position to better face certain "social emergencies" (e.g. sickness, old age and unemployment) that would lead to individual and family crises; and third, ensuring to every citizen without distinction of class or status the best available standards in relation to an agreed range of social services*"[10].

Among the many subsequent definitions, we recall that of the political scientist Maurizio Ferrera[11], according to which the welfare state includes "*the set of public policies related to the modernisation process, through which the State provides its citizens with protection against specific risks and needs, in the form of assistance, social insurance or social security, introducing specific social rights and duties of financial contribution*".

Another definition was proposed in the eighties by Goran Therborn, according to which: "*The welfare state is a state in which monetary transfers to families - different than pensions to public servants and interest on State securities - and/or the assistance and education of individuals other than public servants constitute the predominant expense item and activity in the daily management of the State and its employees*"[12].

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[9] Ugo Asoli and Costanzo Ranci in their "Welfare mix in Europa" (Welfare mix in Europe), Carocci 2003
[10] A. BRIGGS, The Welfare State in Historical Perspectives, in the «European Journal of Sociology».
[11] M. Ferrera Le politiche sociali L'Italia in prospettiva comparata (Social policies. Italy in comparative perspective), Il Mulino (2006).
[12] G. THERBORN, How and Why does a Welfare State become a Welfare State?, report presented at the workshops of the ECPR, Freiburg, March 22-28, 1984, cited in M. FERRERA, Modelli di solidarietà. Politiche e riforme sociali nelle Democrazie (Solidarity Models. Policies and social reforms in the Democracies), Il Mulino, Bologna 1993, page 46.

The definition route of the concept has reached one of its final stages with a subsequent proposal by Alber, for which: "*The term welfare state designates a set of policy responses to the modernisation process, consisting of political interventions in the economy mechanisms and in the social distribution of life chances; these interventions aim at promoting the life security and equality of citizens in order to increase the social integration of highly mobilised industrial societies"*[13].

By integrating and simplifying this concept, Ferrera proposes to modify Alber's definition in the following way: "*The welfare state is a set of public interventions related to the modernisation process, which provide protection in the form of assistance, insurance and social security, introducing, inter alia, specific social rights in the case of specific events as well as specific duties of financial contribution"*[14].

The welfare state should therefore be understood as an integrated institution in a complex system of interdependencies with other institutions. The ability to produce well-being by the State does not depend only on political choices, but is closely linked to the economic sphere, which determines the quantity and quality of resources available to the population and the way in which society contributes to guaranteeing social security and protection to its members.

The overall well-being of a society is, therefore, the product of the co-participation of three elements: State, family and market. The degree of collective protection against social risks is closely linked to the relations between the three regulation spheres (State, family and market) and the forms of integration between economy and society (redistribution, reciprocity and market exchange).

1.4 Factors and phases of the development of the welfare state.

There are three factors that can explain the adoption by the western governments of the first "*welfare state"* policies:

1. **Social and economic development**, closely connected to that urbanisation and industrialisation[15].
2. **Political mobilisation of the working class**, closely connected to the phenomenon of labour force concentration in cities, industries and businesses, as a consequence of urbanisation and industrialisation processes.
3. **Constitutional development**, which is divided into two dimensions: the enlargement of the right to vote, which has led to the inclusion of the entire population on the territory of the State, and the de facto institution of parliamentary responsibility[16].

Historically, the development of the welfare state consists of three phases: an experimentation phase, a consolidation phase and, finally, an expansion phase[17].

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[13] J. ALBER, Continuities and Change in the Idea of Welfare State, in "Politics and Society", 16/4 (1988), page 456.
[14] M. FERRERA, Modelli di solidarietà (Models of Solidarity), op. cit., page 49.
[15] Lo sviluppo del Welfare State in Europa e in America (The development of the welfare state in Europe and America), op. cit., page 87.
[16] R. BENDIX, Stato nazionale e integrazione di classe (National State and Class Integration), Laterza, Rome-Bari 1969.
[17] J. ALBER, L'espansione del welfare state in Europa Occidentale: 1900-1975 (The expansion of the welfare state in Western Europe: 1900-1975), in "Rivista italiana di scienza politica" (Italian Journal of Political Science), 13/2 (1983), pages 203-260; these phases are also clearly highlighted by H. HECLO, "Verso un nuovo welfare state?, in Lo sviluppo del Welfare State in Europa ed in America" (Towards a new welfare state?, in The development of the Welfare State in Europe and in America), op. cit., pages 465-498.

The **experimentation** phase began in the last thirty years of the nineteenth century[18]. This first, elementary form of welfare state or, more exactly, of assistance state, was introduced in 1601 in England with the promulgation of Poor Law[19]. The best known example in this regard is social insurance, a program in which individuals helped themselves through the payment of state insurance premiums. Also in England, a further step forward was taken with the establishment of workhouses, work and reception houses that aimed at fighting unemployment and keeping the cost of labour down. However, these turned into places of forced detention; the stay in these public centres was equivalent to the loss of civil and political rights in exchange for government assistance.

These laws included assistance for the poor in the event of the families being unable to provide for that. In addition to having a clear philanthropic content, they stemmed from the consideration that by reducing the poverty rate, negative phenomena related to crime could be curbed as well.

This phase ended before the Great War, during which many programs were interrupted or reformulated, and in some countries lasted until the early 1920s.

The second phase, that of **Consolidation**[20]**,** started with the Great Depression and the Second World War[21].

This second phase, inspired by conservative constitutional monarchies or liberal thinkers, can be traced back to the first industrial revolution and the English legislation of 1834. Also in this case, the forms of assistance are to be considered individual and are addressed only to those belonging to a disadvantaged social class: in this context the first "*social insurances*" were established to guarantee workers against accidents at work, illness and old age. At first, these were on a voluntary basis, but later they became mandatory for all workers.

The reasons for the breakthrough were the search for social peace, reconciling the claims of greater protection by proletarian workers and the request for low-cost labour by industrialists.

In 1883, the "*social insurance*" was introduced by Chancellor Otto von Bismarck to encourage the reduction of mortality and accidents in the workplace and to establish a first form of social security. According to some scholars, it was the "capital" that pushed for the mandatory payments by the workers, in order to no longer have to bear the entire cost of social security.

This phase has concretely produced the gradual integration of previously scattered ideas and policies into a positive affirmation of the power of democratic governments as social managers. The result of this consolidation was not a fixed and stable solution. On the contrary, what was then called "*welfare state*" was, politically, a mix of extraordinarily heterogeneous ideas and interests.

The consolidation phase ended in the late forties and the early fifties, when the **expansion phase** started.

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[18] Lo sviluppo del Welfare State in Europa e in America (The development of the welfare state in Europe and America), op. cit., pages 469-472.

[19] F. GIROTTI, Welfare State, op. cit., pages 98-102.

[20] Lo sviluppo del Welfare State in Europa e in America (The development of the welfare state in Europe and America), op. cit., pages 473-476.

[21] T. MARSHALL, The Welfare State: a Sociological Interpretation, in «Archives Européennes de Sociologie», 2/2 (1961), pages 284-300.

The third phase, that of the current Welfare, began after the Depression and the Second World War. In 1942, in the United Kingdom, social security took a decisive step forward with the so-called Beveridge Report, drafted by the economist William Beveridge, who introduced and defined the concepts of public healthcare and social pension for citizens. These proposals were implemented by the labourist Clement Attlee, who became Prime Minister in 1945[22].

Sweden in 1948 was the first country to introduce a pension for all citizens founded on their birth right. This way, Welfare became universal, making all citizens bear equal civil and political rights throughout their life. The affirmation of the new-born social state with the related strong increase in public spending was accompanied by an exponential growth of GDP.

The indicator of this expansion process is social spending: tax levies have grown at a faster rate than the economic resources and the total expenditure has increased even faster.

1.5 The evolution of the role of the State in the *welfare state* policies.

The "*State evolution*" concept does not mean an extension or dissemination of services, nor a reduction of the same, but rather a transformation of the conception of the State and above all of its way of protecting the rights of citizens.

In general terms, the welfare state has four fundamental functions:

1. Regulatory function: It regulates the behaviour of citizens by directing them in specific ways (e.g. compulsory education, safety obligations), encourages certain behaviours through taxes and subsidies (incentives for supplementary pensions, disincentives to smoking, etc.).
2. Redistributive function: It redistributes resources and opportunities among citizens ensuring decent living conditions and some basic services (education, healthcare) both through monetary benefits (social pensions, purchase vouchers) and through the direct provision of goods and services (education, healthcare).
3. Insurance function: It corrects market defects due to asymmetric information by financing mandatory insurance schemes against serious risks (health, work, old age) through general taxation.
4. Production function: It replaces private production or integrates it in the presence of very strong externalities or information asymmetries by directly producing and supplying specific goods and services (e.g. education, healthcare)

Consequently, the transformation of the State produced by the affirmation of the welfare concept also involves the transformation of the role of society, so that the modernisation processes of the state are closely connected to the evolution of the social body.

In order to meet the needs of citizens, the State must develop a real welfare society policy, entrusting the civil society itself with the task of identifying the most varied and creative forms of response to its needs.

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[22] In the background there was the thought of J.M. Keynes and the idea that next to the market there must be a public presence to make up for "*market failures*".

The principle of subsidiarity comes into play[23], involving a culture that leads to greater civil responsibility to meet one's needs.

According to its theorists, the subsidiary welfare can give rise to forms of governance capable of overcoming the duality between the State and Private spheres and positively respond to the complexity of modern states thanks to the involvement of intermediate subjects belonging to civil society.

Since it is based on new forms of collaboration and cooperation between service providers (both public and private), social bodies and citizens who, through a renewed relationship, actively collaborate for the development of social policies, the subsidiary welfare must first and foremost be understood as a "**welfare of responsibility**".

In order to correctly understand the characteristics of subsidiary welfare, which will be illustrated with greater detail below, we must therefore take into account its basic assumption: a **positive anthropology** that considers human beings as subjects able to pursue their individual usefulness without suffocating the "*socialising desires*" of those persons and those around them.

It is only by assuming that the actions of human beings are driven by the desire, at least partially, to contribute, in addition to their own interest, also to the common good, the scope of subsidiary welfare can be fully understood.

1.6 The different models of *welfare state.*

Titmuss and Esping-Andersen have identified three main types of welfare, using as a criterion the burden and complexity of the interventions implemented by the State[24].

At a lower level there is the so-called **residual welfare model or public assistance model (Reagan USA; Thatcher GB)**, in which the State intervenes ex-post, with respect to risks, with forms of assistance limited in time and only when the traditional systems for satisfying needs (family, parental networks, and the market) are unable to meet the requirements of the individual. Public social protection is aimed at covering a limited segment of the population that is in conditions of particular need. The programs, also due to the lower strength of the labour movement and the absence of socialist parties, are very selective and the spending commitment is more modest.

At a higher level there is the **reward model or industrial achievement model (Scandinavian states)**, which aims at linking performance to income levels and social position achieved through work; in this model, the State identifies social policy as an instrument for correcting market results. The public intervention is based, however, on the assumption that everyone provides for themselves through their work, or address situations of need thanks to the payment of contributions that ensure them against social risks

[23] The **principle of subsidiarity** is based on an idea of a human person fully responsible for his or her own development and promotion, for which it is essential to value and support the individual or associated person, in full respect, however, of his/her autonomy and freedom. Therefore, the difference between solidarity and subsidiarity derives from an idea of support and promotion that, in the first case rests on the concept of "help and support", while in the second case becomes a "strategic method" that enhances the autonomous ability to meet the different needs arising in specific situations.

[24] R. TITMUSS, Social Policy. An Introduction, Allen & Unwin, London 1974.

(unemployment, illness, accidents, etc.). The degree of well-being to which an individual is entitled depends on his or her position in the labour market.

Only with the **institutional redistributive model** (continental European countries such as Germany and Italy), the acquisitive logics that move the market and the logics at the root of inequality are effectively balanced by public welfare programs; in this case the criterion of allocation of resources is defined ex ante, based on pure need, and the goal of the programs is freedom from need. In this third model, the State adopts universal criteria for the provision of services. These are organised and managed in relation to the needs of the entire population and their access is based on residence only and not on contributions or the payment of services. The institutional model intervenes in the upstream phase of the distribution processes or before the situations of need arise. This implies that social interventions are predominantly aimed at prevention rather than assistance.

In summary, social policies take the form of:

- **Social care**, when they are characterised by the provision of benefits and services based on the proof of means; the intervention is therefore residual and limited in time, because the state mainly entrusts the allocation processes of social resources to the market and families.
- **Insurance**, when they are characterised by the provision of standardised services based on specific individual rights/duties (payment of contributions) normally associated with a stable employment situation.
- **Social security**, when they are characterised by the meeting of needs and the coverage of risks extended to all citizens throughout all stages of life.

A final classification is suggested by **Ferrera**, who elaborates a typology of the various welfare systems starting from the solidarity variations in relation to the diffusion of risks[25]. In fact, moving from the definition of Bodwin of the "*solidarity*" concept as a complex of dynamics through which political communities generate institutionalised protection[26], Ferrera privileges a peculiar perspective, the type of coverage offered to the recipients of the social protection measures. On this basis, he distinguishes between two kinds of welfare: universal and occupational.

The universal welfare concept affirms and consolidates a single basin of solidarity, capable of encompassing the entire population. The operating mode of these type of welfare is the fiscal lever, whose prerogative is to activate vertical redistributive flows from the higher income brackets to disadvantaged social groups. In the occupational model, on the other hand, there are as many risk pools as the categories of workers protected by specific insurance mechanisms. It essentially operates based on contributions and a solidarity that basically takes place within the same category of risk, through forms of redistribution, e.g. from young to old, or from employed to unemployed.

1.6.1 Titmuss's pioneering contribution.

[25] M. FERRERA, Modelli di solidarietà (Models of Solidarity), op. cit., pages 76-84.

[26] P. BALDWIN, The Politics of Social Solidarity. Class Bases of The European Welfare States 1875-1975, Cambridge University Press, Cambridge 1990.

Titmuss, in the second half of the Thirties, fascinated by the issue of social inequalities, in his arguments supports the social intervention of the state inspired by criteria of equality and solidarity among all citizens. In the war years he demonstrates that only thanks to the ties of kinship and local community, the British society resists terror, deprivation and disorganisation.
Titmuss' classification of welfare systems focuses, as specified in the previous paragraph, on two factors: the role and type of state intervention with respect to social security needs and the main recipients of such interventions.
The classification of models made by Titmuss (residual, meritocratic-occupational, institutional-redistributive) develops along a growing scale taking into account the burden and complexity of the state interventions. While in the residual and meritocratic-occupational welfare state there is a strong presence of the market and the occupational system, in the institutional-redistributive welfare, based on the principles of equality and the fulfilment of social needs, state services are manifold and generous.
The descriptive analysis enriches the characterisation of the three models. However, this leads to identify them with typical-ideal constructs distant from the real national experiences and more suitable to describe individual schemes rather entire welfare states, often places along the boundaries between models due ,the presence of different elements.
Reality is much more complex than a simple theoretical abstraction and the practical application of only one of these models. In fact, the text of Richard Titmuss, although extremely valid in its theoretical framework, is the result of a historical, social and economic context that is different from contemporary reality.

Tabella 1.1: **Criteri di definizione dei modelli di politica sociale di Titmuss**

	MODELLO RESIDUALE	**MODELLO MERITOCRATICO-OCCUPAZIONALE**	**MODELLO ISTITUZIONALE-REDISTRIBUTIVO**
COPERTURA	Marginale	Occupazionale	Universale
DESTINATARI PRINCIPALI	Poveri	Lavoratori	Cittadini
FRAMMENTAZIONE ISTITUZIONALE	Alta (localismo)	Alta (occupazionalismo)	Bassa/assente
PRESTAZIONI:			
Gamma	Limitata	Media	Estesa
Struttura	Ad hoc	Contributiva/ Retributiva	A somma fissa/ Omogenea
Livello	Modesto	Variabile	Adeguato
Requisiti	Prova dei mezzi	Partecipazione assicurativa	Cittadinanza/ Residenza
FINANZIAMENTO	Fiscale	Contributivo	Fiscale
SPESA:			
Livello	Basso	Medio	Elevato
Componente predominante	Programmi *Means-tested*	Tresferimenti	Consumi pubblici
PROGRAMMI DI PREVENZIONE	Assenti	Modesti	Ampi
RUOLO DELLO STATO	Minimo	Complementare	Sostitutivo
REDISTRIBUZIONE	Poca/verticale	Media/orizzontale	Alta/verticale

Fonte: Borzaga e Fazzi, (2005).

Table 1.1 – Titmuss' criteria for the definition of social policy models

	Residual Model	**Meritocratic- Occupational Model**	**Institutional – Redistribution Model**
COVERAGE	Marginal	Occupational	Universal
MAIN BENEFICIARIES	Poor	Workers	Citizens
INSTITUTIONAL FRAGMENTATION	High (localism)	High (occupationalism)	Low/absent

PROVISION: **Range** **Structure** **Level** **Requirements**	Limited Customised Modest Proof of means	Medium Contribution/Remuneration based Variable Insurance participation	Extended Fixed sum/ Homogeneous Adequate Citizenship/ Residence
FUNDING	Tax based	Contribution based	Tax based
EXPENDITURE: **Level** **Predominant component**	Low *Means-tested* Programs	Medium Transfers	High Public consumption
PREVENTION PROGRAMS	Absent	Modest	Wide
ROLE OF THE STATE	Minimal	Complementary	Substitutive
REDISTRIBUTION	Scarce/vertical	Medium/horizontal	High/vertical

1.6.2 The classification process by Ferrera.

According to Ferrera: "*Social assistance policies are aimed at guaranteeing, or at least promoting, social inclusion, i.e. the anchoring of individuals and families to the social fabric that surrounds them, guaranteeing to them resources and opportunities.*"

What would distinguish generic assistance from social assistance would be the nature of interventions that are no longer characterised by individual donations, discretionary, based on personal and charitable feelings, but by specific regulatory interventions that mark the shift from charity to social rights and remove need situations through monetary benefits and social services typically financed by general taxation.

Therefore, the classification process of Ferrera's welfare systems[27] starts from the analysis of the coverage model that leads him to identify two main variants: the **occupational model** and the **universal model**.

The model of coverage is distinguished by being a neutral and exclusively descriptive criterion and is therefore suitable to be used for classification purposes.

The two models identified by Ferrera differ in turn as mixed and pure, depending on how far they extend from their original definition.

In the **occupational models**, the insurance protection network is reserved for some categories of employees and public solidarity is fragmented according to occupational demarcations that give rise to a plurality of communities at risk.

The **universal models** are characterised by national social security programs with homogeneous and fixed sum performances.

Ferrera investigates the factors influencing the choice of each country in adopting an occupational model rather than a universal model and identifies two main orientations: institutional and contextual.

[27] M. FERRERA, Modelli di solidarietà. Politiche e riforme sociali nelle democrazie (Models of Solidarity. Policies and social reforms in Democracies), Il Mulino, Bologna.

The contextual orientation identifies in the occupational structure, the class relations or the interaction between risk categories the determining causes of the different social policy contents, including the coverage model.

Ferrera adds a third perspective that he defines political-process oriented, which focuses on the conditioning exercised by the political process.

1.6.3 The three Esping-Andersen welfare regimes[28].

One of the authors who first understood the importance of considering the principles that regulate the relationships between state, family and market, as an analytical element able to explain the differences existing between welfare systems has been Esping-Andersen.

The classification of Esping-Andersen derives from the position that each country assumes in relation to two welfare dimensions: the degree of de-commodification, which refers to the degree of independence of individual incomes from market logics, and the type of social stratification promoted by social policy.

In the analysis, a welfare state is intended as a historically defined construction, aimed at structuring the social contract between state and citizens in market economy societies. Esping-Andersen also considers "*that the sum total of social welfare is dependent on the way in which the inputs of state, market and family are combined*".

In other words, the welfare state alone does not guarantee the full implementation of a social welfare in a capitalist society. Market and family also contribute to this goal. The set of relations existing in a country, between state, family, and market aimed at the "*production*" of social well-being constitutes what Esping-Andersen defines as a welfare regime.

Therefore, the need to reduce the spread of extreme poverty and social exclusion phenomena prevails. The function of the welfare state is to guarantee those who have lost self-sufficiency, facilitating their return to the market. The conservative-corporate regime is characterised by the greater importance given to the family and to intermediate associations in the socialisation of risks. In fact, the logic underlying the de-commodification process emphasises the collectivisation of risks based on the social and economic position of individuals.

The adoption of specific differentiation criteria in interventions and support measures involves a highly differentiated distribution of social risks among the population. Most of the procedures for the provision of services are based on the principle of subsidiarity. In fact, the intervention of the state is limited to situations in which the family is unable to protect its members from the most common social risks, such as disability, illness, unemployment and old age.

The goal of this institutional design is to guarantee to all individuals, without discrimination, social protection as a right of citizenship, only based on the state of individual need, and therefore to de-commodify well-being while minimising dependencies on the market through an active and explicit effort by the state. In this perspective, the state replaces the market and the family.

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[28] G. Esping-Andersen, The Three Worlds of Welfare Capitalism, 1990

Esping-Andersen has identified 3 types of welfare:

- **Liberal regime** (Anglo-Saxon countries: United States, Canada, Australia and United Kingdom)
- **Social Democratic regime** (Scandinavian countries: Sweden, Norway, Finland and Denmark)
- **Conservative-corporate regime** (continental European countries, including Spain, Italy, France, Germany, but also Japan)

1.7 The crisis of the *welfare state* systems.

The welfare systems are nowadays affected by a deep crisis, which, on the one hand, originates from increasingly scarce resources and stringent budgetary constraints, and on the other from the emergence of new risks and new social needs.

The situation has managed to remain in substantial equilibrium for a few decades. In fact, during the period from the 50s up to the 80s and 90s, public spending grew considerably, especially in countries that adopted a form of universal welfare, but the situation remained under control thanks to the simultaneous sustained growth of GDP in most of economies in general. During this period, there was a strengthening of the middle class.

Already since the 80s and 90s, welfare systems have undergone a crisis for economic, political, social and cultural reasons, so much so that we have been talking about a real crisis of the welfare state ever since.

In many European countries there is a growing opinion according to which the welfare state, due to the discouraging effects of its institutions and the tax levy necessary for its financing, is to be considered one of the main causes of unsatisfactory economic growth, compared to the corresponding performance *in the* US.

In fact, in recent years, the European social states have been subject to a variety of pressures, which have on the one hand led to a growing disconnect between the new needs/risks that require protection and the safeguards guaranteed by the existing programs, and on the other to a rise in the costs of financing the expenditure programs.

A set of factors including the ageing of the population[29], the slowdown in domestic consumption, the expansion of globalisation with over a third of the world's inhabitants facing industrialisation have contributed to generating a crisis in the welfare state.

All these factors undermine the traditional welfare state system. In the 1990s, changes and reforms aimed at recalibrating the original welfare state system were implemented in almost all countries. In Italy, healthcare cost sharing fees have been introduced to contain costs. The pension system has been transformed by a number of restrictive reforms aimed at lowering the costs of social spending.

The "*collective well-being*" systems had known a phase of maximum expansion for about thirty years, starting from the fifties, when most of the European countries, coming out of the Second World War, recorded high rates of economic growth due to reconstruction and the boom in employment, which made rather simple to meet the needs of a minority of citizens who demanded indemnities and other forms of

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[29] According to Eurostat data, the elderly, who accounted for 16% of the total population in 2001, about a quarter of the working age population, by 2010 may represent 27% of the total population. Moreover, in the next fifteen years, the number of "very old" people, i.e. octogenarians and people over 80, will tend to increase by almost 50% (European Commission [2003]).

protection. Since the seventies, the slowdown in productivity growth, the segmentation of the labour market, the emergence of oil crises, together with the changes in the social sphere that we have just mentioned, led to a greater recourse to social policies, provoking an increase in management costs and a progressive unsustainability of the system.

Finally, the "*globalisation*" of markets has been indicated by both liberal and left-wing governments as a factor of welfare crisis since, despite being an opportunity for social development, it entails, at least for a first period, more or less long, problems to the economies and productive apparatuses of already industrialised countries, with consequent increases in social costs related to growing unemployment in mature sectors and to the support of some productions. In addition, there are the initial inclusion costs deriving from the entry of new citizens attracted by developed economies.

Faced with a new set of needs and social demands, the traditional welfare systems have revealed the inadequacy of their structures.

During the 1990s, European social protection systems and labour markets were affected by numerous reforms, but these have rarely been radical.

The inconsistencies and the marginal character of most reforms have often ended up increasing the complexity and fragmentation of European social security systems, deepening the gap between protected and non-protected individuals.

Among the various hypotheses, the most radical is ensuring a basic income through the payment of a subsidy, paid on an individual basis and without any assessment of the economic means of the beneficiaries. According to the philosophy of its supporters[30], this minimum income should constitute a basic, fully unconditional safety net, not being related to the professional status or the willingness to work, nor to family situations or individual characteristics.

In particular, being provided independently of the respective position on the labour market, a basic income would make it possible to create a disconnect between the occupational role of the individual and his or her right to an income, a principle that constitutes one of the cornerstones on which current redistributive policies are based, thus guaranteeing full rights of social citizenship.

Although attractive, these proposals are not immune to objections that are pinned both on the rise of the expenditure necessary to finance a system of unconditional subsidies, and on the potential discouraging effects on work choices and the accumulation of human capital[31].

To get out of the current situation, we need a progressive reduction of public intervention and the revaluation of private initiative, both in the economic and social fields. It is urgent, in order to avoid the next fiscal crisis, to terminate a state sponsored assistance and return to the individuals, the family, the intermediate bodies, and society as a whole, all the functions they have and that the State has improperly assigned to

[30] The best known of them is the Belgian philosopher Philippe Van Parijs.

[31] To address this type of criticism, some proposals have been put forward regarding a partial *basic income*. Among these, the idea of "participation income", elaborated by AB Atkinson [1995], suggests that the grant of the subsidy may be conditional on participation in the labour market, in its broadest sense (the subsidy would be extended, for example, also to those involuntary unemployed, to individuals engaged in family care activities or involved in training and education activities). The philosophy underlying these proposals has inspired the so-called "*welfare to work*" policies, or active labour policies, introduced in many countries in order to replace the traditional compensatory logic of unemployment with a new logic of employment promotion.

itself. With the gradual reduction of the bureaucratic apparatus, public spending and of tax levies, there would be considerable benefits for the entire social and economic system. The resources thus freed could be invested more efficiently and effectively by individuals, especially in a freer and flexible social and economic context, contributing to the growth of wealth and the creation of new job opportunities.

However, despite the evident difficulties of the Welfare State in Italy and the criticisms aimed at its performance, the hope of success in starting a radical reform seems very tenuous. In fact, a large part of the population enjoys the benefits of the welfare state without sustaining its costs, a vast bureaucracy has built its own fortune on it, the political class and trade unions are more inclined to a demagogic perspective and derive their consent from the patronage of such interests.

Everything leads us to believe that these components concur to the strong defence of the status quo, even at the cost of resorting to additional tax measures, possibly disguised as a fight against tax evasion and supported by fomenting envy and encouraging denunciation between the different categories of the social structure, according to the logic of divide and rule. Only a profound cultural renewal will make it possible to overcome the stalemate of this system.

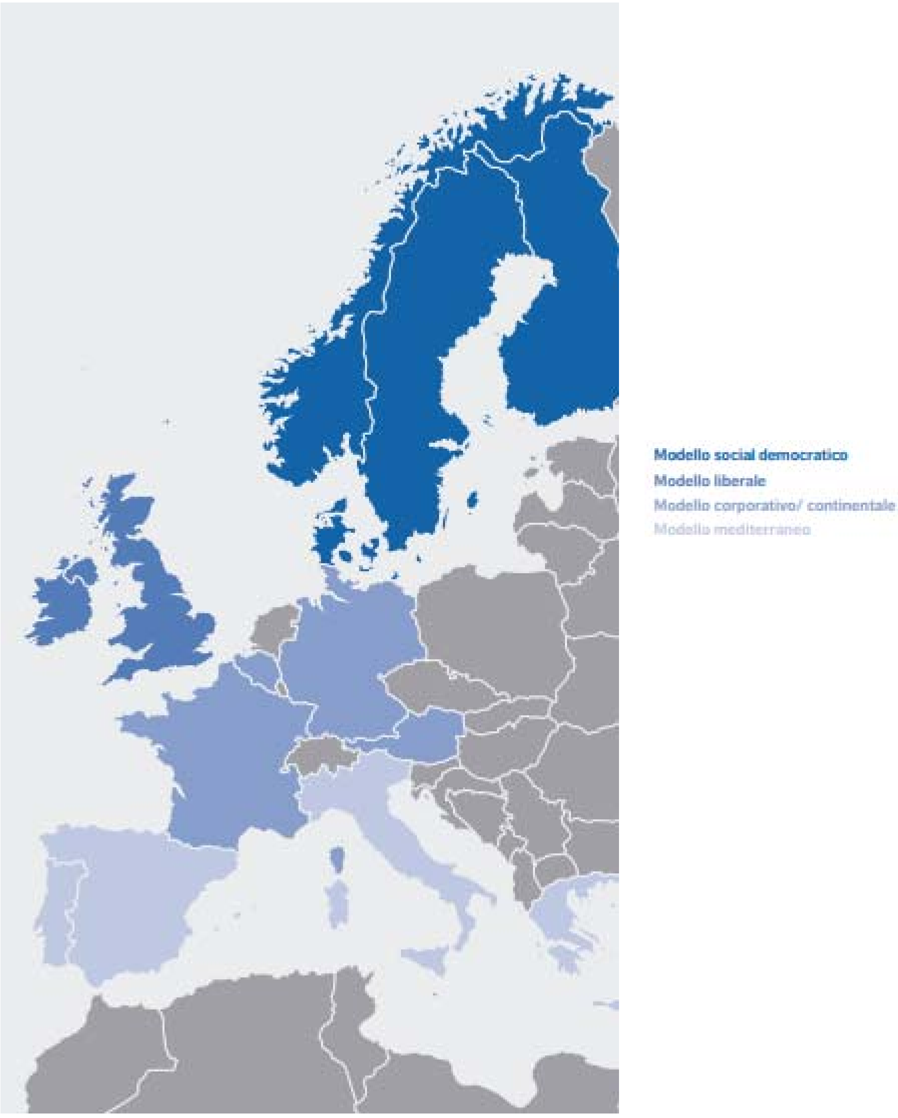
CHAPTER II

The *welfare state* in Europe

2.1 Introduction

In Europe, based on existing connections between economic, political and cultural factors and social policies[1] we can identify four theoretical *welfare* models[2]*:*

1) Social democratic model
2) Liberal model
3) Corporate / Continental model
4) Mediterranean model



Models of welfare state in Europe[3]

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[1] Sapir, A. Globalisation and the Reform of European Social Models, Bruegel, Bruselas. Accessible on the Internet at Bruegel.org, 2005, 30.
[2] Blanchard, O. The Economic Future of Europe. NBER Economic Papers. 2004, 14.
[3] Source: IPL 2014.

The main characteristics of the models mentioned above relate to the tools used[4], the access rules[5], the financing methods and the organisational structures.

These European social protection systems are modelled on the historical, political and cultural experiences of each country and historically were born based on different models, inspired by various objectives and criteria[6].

The various systems mainly differ by the size and composition of public spending, the institutional aspects, the types of services provided and the funding mechanisms.

It is possible to classify social policies based on:

- The tools used (cash transfers or provision of services[7]).
- Access rules (with ascertainment, or not, of the conditions of need[8]).
- The financing methods adopted (through general taxation or social contributions or payment of the services received).
- The organisational and management structures.

Tipologia	Destinatari principali	Livello prestazioni	Fonti di finanziamento	Attore principale
Welfare liberale	Poveri, persone in stato di bisogno, lavoratori a basso reddito	Basso	Contributi sociali, contributi dello Stato	Mercato
Welfare conservatore	Lavoratori e loro famiglie	Medio	Contributi sociali, contributi dello Stato	Stato e famiglia
Welfare social-democratico	Tutti i cittadini	Alto	Contributi dello Stato maggiori rispetto altre tipologie d'entrata	Stato
Welfare mediterraneo	Lavoratori dipendenti	Basso	Contributi sociali, contributi dello Stato	Famiglia

Type	**Main beneficiaries**	**Service level**	**Funding sources**	**Main actor**
Liberal welfare	Poor, persons in need, low-income workers	Low	Social contributions, State contributions	Market
Conservative welfare	Workers and their families	Medium	Social contributions, State contributions	State and family
Social-democratic welfare	All citizens	High	Higher State contributions compared to other income types	State
Mediterranean welfare	Employees	Low	Social contributions, State contributions	Family

[4] Social security, contributions or assistance.
[5] The requirements of the beneficiaries and the control of the means.
[6] Boeri, T. (2002): Let Social Policy Models Compete and Europe Will Win, conference at the John F. Kennedy School of Government (Harvard University, April 9, 11-12, 2002
[7] The "Means testing", i.e. the verification of the conditions of need.
[8] Colozzi I. "Dal vecchio al nuovo welfare. Percorsi di una morfogenesi (From the old to the new welfare. Pathways of a morphogenesis), Franco Angeli, 2010, 17.

Comparison of the *welfare state* models in Europe[9].

2.2. The Social democratic model

The Social Democratic regime is typical of the Scandinavian countries (Sweden, Norway, Finland and Denmark).

In the planning of social policies, this model makes reference to the principle of universalism, i.e. protecting everyone according to the state of individual need.

One of its fundamental characteristics is the active effort to "de-commodify" well-being while minimising dependence on the market[10].

The "de-stratification" is high, since this model recognises the equality of all citizens[11].

It guarantees a high level of protection against the dangers to which the population is subject.

Access to benefits is included in the right of citizenship, which in most cases is only conditional on residence in the country.

A fundamental role is played by welfare transfers, financed through general taxation.

Types of universal income support are used and there is a highly developed system of childcare, and services for the disabled and the elderly in need.

Income support measures and the presence of a wide range of family care services make it possible to mobilise the most vulnerable people in the labour market (for instance, women, single parents, the elderly and individuals with some form of disability).

For the reasons illustrated above, the social-democratic model is particularly effective in combating poverty and social exclusion.

For instance, in Finland, the widespread availability of childcare and related services facilitates the balance between work and family responsibilities.

Thanks to these policies, Finland has one of the highest fertility rates in the European Union, equal to 1.73 children per woman in 2000 (compared to a European average of 1.48) and a female employment rate of 65.4% in 2001 (compared to 54.9% of the Union as a whole).

In the Scandinavian countries, basic assistance is a subjective right of each individual, allowing subjects who are temporarily deprived of sufficient financial means to meet their basic needs.

In Denmark, the minimum income subsidy is taxed while in Finland and Sweden it is exempt from taxation.

Since 1993, Denmark has reformed its system of unemployment protection, accentuating the weight of active measures, providing for the right/duty for the beneficiaries to take part in training or education courses and to follow work placement plans.

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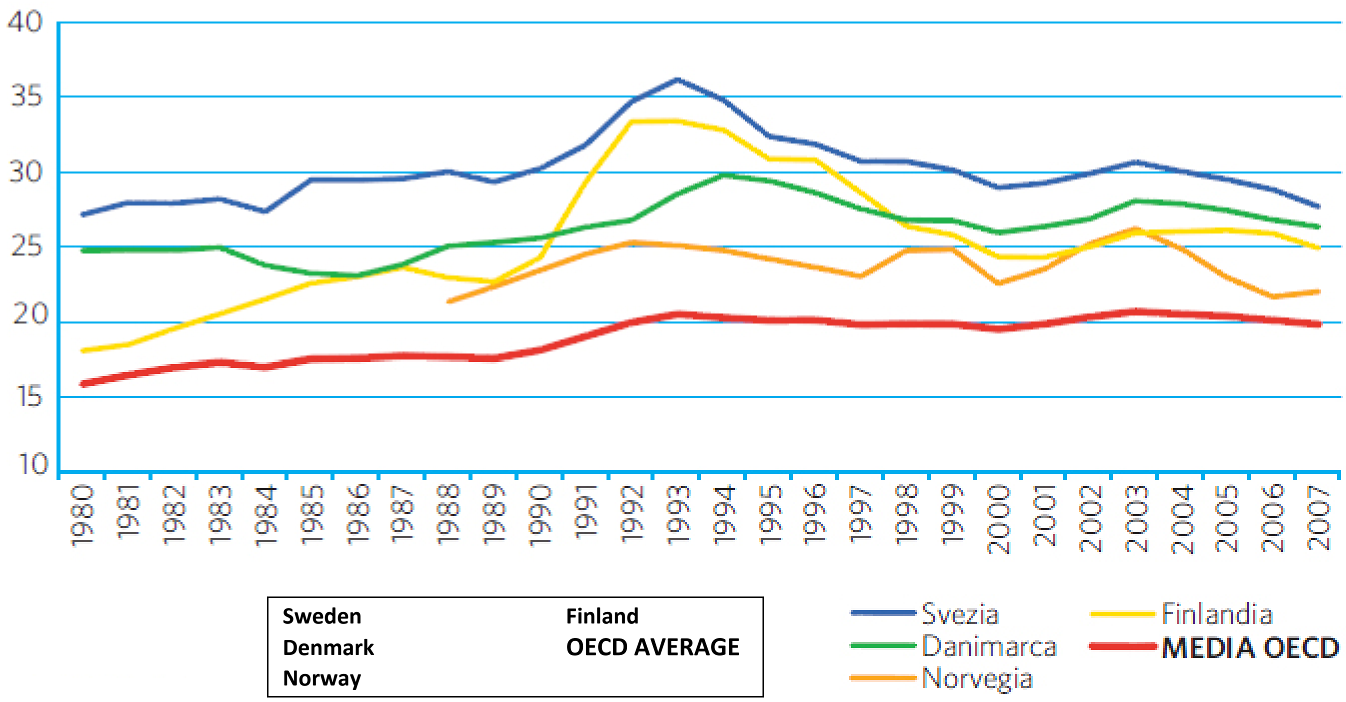
[9] IPL 2014.

[10] Coluzzi M., Palmieri S., Welfare a confronto (Welfare compared), Rome, Ediesse, 2001, 19.

[11] Bova F., Dizionario del nuovo welfare (Dictionary of the new welfare), Santarcangelo di Romagna, Maggioli 2006, 25.

In Sweden and Finland, unemployment benefits are made up of a minimum amount, granted based on the recipients' residency and an additional part, commensurate with their previous salary trend.
For instance, in Finland, the *Labour Market Support* covers unemployed persons who have already exhausted the maximum benefit period or who do not meet the conditions required for accessing the benefits. The transfers of this program can also be paid to employers in the form of grants for the job placement of the unemployed.
Moreover, pension systems are based on the principle of citizenship, which guarantees the right to a universal minimum benefit, according to the number of years of residence in the country.



The spending trend in social democratic welfare systems[12]

2.3 The liberal model

The liberal regime is adopted by the Anglo-Saxon countries (England and Ireland).
This model is aimed at reducing poverty and other phenomena such as social exclusion[13].
To achieve this objective, social assistance programs and subsidies are adopted, conditioning their disbursement to the verification of the means[14].
Public social assistance programs are not universal and State action is residual. In most cases, the interventions are category based, referring only to specific groups of risk, with a strong dualism between needy and economically independent citizens[15].

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[12] OECD data, 2010.
[13] Atkinson AB, "Incomes and the Welfare State. Essays on Britain and Europe ", Cambridge, Cambridge University Press. 1995, 58.
[14] Kazepov Y. and Carbone D., Che cos'è il Welfare State (What is the Welfare State), Carocci, Rome, 2007, 10.
[15] The so-called "welfare of the rich" and "welfare of the poor".

The system is characterised by the prevalence of the market as the main agent for socialising risks and a low level of de-commodification[16].

The methods of financing are mixed: healthcare is entirely taxed or financed by taxes paid by citizens, while cash benefits are usually financed through social contributions (paid by companies and workers)[17].

The Anglo-Saxon social protection system consists of a social security scheme (contribution based), social assistance programs (non-contribution based), universal child benefits and in-work benefits.

The in-work benefits (monetary subsidies or tax deductions) can be partially enjoyed even in the presence of paid work.

They constitute a peculiarity of the Anglo-Saxon system compared to other European systems. Their purpose is to support individuals in the transition period from unemployment to employment, also by encouraging the acceptance of part-time or temporary jobs.

In Ireland, an unemployed person who undertakes a job can continue to claim benefits[18] for several months after starting to work.

In the context of British welfare policies, an important role is played by transfers to families. The most important programs, up to the end of 2002, were the *Working Families Tax Credit*[19], the *Disabled Person's Tax Credit*[20] and the *Child Benefit*[21]

Following the Tax Credits Act in 2002, a radical reform project was introduced relating to the interventions in support of family responsibilities, according to which the interventions envisaged by the program Working Families Tax Credit, Income Support and Children's Tax Credit will be merged into a single financial support system, called Integrated Child Credit (ICC).

In England and Ireland, the pension plan mainly covers employees. However, while in the latter the benefits are of the flat-rate type, in England there are also transfers related to salaries[22].

A peculiarity of the English pension system is the possibility of giving up the earnings related component of the service and to opt for alternative pension schemes, of an occupational or private type, if they are able to provide equal or higher benefits[23].

Occupational pension schemes, generally of the defined benefit type, provide services commensurate with the number of years of service and the amount of the last salary.

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[16] When the State absorbs the risks, the meeting of needs is both removed from the family or de-commodified (removed from the market, with the attribution of a value that is not only commercial). Commodification is meant as the total abstraction of human relations in favour of a mere monetary exchange.)

[17] Peacock A., The Welfare Society, Liberal Publication Department, London, 1960, 14.

[18] The Back to Work Allowance and the Back to Education Allowance

[19] The Working Families Tax Credit, which has replaced the previous Family Credit since 1999, is aimed at supporting the income of the families of poor workers with children, without, however, discouraging their participation in the labour market. It is designed to ensure that available family income, net of the subsidy, is increased with the increase in gross income.

[20] The Disabled Person's Tax Credit is a program similar to the previous one, but addressed to the parents of disabled children.

[21] Finally, the Child Benefit is a universal transfer for those responsible for the sustenance of a child: the amount of the benefit, which is non-contribution based and not subject to personal taxation, is not related to the family income or to the age of the children.

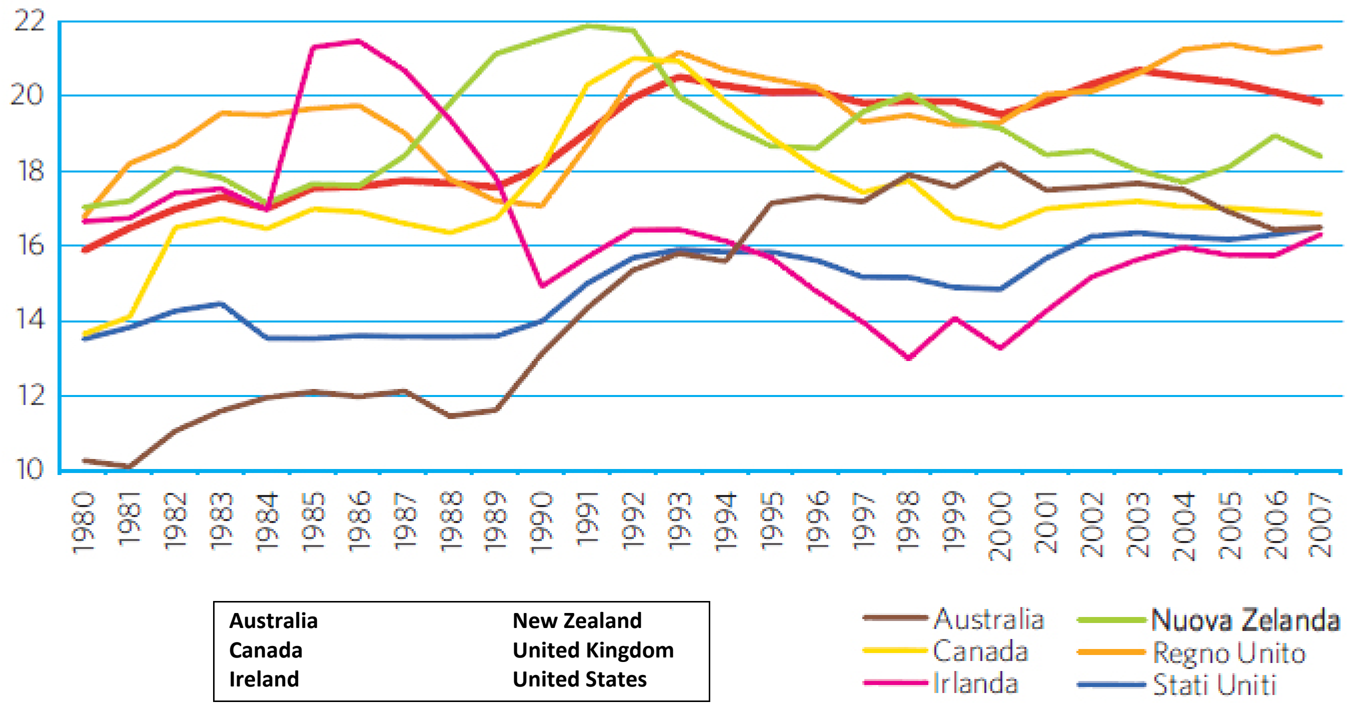
[22] In April 2002, the Second State Pension replaced the former State Earnings-Related Pension Scheme, SERPS, introduced in 1979

[23] Vogliotti S., Vattai S., Modelli di welfare State in Europa (State welfare models in Europe), IPL, 2014.

Since April 2003, the minimum guaranteed income[24], the non-contribution benefit aimed at poor people over the age of 60, was replaced by the *Pension Credit*, with a higher amount.

In Ireland, alongside the public pension system, the government encourages the development of employment and private schemes through the granting of subsidised tax reliefs on contributions and returns associated with related investments.

A significant portion of expenditure is dedicated to the provision of non-monetary benefits for those who have reached specific age limits, such as, for instance, free medical care, deductions for telephone or television fees, electricity or fuel expenses, etc.



The spending trend in liberal welfare systems[25]

2.4 The corporate or continental model

The conservative or continental regime is used by continental European countries: France, Germany, Austria and Belgium[26].

It is aimed at protecting workers and their families from risks such as illness, disability, unemployment and old age.

The model is inspired by the principle of subsidiarity, laying the foundations to support most of the procedures for the provision of services.

The State intervenes only in situations where the family cannot provide for the needs of its members[27].

[24] *Minimum Income Guarantee*

[25] OECD data, 2010.

[26] Vogliotti S., Vattai S., Modelli di welfare State in Europa (State welfare models in Europe), IPL, 2014, 29.

[27] Naldini M., Le politiche sociali in Europa. Trasformazioni dei bisogni e risposte di policy (Social policies in Europe. Transformations of needs and policy responses), Carocci, Rome, 2007, 48.

The trade unions actively participate in the governance of category services.

The de-commodification is medium, because the State attenuates but does not eliminate the dependence on the market.

This model involves a medium-low de-stratification: it tends to preserve the differences of status, class and gender.

The corporate model is characterised by a high fragmentation of spending programs, which often are category based and are distinguished between employees, autonomous workers and inactive workers.

The healthcare system covers all individuals who have a paid employment, as well as other similar categories (including pensioners, the unemployed, the disabled).

Generally, all employees are insured against the risk of unemployment; in Luxembourg, this protection is also extended to self-employed workers, while in Belgium unemployment benefits can also be awarded to unemployed young people, after the participation in training programs.

In all continental European countries, last resort measures are envisaged, aimed at ensuring a minimum income against the risk of poverty.

In particular, Germany has two types of minimum income assistance programs: *Arbeitslosenhilfe*, a category based intervention in favour of the unemployed, subjected to the test of economic means and the *Sozialhilfe*, a non-category based national transfer.

The expenditure for German social exclusion continued to rise until the mid-nineties (2.3% of total expenditure from 1995 to 1997) and then began to decline, amounting to 1.9% in 2000.

In France, alongside the category based measures involving a vital minimum, aimed at the unemployed (the *Allocation de Solidarité Spécifique* and the *Allocation d'Insertion*), widows and disabled people with an insufficient contribution career, since 1988 a new non - category based scheme has been introduced, the *Revenu Minimum d'Insertion*, commensurate with the financial resources of the beneficiaries and subject to availability to carry out working or training activities.

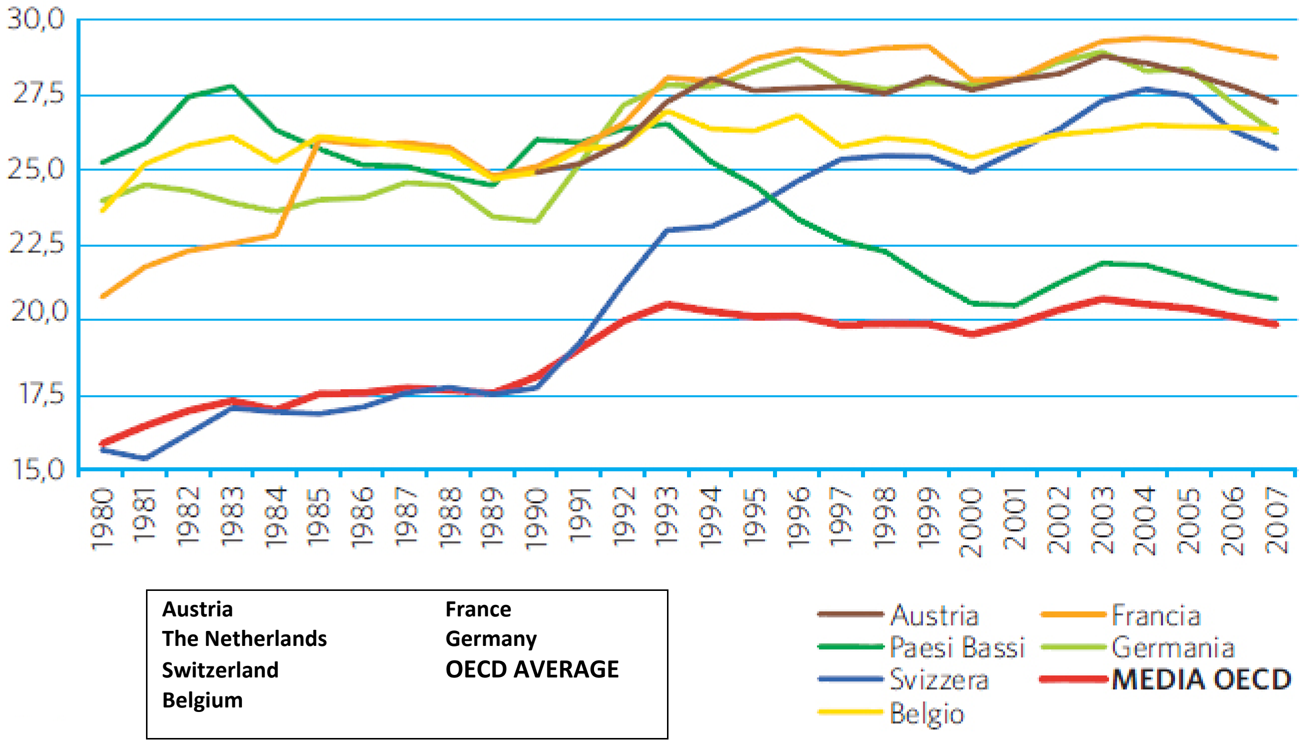
In Belgium, the social security system is divided into a compulsory, general scheme covering all workers in the private sector (almost 70% of pensioners receive benefits from this institution), another scheme for self-employed workers and one for public employees.

In France, the social security system is based on compulsory pay schemes, which represent 98% of the total pension expenditure and are financed either through social contributions or through general taxation.

These schemes differ according to the activity sector of the beneficiaries: as far as services for the private sector are concerned, amounting to 63% of the total expenditure, together with a general scheme which presents strong solidarity characteristics, supplementary and mandatory pension forms are envisaged.

Finally, in Austria, the public pension system consists of a general scheme for private sector workers and special schemes for self-employed and public employees; in 2001, almost 95% of the working population was part of these compulsory insurance programs[28].

In June 2003, the reform of the pension system was approved, which revised the pre-existing legislation, mainly through the abolition of all forms of early retirement and the modification of the system for calculating benefits.



The spending trend in corporate *welfare* systems[29]

2.5 The Mediterranean model

The Mediterranean or family based model is adopted in some southern European countries (Italy, Greece, Spain and Portugal)[30].

In these countries we find a social and cultural structure that considers the family as a place of care and assistance for its members.

The State has a "marginal" role, acting according to the principles of "passive subsidiarity".

The regulatory role of primary social networks is recognised both socially and legally, without the State actively supporting them with subsidies or monetary transfers.

The public intervention is of a residual type and the protection mechanisms of the welfare state are activated only after the failure or the impossibility of primary social networks to provide assistance to individuals in a manifest condition of need.

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[28] Jones C., New Perspectives on the Welfare State in Europe, Routledge, London, 1993, 15.
[29] OECD data, 2010.
[30] Zanatta, AL, Family Policy in Mediterranean Countries, in Foundation for the Child and the Family, 1999, 17.

This entails a delay in the creation of a basic safety network[31].

The de-commodification is unbalanced, being higher for some categories and lower for others.

In this model, we observe a low de-stratification, which presents new differences across the structure of social classes.

The systems of welfare state in Mediterranean countries are characterised by a general fragmentation, to a lesser degree only in Portugal, and by the position of relative privilege granted to employees.

Among the common features of the systems within this particularly important group is the absence of a structured minimum basic protection network, non-category based, provided and managed at central government level, which can act as a last resort support tool.

To remedy this anomaly, the guaranteed minimum income was introduced, for instance in Portugal in 1996 with the *Rendimento Minimo Garantido* and in Italy (only in some municipalities) since 1999 with the *Reddito Minimo d'Inserimento.*

In Spain, despite the strengthening of welfare policies, the programs are still very category based; the guaranteed income schemes, introduced in 1989 on a regional basis, provide a coverage of the population differentiated at the local level and practically ineffective in meeting the conditions of need.

In Greece there is no universal measure to fight poverty.

In general, in the countries of the Mediterranean area, the entire welfare sector is not very developed and the policies to support family expenses, both in kind and in money, highlight several weaknesses.

One of the most important element is represented by the allowances to the family unit, the amount of which, negatively correlated to the income of the recipient, depends positively on the number of dependent children.

In Portugal, family allowances, even if modest, have a universal character.

All countries, between 1978 and 1985, established universal national healthcare systems, in which the provision of services is often achieved through a combination of public and private offering.

Disability and illness benefits are much lower than the European average and are subject to scrupulous checks to verify the actual right to benefits.

To avoid fraud, widespread in Italy and Spain, a medical certificate is required to prove the real impossibility to work.

The unemployment risk is not covered.

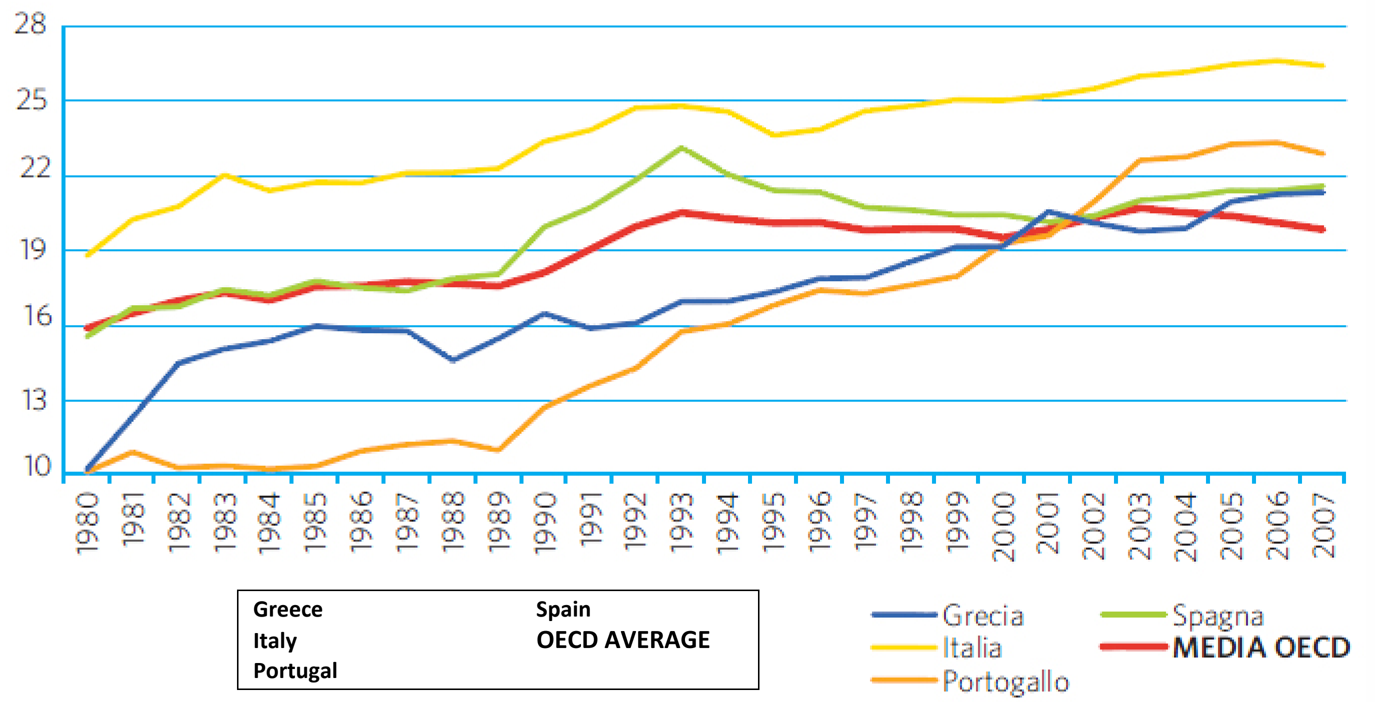
In some cases, non-specific forms of intervention are used, such as disability benefits but only for certain categories of workers.

In most cases there are no measures in favour of people who have never worked regularly.

The social security systems within this group have some common characteristics: the amount of transfers is based on the salary received and depends on the number of years of compulsory contributions, while the

[31] Paci M., Pugliese E. (edited by), Welfare e promozione delle capacità (Welfare and capacity promotion), Mulino, Bologna, 2011, 15. The Italian case, especially after the reform of Title V of the Constitution, is characterised by a marked process of regionalisation of social policies and social rights of citizenship, with a growing gap in terms of local welfare between the north and south of the country.

statutory retirement age is set at 65 (5 years less for women in Italy and Greece). The Portuguese pension system provides for a mandatory general scheme for all employees and the self-employed, in which benefits are calculated based on the average income received in the best 10 years of the last 15 years of working life.
Pension contributions are not separated from contributions for other social security programs: the contribution rate is equal to 34.75% of income for employees and varies between 25.4% and 32% for the self-employed.
In Spain, the social security benefit is calculated as a percentage of a sort of "basic pension", defined on the contribution amount paid during the 15 working years prior to the end of the working period; the percentage depends on the number of years of contribution and the retirement age, with the result that full pension is obtained after 35 contributory years and at the age of 65.
Alongside the public system, there are other occupational pensions, but they are much less developed than those that characterise the social models mentioned earlier.
Finally, in Greece, the social security system is very fragmented and is divided into a plurality of pension schemes, dispersed among the various industrial sectors, where the level of benefits is very variable[32].



The spending trend in family *welfare* systems[33]

2.5.1 The Italian model and the constitutional principles of the *welfare state*

After the Second World War, Italy was in a disastrous situation.
The parties that had formed the National Liberation Committee wanted a republican state, inspired by the principles of democracy, freedom and solidarity. In 1948 the Constitution was promulgated.

[32] Vogliotti S., Vattai S., Modelli di welfare State in Europa (State welfare models in Europe), IPL, 2014, 18.
[33] OECD data, 2010.

The solidarity ideals translated in particular into art. 2[34] and 3[35] of the Constitution, where the adjective "social" occurs several times[36].

Social issues found a large space within the Constitution[37].

Private and religious charity was no longer the exclusive instrument to combat illness and misery and, according to the liberal theories of Beveridge in 1942, the programmatic foundation of assistance for all citizens by the State took hold.[38].

The Constitution provides for social assistance in favour of those who are not in a position to work. This is a right and no longer an initiative of charitable organisations recognized by the State[39].

Health, as well as assistance in illness, becomes "a fundamental right of the individual and the interest of the community" and the State guarantees free treatment to the indigent (art. 32).

The right to healthcare is understood not only as a right to treatment, but also to prevention and rehabilitation.

Furthermore, the Constitution favours "with economic measures and other provisions, the formation of the family and the fulfilment of the related tasks, with particular regard to large families. It protects maternity, infancy and youth, supporting the institutions necessary for this purpose" (art. 31).

Art. 30 of the Constitution states that "The law ensures that children born out of wedlock have every legal and social protection ...". The legal bases of changes in the context of assistance and support to the family are completed and will find their fulfilment in the reforms of the seventies[40].

The attention to the "social" sphere in the Constitution is so important that it is part of a Title, the second (ethical-social relations).

In some cases, the social sphere is mentioned by indicating concretely some of its forms, such as family, assistance and cooperation, and finds space also when the Constitution mentions property "mitigated" private property (articles 41, 42 and 46).

Following the entry into force of the Constitution and, on the occasion of the so-called economic miracle (1958-63), a profound change occurred, which deeply changed the country: the industrial development took

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[34] *Art. 2: The Republic recognises and guarantees the inviolable rights of human being, both as an individual and in social formations where his or her personality develops, and requires the fulfilment of the mandatory duties of political, economic and social solidarity. Art. 3: All citizens have equal social dignity and are equal before the law, without distinction of gender, race, language, religion, political opinions, personal and social conditions. It is the task of the Republic to remove the economic and social obstacles that, by limiting the freedom and equality of citizens, prevent the full development of the human person and the effective participation of all workers in the political, economic and social life of the country.*

[35]*Art. 3: All citizens have equal social dignity and are equal before the law, without distinction of gender, race, language, religion, political opinions, personal and social conditions. It is the task of the Republic to remove the economic and social obstacles that, by limiting the freedom and equality of citizens, prevent the full development of the human person and the effective participation of all workers in the political, economic and social life of the country.*

[36] Saraceno, C., Mutamenti della famiglia e politiche sociali in Italia (Changes in the family and social policies in Italy), Bologna: Il Mulino, 2003, 28.

[37] Saraceno C., Il welfare (The welfare), Bologna, Il Mulino, 2013, 19.

[38] *Art. 38: Any citizen unable to work and without the means necessary to live has the right to social support and assistance. Workers have the right to the provision of adequate means for their life supporting needs in the event of an accident, illness, disability, old age and involuntary unemployment. People with disabilities have the right to education and professional integration*

[39] As the Crispi law of the late nineteenth century envisioned, when the Albertino Statute was in force.

[40] Saraceno, C., Mutamenti della famiglia e politiche sociali in Italia (Changes in the family and social policies in Italy), Bologna: Il Mulino, 2003, 28.

place mainly in the north, closer to the international economy while, on the contrary, migratory flows from the South isolated the rural centres, tearing traditional communities; the authoritarian model of the patriarchal family faded to the point of disappearing in the northern cities; television spread innovative behavioural patterns both in the bourgeoisie and in the working class.
The South was still tied to a rural subsistence economy: The Constitution envisaged "to achieve rational exploitation of the land and establish fair social relations..." The dualism between north and south was accentuated between city and countryside and between industrial zones and depressed areas[41].
The debate on rights (work, education, housing, healthcare and assistance) reached its peak at the turn of the late sixties and mid-seventies, with the movements of students, workers and women.
In the Nineties, the concept of subsidiarity came forward[42] also in the field of assistance.
At the end of the Nineties, social and healthcare service cooperatives also began to respond to old problems, replacing retired staff: for years the recruitment block has been confirmed, with some exception in the Public Administration. Cooperative staff is more manageable as a workforce, it costs less, it can be deployed more quickly to tackle the problems and it is not unionised.
The reform of Title V (2001), stipulating that the State maintains exclusive power only in terms of immigration, social security and "determination of benefits concerning civil and social rights", increases the decentralised/subsidiary orientation of art. 118 of the Constitution.
This completes the process of modification of the Italian social security system, promoted the year before with the long-awaited social welfare reform (Presidential Decree 328/2000): "State, Regions, Metropolitan Cities, Provinces and Municipalities favour the autonomous initiative of citizens, individuals and associations, in carrying out activities of general interest, based on the principle of subsidiarity (art. 4 of Constitutional Law no. 3/2001).

2.6 Social protection expenditure in Italy

The Italian *welfare* system falls within the Mediterranean model.
It shares its essential characteristics: the fragmentation of spending programs, the role of social security attributed to the family and the lack of a last resort protection network.

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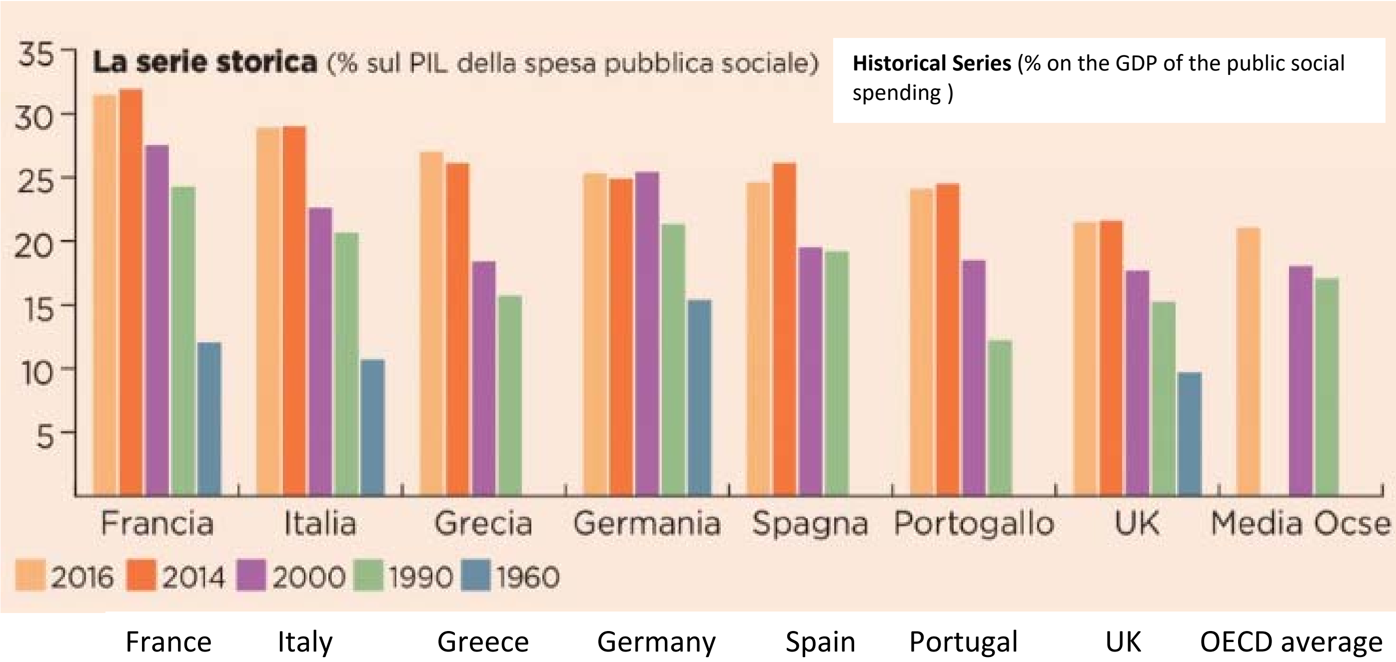
[41] Bertin G. and Fazzi L., La Governance delle politiche sociali in Italia (The Governance of Social Policies in Italy), Rome, Carocci, 2010, 19.
[42] This is the social and administrative legal principle that states that the intervention of state bodies, both with regard to the citizens and the administrative bodies and their subdivisions, should be implemented exclusively as *subsidium* (aid), in the event that the citizen or the underlying entity is unable to act on its own account. The State must not overlap with the expressions of society, but support them and intervene in the absence of grassroots initiatives.



Social public expenditure[43]

The graph shows the percentage of public social spending in relation to GDP and how it has grown over the years in the various countries.

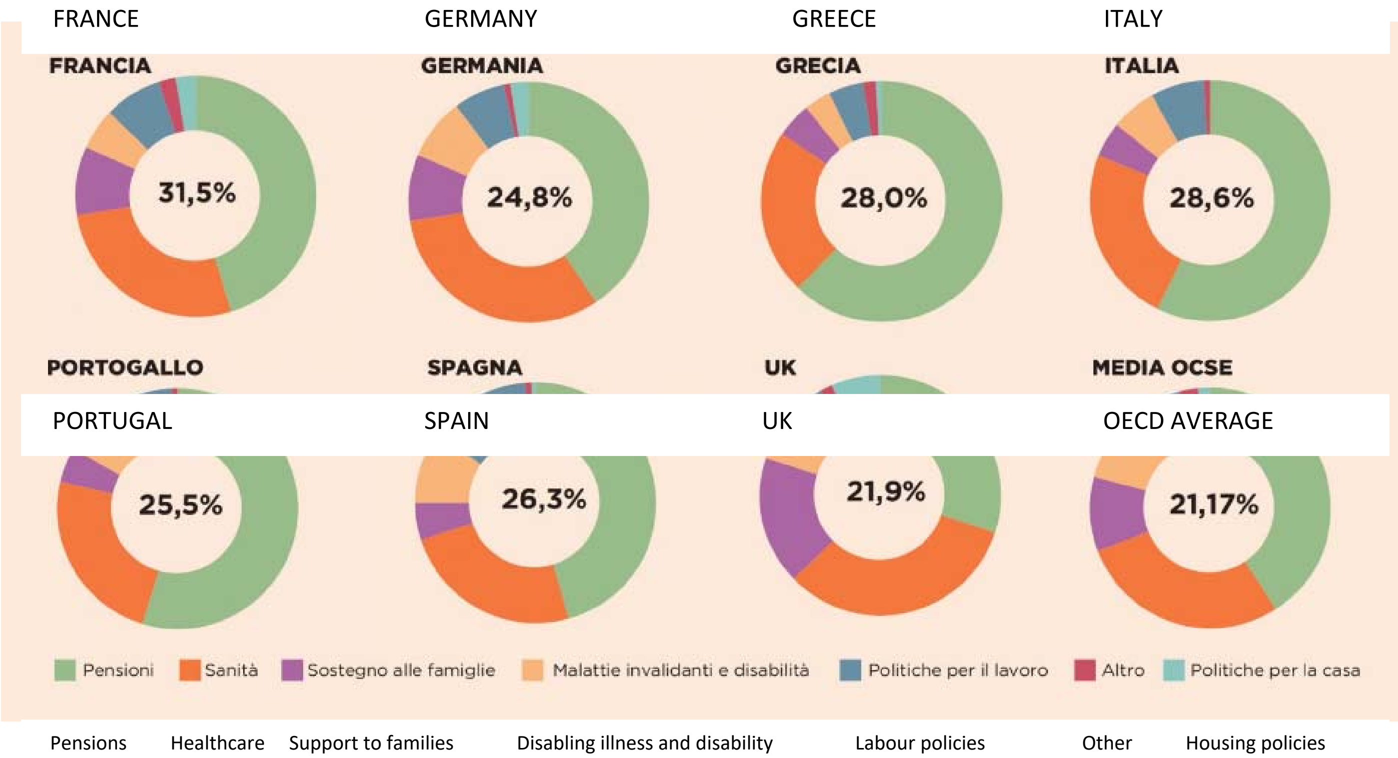
The following chart shows how social public spending is distributed, the amount of which compared to GDP is shown at the centre of each pie chart.

It can be noted that the countries that allocate more money for pensions are Italy (16.4%) and Greece (17.5%), to the detriment of other items.

Italy, in particular, allocates an irrelevant share (0.0%) for household policies (0.0%) and for support to families (1.4% of GDP) a share lower than that of Germany (2.2%), France (2.9%) and United Kingdom (3.8%) and just above that of other Mediterranean countries.

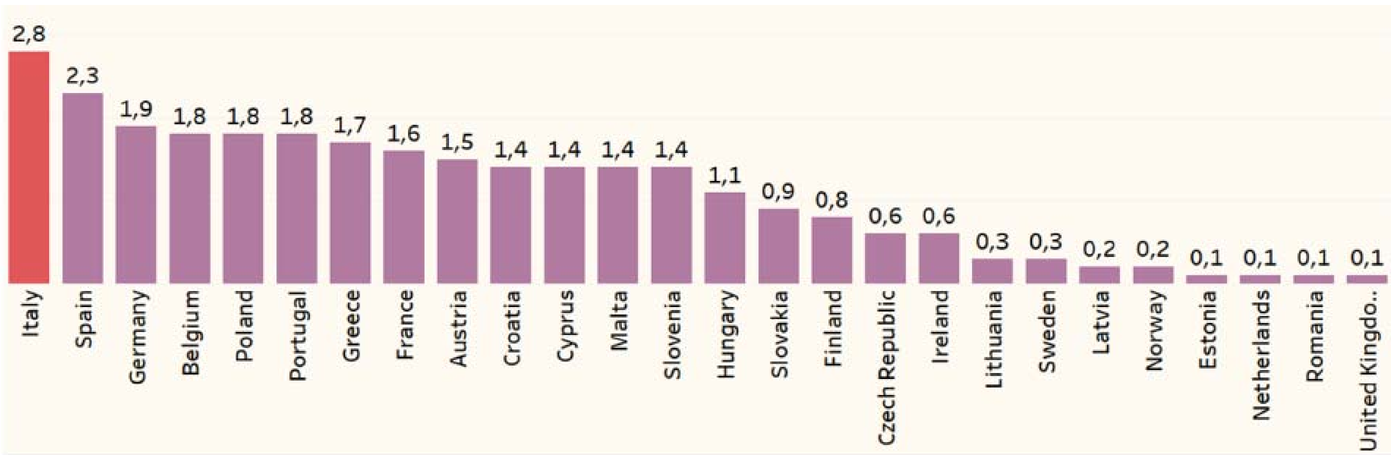
In addition, Italy spends 6.8% of GDP on healthcare, a share that is lower than in Germany (7.9%), France (8.6%) and even United Kingdom (7.1%).

[43] http://www.pagina99.it, 2016.



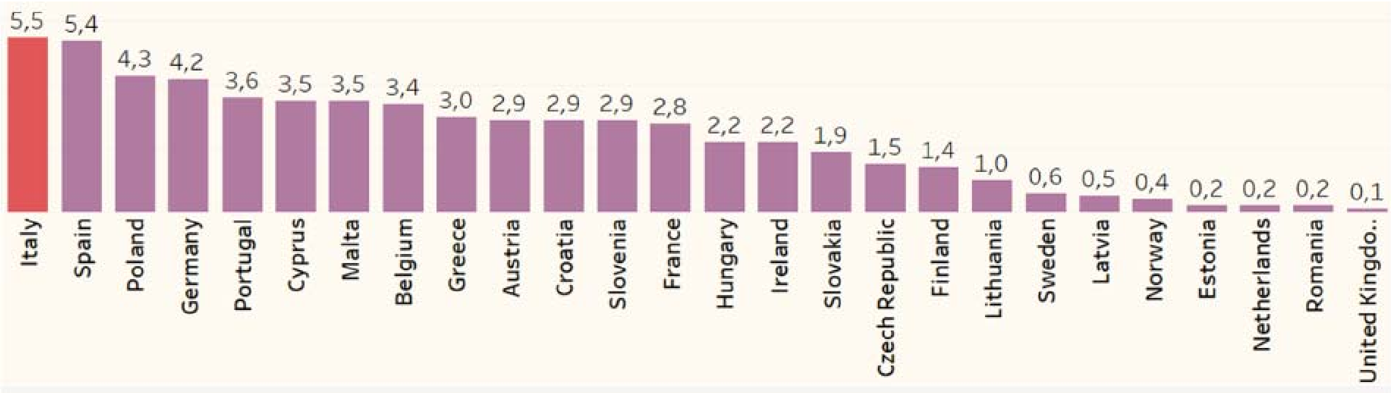
Breakdown of public social spending[44]

Italy is the country that pays more in survivors' pensions both in terms of GDP (2.8%) and total public spending (5.5%). In the case of public spending, we also exceed France.



Spending on survivors' pensions compared to GDP[45]

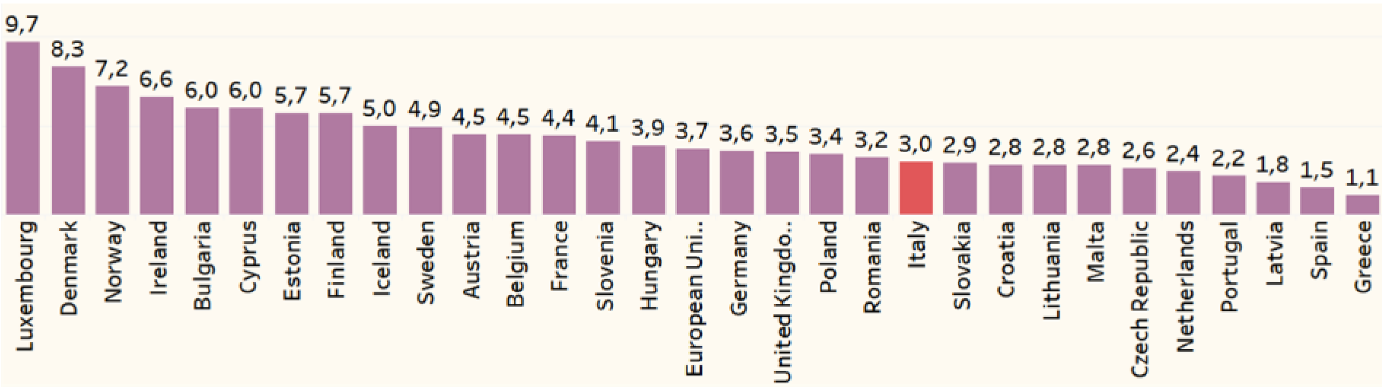
[44] http://www.pagina99.it, 2016.
[45] Eurostat 2017 data.



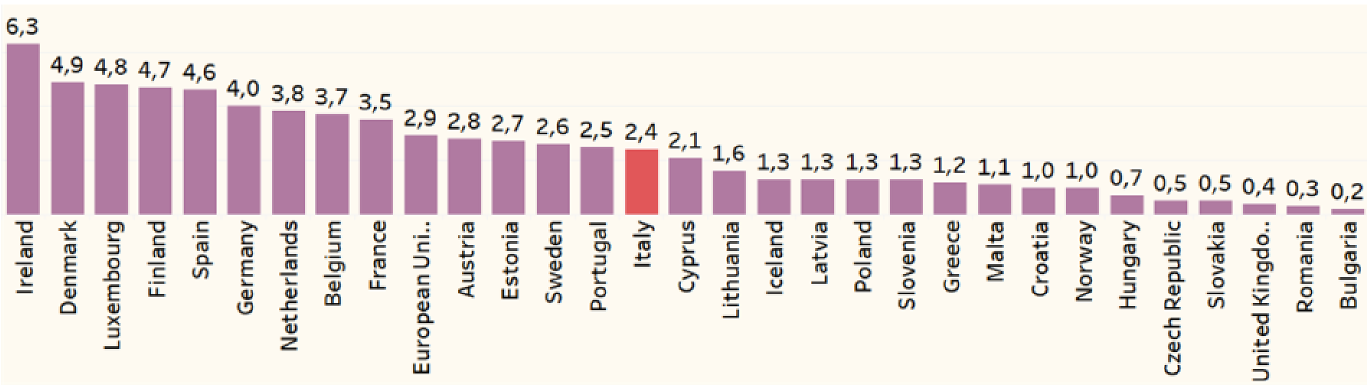
Spending on survivors' pensions compared to total public spending[46].

Unfortunately, more spending for one area corresponds to less spending for another.

For instance, for expenditure on young people and families: only 3% of total spending is dedicated to policies for families and minors, compared with 8.3% in Denmark, 6.6% in Ireland and 4.4% in France.



Expenditure for family and minors compared to total public spending[47]



Spending on unemployment compared to total public spending[48]

[46] Eurostat 2017 data.
[47] Eurostat 2017 data.
[48] Eurostat 2017 data.

And only 2.4% of resources go to unemployment policies. Compared to 4% in Germany, as much as 4.6% in Spain, and up to 6.3% in Ireland.

2.7 Europe 2020

One of the main objectives of the Europe 2020 strategy[49] is to get at least 20 million Europeans out of the risk of poverty and social exclusion by 2020[50].

Research at the European level reveals that 29.9% of Italians (and 24.8% of the European population) are at risk of poverty and social exclusion.

Another key factor is the effectiveness of social transfers in being able to reduce the risk of poverty.

The concept of "risk of poverty or social exclusion"[51] adopted within the Community, refers to persons who are in at least one of the following three conditions:

1) They are at risk of monetary poverty (their income is less than 60% of the median equivalent income after social transfers, calculated at national level).

   It is aimed at identifying people at risk of monetary poverty, so it is a measure of relative poverty. Regardless of the level of national median income there will always be a share of the population living below this threshold just due to the way the indicator is constructed.

   If the absolute level of national income changes due to a general impoverishment, the absolute level of poverty tends to increase.

2) Suffer from severe material deprivation (they do not have sufficient resources to support some basic expenses such as rent, mortgage, heating, a proper meal, etc.)

3) They live in a low labour-intensive family (i.e. on average less than 20% of the total potential working population is employed).

The last two indicators are complementary and capture other aspects of the phenomenon. On the one hand, the material deprivation of families, who cannot pay for basic expenses, and on the other hand families that include are underemployed or unemployed people, for which reason the working potential that the family could potentially achieve does not reach 20%.

The new Europe 2020 strategy places social inclusion among its various objectives, committing itself to bringing at least 20 million people in the EU out of poverty and social exclusion by 2020.

This objective risks not being achieved unless the income trend is reversed at the European level.

[49] The Europe 2020 strategy is the EU program, proposed by the European Commission in 2010, for growth and employment for the current decade. It emphasises smart, sustainable and inclusive growth as a means of overcoming the structural weaknesses of the European economy, improving its competitiveness and productivity and promoting the emergence of a sustainable social market economy.

[50] https://ec.europa.eu/

[51] The ARPE indicator, at-risk of poverty or social exclusion.

CHAPTER III

Social spending in Europe

3.1 Introduction

In Europe, there are various models of social state. They differ according to various factors, such as the social needs they cover, the risks that are considered worthy of protection, the forms of provision of benefits (in cash or in services)[1].

Social protection is at the heart of the European social system model, which aims at achieving by 2020 the goal of taking 20 million people out of poverty and social exclusion.

The European Union estimates around 120 million European citizens in a situation of poverty or social exclusion, and through the *European Platform Against Poverty and Social Exclusion* seeks to develop a set of measures to achieve the target set by the Europe 2020 strategy.

The possible danger is that social investments are justified only to the extent that they guarantee savings to be used to restore public finances, rather than to improve the well-being of European citizens.

Within the EU there is a strong debate on social policies, so much so that the European Commission on 20 February 2013 adopted a series of measures part of *Social investment package* (SIP), with the aim of combating the most negative effects of austerity.

The Commission proposes a series of social safety nets and/or a more effective use of existing ones, in order to "lighten" the load that the crisis has placed on the shoulders of many European families.

The importance of these actions can be seen in the function of the state aid of the Welfarist type. The *Social investment* package would be one of the first fiscal policies managed at a supranational level.

By virtue of the principle of subsidiarity, in cases where states, with their national apparatus cannot sufficiently guarantee the achievement of an objective, the institutions of the Union can replace them if the action at supranational level in terms of cost-benefit is more effective.

To finance these measures, the Commission has proposed to use around 25% of the European budget. In this way, the resources in the EU budget would be destined to become, in part, social safety nets, aimed at increasing the general well-being of the citizens of the Union and acting as a "buffer" in this difficult time for many families.

There are three main points of the SIP proposed by the Commission:

1 Increasing the sustainability of Member States' welfare programs and adopting policies that are more targeted and effective.

2 Active inclusion of citizens from all social classes, both in services and institutions.

3 Increasing social protection for the weaker classes.

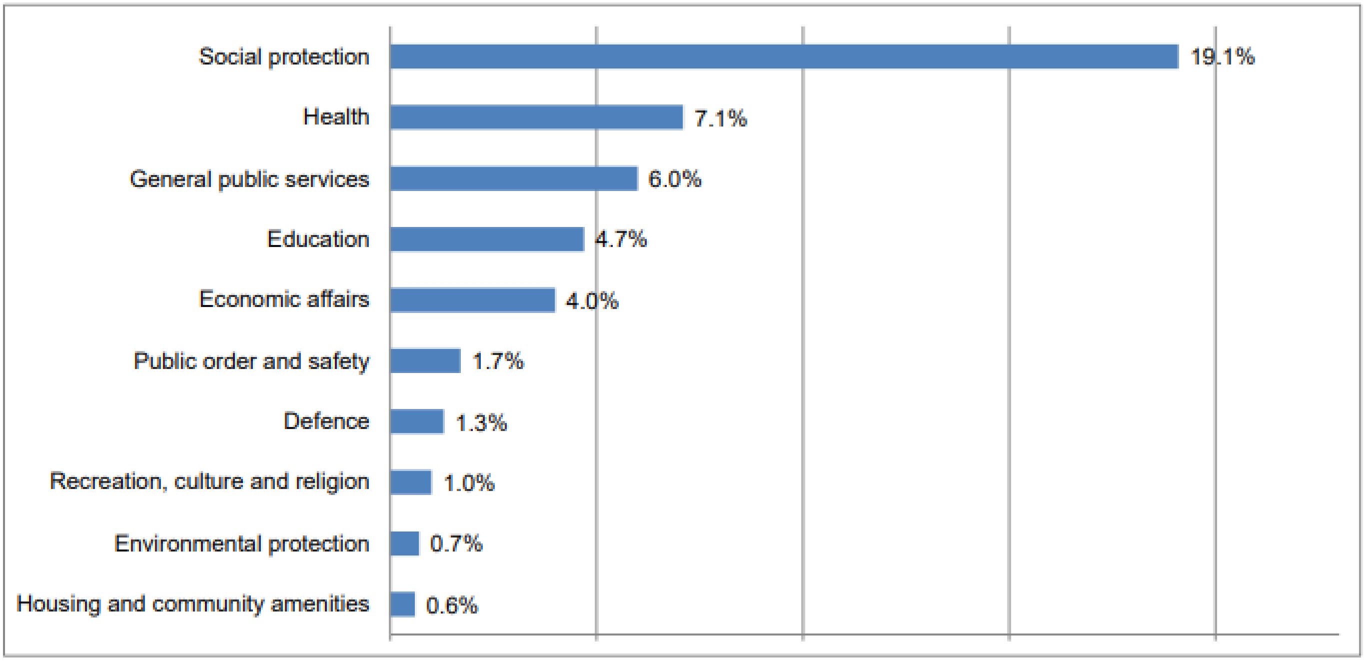
[1] Kazepov Y. and Carbone D., Che cos'è il Welfare State (What is the Welfare State), Carocci, Rome, 2007, 25.

The European Commission has reiterated the importance of investing in "human capital", at a time when all Member States are redefining their anti-crisis policies in terms of growth and development.
Social protection systems are very different in the various member countries of the EU, by history, demography, social and economic conditions, level and position of expenditure and a whole series of institutional conditions.
The expenses for social protection have a strong value, playing a redistributive role for the whole life cycle of the person and for the various income levels.
They also have a preventive role in ensuring that individuals and their families are protected against risks[2].
Europe has paid particular attention to the statistical harmonisation of social expenditure, in order to compare the different systems of the various countries belonging to the Union.

3.2 The data

19.1% of the European GDP in 2016 was paid for social spending[3].
According to Eurostat, the social sector is the most important among the expenditure items of European public administrations.
The second place is for the healthcare sector, with 7.1%.
The third position is held by general public services, with 6%. Education follows with 4.7%, economic affairs with 4%, security with 1.7% and culture with 1%.
In most cases, these items correspond to 40% of total public spending, as there are considerable differences in behaviour among the states.
In the relationship between GDP and public spending in the social sector, it emerges that Finland is the state investing the most (25.6%), together with other seven member states, including Italy (exceeding 20% of the GDP).
The least investing State is Ireland (around 9.9% of the GDP).
France and Denmark employ a lot of resources in the healthcare sector (more than 8% of the GDP). In the education field we have at the top Denmark and Sweden (both with 6.9% of the GDP).
In the area of government expenditure on economic affairs, Hungary holds the highest position (with 7.1% of GDP).
As for general services, Greece is the country that invests the most (9.2% of the GDP).
Italy has invested 21.1% of its GDP in social spending, 7.9% in public services and 7% in healthcare.
Finally, 4% for economic affairs, 3.9% for education, 1.9% for public order and security.
Spending on culture cannot manage to exceed 0.8%.

[2] Such as unemployment benefits or childcare or healthcare benefits with medical, sickness and disability expenses.
[3] ec.europa.eu/eurostat.



General government expenditure by function in the EU, 2016 (% of GDP)[4]

3.3 Pension spending

Old-age expenditure includes old-age and seniority pensions, the integration of pensions with minimum treatment and care allowances.

Pension expenditure is the result of multiple factors, in particular demographic factors and regulatory-institutional elements.

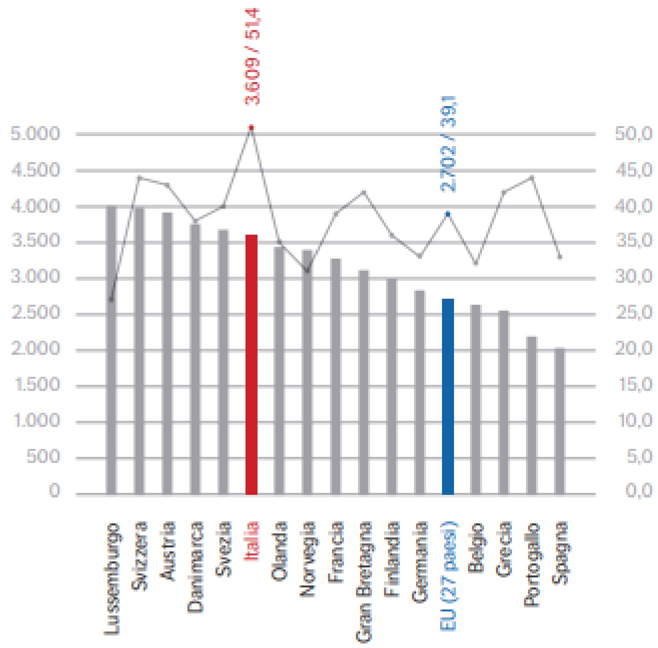
The former relate to: life expectancy for men and women, the demographic composition of countries, the share of retirees on the total population (on the calculation of per capita expenditure) and participation in the labour force by older individuals.

The latter are: the retirement age (current and past), the access requirements, the rules for early retirement, the rights granted to survivors (survivors' pensions), the existing calculation system (contributory, retributive or mixed), the indexation of current pensions, past calculation systems and the method of calculation for minimum pensions/social pensions etc.

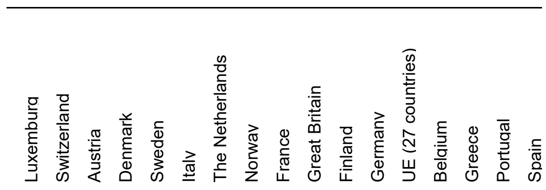
Compared to the first two factors, we must take into account that in Italy 20.2% of the population is over 65[5]. In Europe, it is only surpassed by Germany, at European average it stands at 17.4%. The opposite position is held by Iceland and Ireland, with a low share of over sixty-five compared to the total population.

[4] Eurostat data. IPL 2014.
[5] Ministry of Economy and Finance, La spesa pubblica in Europa (Public spending in Europe) 2007-2015, Rome, 2017.

Italy spends 15% of its GDP on pensions, compared to an average of 11% in Europe[6].



[6] Ferrera M, Le politiche sociali. L'Italia in prospettiva comparata (Social policies. Italy in a comparative perspective), Il Mulino, Bologna, 2006.



Pension spending in the main European countries (2010)[7]

Italy is in sixth place with a € 3,609 for pension expenditure per capita.

Before Italy we find Luxembourg, Switzerland, Austria, Denmark and Sweden.

The other Mediterranean countries are between the fifteenth and seventeenth place, with a pension expenditure of 2,548 euro in Greece, 2,214 euro in Portugal and 2,058 euro in Spain[8].

Italy spends 51.4% of total social spending on pensions and in Europe it is on top of the podium among the countries of Western Europe and on the second step if we consider all 27 countries belonging to the European Union[9].

The ratio between pension expenditure and total social spending in Italy is very high, also compared with other Mediterranean countries such as Spain (33.5%), Portugal (42.3%) and Greece (42.3%).

Among the continental countries, pension expenditure reaches 42.9% of the total in Austria and 33.0% in Germany. On average, in the 27 European countries this expenditure represents 39.1% of total social spending.

More than half of social protection spending is for retired people.

Pensions have always been a very strong element of social protection for the elderly and their families.

Survivors' spending, represented by survivors' pensions, is also part of the statistics on pension expenditure.

By adding the two different types of spending in Italy, € 4,255 is the expenditure per capita (€ 3,609 for retirement and old-age pensions and € 646 for survivors' pensions).

Italy is outdone in terms of absolute expenditure per capita by Switzerland, Austria and Luxembourg.

The European average amounts to 3,000 euro per capita.

We are faced with very low pension expenses in the countries of Eastern Europe and with high levels in the Nordic and Central European countries.

Regarding the survivors' pensions, Italy is surpassed only by Luxembourg.

3.4 Healthcare spending

Italy has a healthcare expenditure of 25.6% of total social spending, with about € 1,793 per capita per year.

The average healthcare expenditure of the 27 European countries is 29.4%.

[7] Eurostat data. IPL 2014.

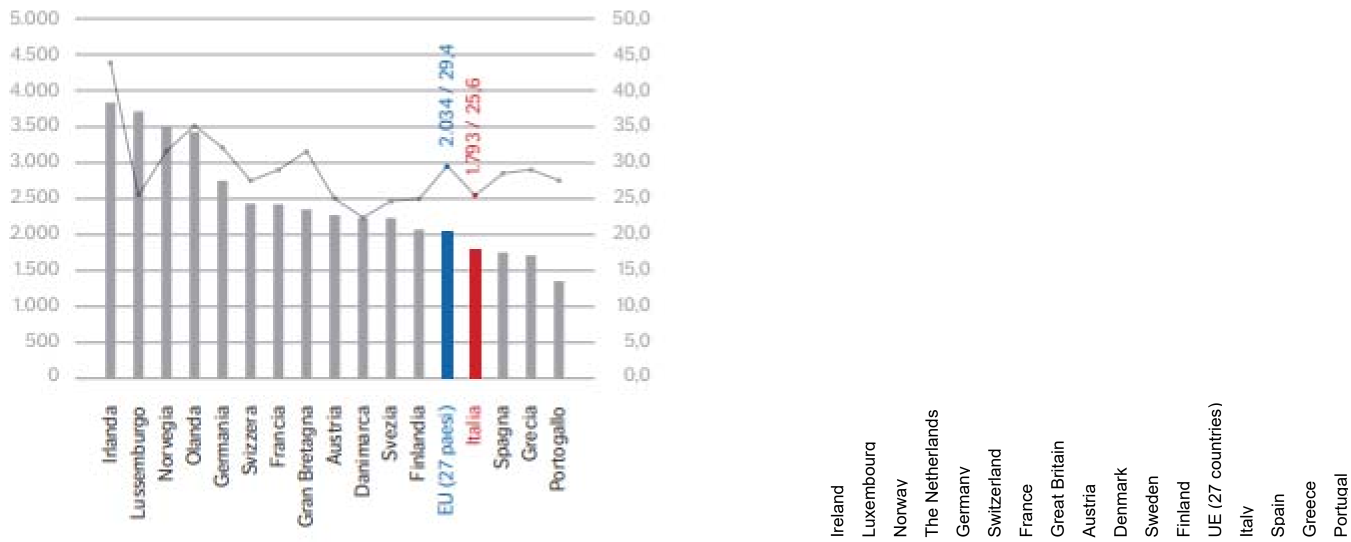
[8] Boeri T., Perotti R., Meno pensioni, più welfare (Less pensions, more welfare), Bologna, Il Mulino, 2002, 18.

[9] Preceded by Latvia, which spends 51.8% but has an absolute level of social spending that is very low, equal to € 2,212 per capita.

Italy is slightly below the European average in this field.

Scandinavian countries (which all exceed 2,000 euro per capita per year), Germany (2,752 euros), the Netherlands, Norway and Luxembourg (over 3,000 euro per capita) are among the first for healthcare spending.

Ireland is in first place, with a healthcare expenditure of 43.3% of the total social expenditure (3.833 euro per capita).



Healthcare expenditure in the main European countries[10]

Healthcare spending in Europe is characterised by very different national health systems.

Italy is at the bottom of the ranking with some Eastern European countries and at a level higher than Portugal (263 euro) but lower than Greece (388 euro) and Spain (350 euro).

Above the European average are Belgium, France and the Scandinavian countries, with per capita expenditure levels exceeding 900 euro per year.

Iceland and Ireland are in a good position (respectively with 875 and 1,032 euro per capita).

3.5 Spending for the family and children

The cost for the family and children is made up of cash and/or family services (care allowance, child allowance, family allowance, birth or adoption checks, allowances for disabled children), contributions for services to children, paid maternity leave, parental leave and leave for the care of other family members.

A case to be taken as an example, is that of Luxembourg, which has a family expenditure corresponding to € 2,300 per capita and Norway with € 1,290.[11].

In Luxembourg, family spending is 15.7% of the total social spending.

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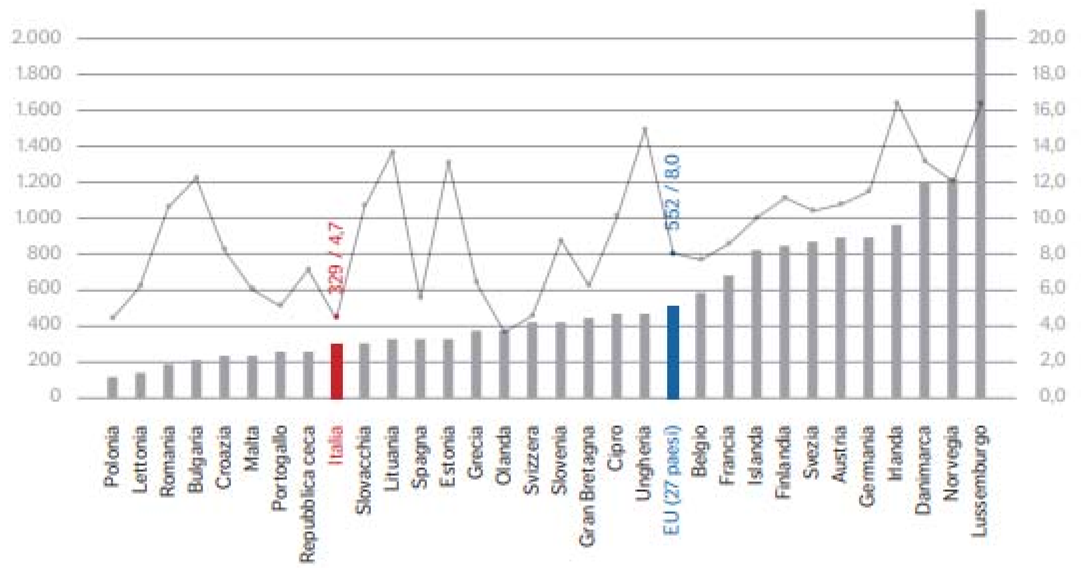
[10] Data source Eurostat. IPL 2014.

[11] Ministry of Economy and Finance, La spesa pubblica in Europa (Public spending in Europe) 2007-2015, Rome, 2017.



Poland
Latvia
Romania
Bulgaria
Croatia
Malta
Portugal
Czech Republic
Italy
Slovakia
Lithuania
Spain
Estonia
Greece
The Netherlands
Switzerland
Slovenia
Great Britain
Cyprus
Hungary
UE (27 countries)
Belgium
France
Iceland
Finland
Sweden
Austria
Germany
Ireland
Denmark
Norway
Luxembourg

Expenditure for the family and children in the main European countries[12]

Italy is one of the countries with fewer children in relation to the population: only 14% of the Italian population is less than 14 years old. Germany and Bulgaria beat us negatively.

On average, in Europe the population under 14 corresponds to 15.6% of the total, with high peaks in Norway and France (18.5-18.6%) and especially in Iceland and Ireland, where one person every 5 is less than 14 years old.

3.6 Spending on unemployment

In 2010, 415 euro per capita for unemployment were spent in the EU member states.

In Ireland and Belgium, the spending was 1,000 euro. Very low levels are found in 13 European countries with less than 200 euro.

Italy spends 206 euro per capita in this field and consequently is in the lower part of the ranking. Above the average we find the Nordic and central Europe countries.

Below the average are all the countries of Eastern Europe and England (with less than 200 euro per capita per year). From 2007 to 2010, per capita expenditure on unemployment grew in Europe, even though the absolute spending values of 2007 were very diversified, with very low amounts in Eastern European countries and a level that in Belgium reached almost 1,000 euro.

Germany, France, Austria and Belgium recorded the lowest increases in the last 4 years.

[12] Data source Eurostat. IPL 2014.

The largest increases in percentage were recorded in countries where unemployment expenditure was very low, with the exception of Iceland, which, despite having a relatively high expenditure, managed to double it in the last 4 years.

In 2007, Italy spent 116 euro per capita for the unemployed, rising to 206 euro in 2010, with a 43.8% four-year growth rate[13].

	€ pro-capite		%
Paese	2007	2010	Variazione 2007 – 2010
Germania	447	492	9,0
Francia	515	578	10,9
Malta	97	111	13,0
Austria	443	516	14,2
Belgio	945	1.102	14,3
Polonia	54	64	15,4
Cipro	210	250	16,1
Ungheria	118	143	17,6
Svezia	339	412	17,8
Finlandia	560	683	18,1
Portogallo	225	282	20,2
Repubblica ceca	124	124	22,2
Lussemburgo	635	635	22,6
EU (27 paesi)	315	415	24,1
Gran Bretagna	149	149	25,1
Olanda	376	376	26,0
Svizzera	268	391	31,4
Slovenia	94	139	32,5
Grecia	245	366	33,2
Danimarca	484	751	35,6
Spagna	539	867	37,8
Slovacchia	95	166	42,6
Italia	116	206	43,8
Lituania	57	113	49,2
Islanda	502	1.095	54,2
Romania	28	64	56,5
Bulgaria	28	64	57,2
Norvegia	129	360	64,3
Lettonia	57	165	65,3
Estonia	24	119	79,6
Irlanda	71	448	84,0

	€ per capita		%
Country	2007	2010	Variation 2007 - 2010
Germany			
France			
Malta			
Austria			
Belgium			
Poland			
Cyprus			
Hungary			
Sweden			
Finland			
Portugal			
Czech Republic			
Luxembourg			
UE (27 countries)			
Great Britain			
The Netherlands			
Switzerland			
Slovenia			
Greece			
Denmark			
Spain			
Slovakia			
Italy			
Lithuania			
Iceland			
Romania			
Bulgaria			
Norway			
Latvia			
Estonia			
Ireland			

Expenditure on unemployment - 2007/2010[14]

3.5 Disability, housing and social exclusion expenses

With regard to social spending for disabled people, Italy places itself in an intermediate position in the ranking (with € 417 per capita per year)[15].

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[13] Ferrera M, Le politiche sociali. L'Italia in prospettiva comparata (Social policies. Italy in a comparative perspective, Il Mulino, Bologna, 2006, 23.

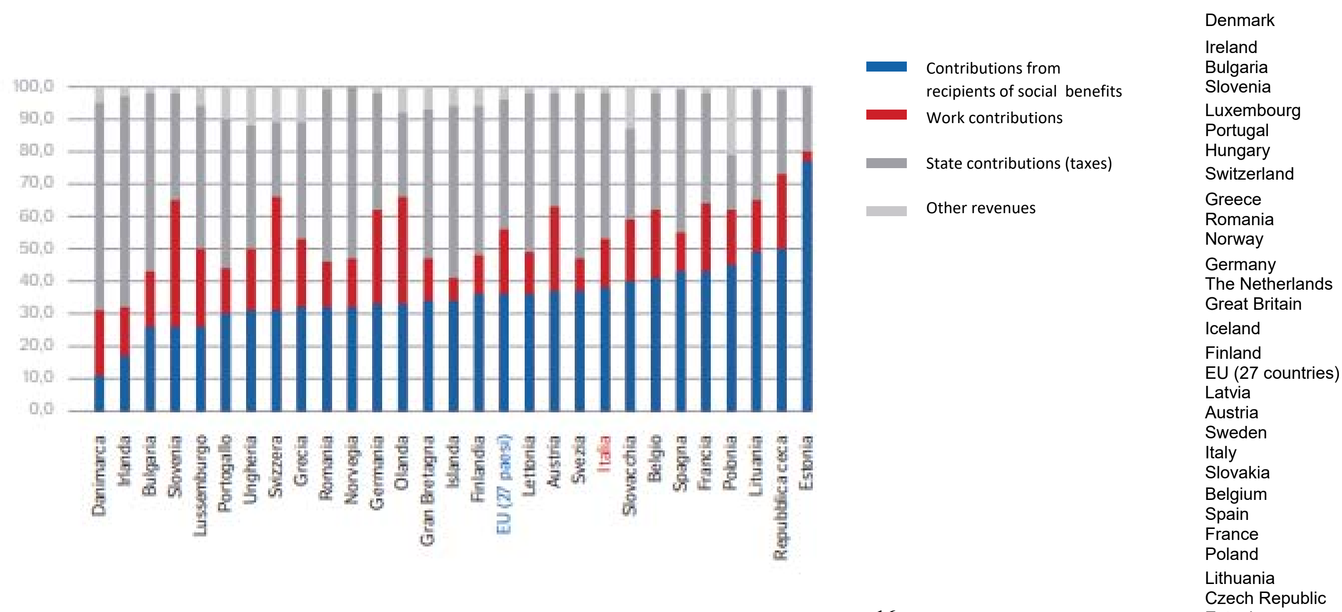
[14] Eurostat data. IPL 2014

[15] Naldini M., Le politiche sociali in Europa. Trasformazioni dei bisogni e risposte di policy (Social policies in Europe. Transformations of needs and policy responses), Carocci, Rome, 2007, 19.

On average, in the 27 European countries, 550 euro per person are spent on disability, with large differences between Eastern European countries (Bulgaria, Latvia, Romania) that do not reach 200 euro per year and Northern European countries (Finland, Sweden, Denmark and Norway, in addition to Switzerland and Luxembourg) where spending exceeds 1,000 euro per capita.
Housing is the field in which all European countries spend less, with a negligible per capita expenditure in 9 European countries (below 10 euro per capita per year, Italy spends only 6 euro).
In 10 other countries, spending ranges between 18 and 100 euro.
In Ireland, Holland, Sweden, Finland, Denmark and Luxembourg the expenditure varies between 100 and 200 euro.
The highest rankings belong to France, Denmark, Cyprus and Iceland (where expenditure ranges from 217 to 288 euro per capita).
The average for the 27 countries of the Union is 141 euro.
In England the average expenditure is much higher, with 414 euro per capita.

3.6 Methods of financing social spending

Finally, it is necessary to analyse how social spending is financed and to what extent it comes from work contribution (of employees and employers, as well as of self-employed and retired people), or from the direct contribution of those who receive the benefits, how much from the state budget (through specific and general taxation) and how much from other income (residual category).



Social expenditure by type of revenue, % of total revenue - 2010[16]

As shown in the previous graph, in Europe 36.3% of social spending is financed by social contributions on work and 20.1% by contributions from those who receive social benefits.

[16] Eurostat 2010 data. IPL 2014

In total, 56% of social spending comes from contributions. 40% comes instead from the public state budget and taxes paid by citizens (general taxation).

Other revenues represent the remaining 4%. In Europe there are very different situations among the member states, with obviously different economic and redistributive effects.

Exceptional cases are found in Estonia, where three quarters of social spending is financed by work contributions. There is a great variety in the weight that the contributions of workers and pensioners have regarding financing social spending (ranging from 10.8% in Denmark and 16.7% in Ireland to around 49% in Lithuania and the Czech Republic).

Italy, with 37.9%, is in the top half of the ranking. With regard to the contributions paid by the recipients of social benefits, Italy, with 14.9%, is in an intermediate position compared to other European countries even if the benefits paid by the recipients are below 20.1% of the average of the 27 countries of the European Union[17].

The average is the result of a very high differential between member states, ranging from 2.7% in Estonia and less than 10% in Iceland and Sweden, to countries where the recipients' contribution reaches about 1/3 of the total (Holland, Switzerland and Slovenia).

Denmark and Ireland finance social spending primarily through taxes (64.4 and 65.0% respectively), while general taxation is little used to finance the social sector in particular in Poland and Estonia (less than 20%) and in Switzerland, the Czech Republic and the Netherlands (where funding through taxes varies from 23 to 26%).

In Italy, taxes finance 45.6% of the total expenditure, with levels similar to those recorded in Spain, Luxembourg, Portugal, Great Britain and Finland.

In 2010 in Italy, with a social protection expenditure of € 7,671 per capita, taxes financed total social spending with almost € 3,500, workers' contributions with € 2,910 and direct recipients' contributions with 1,144 euro per capita.

In Italy social spending is paid mainly by people who pay taxes and work-related social contributions (employees or self-employed) or contributions linked to pensions.

[17] Ferrera M, Le politiche sociali. L'Italia in prospettiva comparata (Social policies. Italy in a comparative perspective) Il Mulino, Bologna, 2006, 25.

CONCLUSIONS

In conclusion, it can be said that social policy has become increasingly central to the European Community debate thanks to the economic policies of the common market. In fact, rights such as the right to work, education, the right to social and health care, pensions, aid for the unemployed and social housing, are commonly recognised in all the countries of the Union.

These rights are considered as fully enforceable in court, also because such protection is an essential condition for the enjoyment of other rights such as the right to life.

It seems at least obvious, as the current economic crisis has shown to the entire Europe how the national systems, pressed towards the integration of the markets, both on the regional and the international level, are not able to face the change without an adequate social structure that can absorb supranational and international changes.

The analysis of the phenomenon carried out in this work aims at highlighting, through the analysis of the welfare state, the substantial differences in the various national laws concerning social policy, especially regarding how social inequality and economic poverty are perceived.

This justifies, still today, the need, in the literature, to continue to divide the various welfare systems existing in Europe into models, especially as a result of the enlargement, which has further complicated the approach of the various welfare states.

The main differences emerge between the North and the South of the continent. In fact, on the one hand there are the countries of Mediterranean Europe that are characterised by the insufficiency of public interventions, an undeveloped formal market of care and the central role of the family, while on the other side there are the countries of Northern Europe, where the state has a central role in taking care of the citizens, and of the elderly in particular.

The social policies of the European countries analysed in this paper are, however, directed towards a single objective, i.e. facilitating the participation of the individuals and supporting economic development and growth.

In light of the delicate moment of economic difficulty, which has widened the welfare's scope, but also due to the evident crisis of the social system itself, a strong rethinking of the Italian welfare model as it is today seems to be absolutely essential.

The phase of discomfort that the welfare is going through, especially in Italy, could represent an unrepeatable opportunity for change and renewal.

The new welfare postulates a logic of alliances between public, private and civil society in order, primarily, to launch new financial instruments for the procurement of the necessary resources.

The capacity approach presents itself as a theoretical paradigm that is alternative to traditional visions that intend development exclusively linked to the GDP.
Development can be understood not only in terms of economic growth, but also as the promotion and evolution of human progress and living conditions.
It is necessary to give back value and responsibility to the individual, while maintaining a social protection network that supports and promotes the autonomy of the person without replacing him or her.
This work, through a careful analysis of the phenomenon, hopes, therefore, for a new concept of welfare understood no longer as a "*burden*" for the economy of a country or as a "*brake*" to the evolution of the same, but instead as an integral part of growth and development and as a support to the economy.
This is what is meant by "*active welfare*", according to which the aim of social policies should be to encourage participation in the labour market and consider human capital and work as factors of social inclusion.
Along these lines, the next step is to overcome of the concept of welfare intended solely as expenditure, and adopt the perspective of an investment in human capital.

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RIASSUNTO

Il *welfare state*, Stato assistenziale o Stato sociale può essere generalmente definito come il complesso di politiche pubbliche messe in atto da uno Stato dirette, in un'economia di mercato, a garantire il benessere ed il progresso della comunità e migliorare le condizioni di vita dei cittadini, assicurando agli stessi di usufruire di alcuni servizi fondamentali, quali l'istruzione, la sanità, assicurazioni sociali, pensioni e altre forme di sussidi sociali, nonché la garanzia del diritto al lavoro ed alla casa.
L'espressione inglese **W*elfare State***, *«Stato del benessere»* è stata coniata in Gran Bretagna durante la seconda guerra mondiale, per indicare "*un sistema tendente a garantire come diritti politici dei cittadini standard minimi delle componenti fondamentali del benessere* (reddito, alimentazione, salute, educazione, abitazione)", con il suo obiettivo di accudire i cittadini dalla culla alla tomba, si afferma compiutamente nel secondo dopoguerra.
Il welfare state o "stato del benessere" è il termine, dunque, con cui indichiamo un sistema politico, economico e sociale in cui lo Stato assume come propria prerogativa e responsabilità la promozione della sicurezza e del benessere sociale ed economico dei cittadini.
L'evoluzione del welfare state può essere suddivisa in tre fasi successive.
Una prima forma di Stato sociale, o più esattamente di Stato assistenziale, venne introdotta nel 1601 in Inghilterra con la promulgazione delle leggi sui poveri (Poor Law).
La seconda fase, opera di monarchie costituzionali conservatrici o di pensatori liberali, si riconduce alla prima rivoluzione industriale ed alla legislazione inglese del 1834 ed in questo contesto nacquero le prime assicurazioni socialiche garantivano i lavoratori nei confronti di incidenti sul lavoro.
Questi servizi gravano sui conti pubblici attraverso la cosiddetta spesa sociale in quanto richiedono ingenti risorse finanziarie, provenienti in buona parte dal prelievo fiscale.
Successivamente, nel 1883 nacque, questa volta in Germania, l'assicurazione sociale, introdotta dal cancelliere Otto von Bismarck per favorire la riduzione della mortalità e degli infortuni nei luoghi di lavoro e per istituire una prima forma di previdenza sociale.
La terza fase, la fase dell'attuale welfare, ha inizio nel dopoguerra. Il 1942 fu l'anno in cui, nel Regno Unito, la sicurezza sociale compì un decisivo passo avanti grazie al cosiddetto Rapporto Beveridge, stilato dall'economista William Beveridge, che introdusse e definì i concetti di sanità pubblica e pensione sociale per i cittadini divenendo così universale ed eguagliò i diritti civili e politici acquisiti.
La situazione, a grandi linee, riuscì a mantenersi in sostanziale equilibrio per qualche decennio. Infatti nel periodo che va dagli anni cinquanta fino agli anni anni ottanta e anni novanta la spesa pubblica crebbe notevolmente, specialmente nei Paesi che adottarono una forma di welfare universale, ma la situazione rimase tutto sommato sotto controllo grazie alla contemporanea sostenuta crescita del Prodotto interno

lordo generalmente diffusa. Tuttavia negli anni ottanta e novanta i sistemi di welfare entrarono in crisi per ragioni economiche, politiche, sociali e culturali al punto che oggi si parla di una vera e propria crisi del Welfare State.

Sono tre i fattori che possono spiegare l'adozione da parte dei governi occidentali delle prime politiche di "*welfare state*":

1. **lo sviluppo socioeconomico**, strettamente connesso a quello dell'urbanizzazione e quello dell'industrializzazione.
2. **la mobilitazione politica della classe operaia**, strettamente connessa al fenomeno della concentrazione della forza lavoro nelle città, nelle industrie e nelle imprese, come conseguenza dell'urbanizzazione e dell'industrializzazione.
3. **lo sviluppo costituzionale**, il quale si articola in due dimensioni: l'allargamento del diritto di voto, che ha portato all'inclusione dell'intera popolazione sul territorio dello Stato, e l'istituzione di fatto della responsabilità parlamentare.

Storicamente si possono riscontrare tre fasi di sviluppo del welfare state: una fase di sperimentazione, una fase di consolidamento e, infine, una fase di espansione.

La fase di **sperimentazione** iniziò nell'ultimo trentennio del XIX Secolo. Questa prima, elementare, forma di Stato sociale o, più esattamente, di Stato assistenziale venne introdotta nel 1601 in Inghilterra con la promulgazione delle leggi sui poveri (Poor Law), l'esempio più noto, sotto questo profilo, è l'assicurazione sociale, un programma in cui gli individui aiutavano se stessi attraverso il pagamento dei premi dell'assicurazione statale.

La seconda fase, quella del **consolidamento** prese avvio con la Grande Depressione e la Seconda Guerra Mondiale.

Questa seconda fase, ispirata da monarchie costituzionali conservatrici o pensatori liberali, si riconduce alla prima rivoluzione industriale ed alla legislazione inglese del 1834.

La fase di consolidamento terminò alla fine degli anni Quaranta e nei primi anni Cinquanta, quando si passò alla **fase di espansione**.

La terza fase, quella dell'attuale Welfare, ha inizio dopo la Depressione e la Seconda Guerra Mondiale. Nel 1942, nel Regno Unito, la sicurezza sociale compì un decisivo passo avanti con il cosiddetto Rapporto Beveridge, stilato dall'economista William Beveridge, che introdusse e definì i concetti di sanità pubblica e pensione sociale per i cittadini. Tali proposte vennero attuate dal laburista Clement Attlee, divenuto Primo ministro nel 1945.

A seconda delle connessioni esistenti tra elementi economici, politici, culturali e sociali nelle politiche sociali in Europa vengono distinti quattro modelli teorici di welfare state.

Titmuss e Esping-Andersen hanno identificato tre idealtipi principali di welfare: utilizzando come criterio l'onerosità e la complessità degli interventi posti in essere dallo Stato.
A un livello inferiore colloca il cosiddetto modello residuale o residual welfare model o public assistance model (U.S.A. Reaganiani; G.B. Thatcheriana), in cui lo Stato interviene ex-post, rispetto ai rischi, con forme assistenziali limitate nel tempo e solo quando i tradizionali sistemi di soddisfacimento dei bisogni (famiglia, reti parentali, il mercato) non riescono a far fronte ai bisogni dell'individuo.
A un livello superiore rispetto al primo colloca il modello meritocratico-redistributivo o reward model o industrial achievement model (stati scandinavi), che intende collegare le prestazioni ai livelli di reddito e alla posizione sociale conseguita attraverso il lavoro; in cui lo Stato individua nella politica sociale uno strumento correttivo del mercato.
Solo con il modello istituzionale-redistributivo o institutional redistributive model (paesi europei continentali come Germania e Italia), il terzo, le logiche acquisitive che muovono il mercato e le logiche alla radice della disuguaglianza risultano temperate efficacemente da programmi pubblici di welfare; in questo caso il criterio di allocazione delle risorse è definito ex ante, sulla base del puro bisogno, e l'obiettivo dei programmi è la libertà dal bisogno. in cui lo Stato adotta criteri universalistici nell'erogazione dei servizi.
Titmuss, nella seconda metà degli anni Trenta, affascinato dalla questione sulle disuguaglianze sociali nelle sue argomentazioni sostiene l'intervento sociale dello stato ispirato a criteri di uguaglianza e solidarietà fra tutti i cittadini e negli anni della guerra dimostra che solo grazie all'operare dei legami di parentela e di comunità locale la società inglese resiste al terrore, alla deprivazione e alla disorganizzazione.
La classificazione dei sistemi di welfare titmussiana si focalizza, come specificato nel paragrafo precedente, su due punti: il ruolo e il tipo di interventi dello stato rispetto ai bisogni di sicurezza sociale e i principali destinatari di tali interventi.
La classificazione di Titmuss (modello residuale, meritocratico-occupazionale, istituzionale redistributivo) si sviluppa lungo una scala crescente rispetto a onerosità e complessità degli interventi statali: mentre nei welfare state di tipo residuale e meritocratico-occupazionale vi è una forte presenza del mercato e del sistema occupazionale, nel welfare di tipo istituzionale-redistributivo, fondato sui principi dell'uguaglianza e del soddisfacimento dei bisogni sociali, le prestazioni statali sono molteplici e generose.
Il processo di classificazione dei sistemi di welfare invece del Ferrera parte, dunque, dall'analisi del modello di copertura che lo porta ad individuare due principali varianti: il modello occupazionale e il modello universalistico.
Il modello di copertura si distingue per essere un criterio neutro e di natura esclusivamente descrittiva e per questo idoneo ad essere utilizzato a scopi classificatori.

Uno degli autori che per primo ha colto l'importanza di considerare i principi che regolano le relazioni tra stato, famiglia e mercato, come elemento analitico in grado di spiegare le differenze esistenti tra i sistemi di welfare è stato Esping-Andersen.

La classificazione di Esping-Andersen deriva dalla posizione che ciascun paese assume rispetto a due dimensioni di welfare: il grado di de-mercificazione (decommodification) che si riferisce al grado di indipendenza dei redditi individuali dalle logiche di mercato, e il tipo di stratificazione sociale promosso dalla politica sociale.

Nella sua analisi, il welfare state è inteso come una costruzione storicamente definita, con lo scopo di strutturare il contratto sociale tra Stato e cittadini nelle società ad economia di mercato. Anche Esping-Andersen considera "*che la somma totale del benessere sociale è funzione del modo in cui gli input di Stato, mercato e famiglia vengono combinati tra loro*".

Esping-Andersen ha individuato 3 tipologie di welfare:

- **regime liberale** (paesi anglosassoni: Stati Uniti, Canada, Australia, Regno Unito). Il sistema è fondato sulla precedenza ai poveri meritevoli, pertanto i servizi pubblici non vengono forniti indistintamente a tutti, ma solamente a chi è povero di risorse, previo accertamento dello status di bisogno.
- **regime socialdemocratico** (paesi scandinavi: Svezia, Norvegia, Finlandia, Danimarca). I diritti derivano dalla cittadinanza: vi sono quindi dei servizi che vengono offerti a tutti i cittadini dello Stato senza nessuna differenza. Tale modello promuove l'uguaglianza di status passando così dal concetto di assicurazione sociale a quello di sicurezza sociale, fornendo un Welfare che si propone di garantire a tutta la popolazione degli standard di vita qualitativamente più elevati.
- **regime conservatore-corporativo** (paesi dell'Europa continentale, tra cui, Francia, Germania, ma anche Giappone). In questo modello i diritti e le tutele dipendono dalla professione esercitata: le prestazioni del welfare sono legate al possesso di determinati requisiti, in primo luogo l'esercitare un lavoro. In base al lavoro svolto lo Stato, attraverso leggi speciali, prevede l'istituto delle assicurazioni sociali obbligatorie per i lavoratori nello stato di bisogno.

mediterraneo o familista è presente in alcuni paesi dell'Europa meridionale (Italia, Grecia, Spagna e Portogallo). Lo Stato ha un ruolo "marginale", agendo secondo principi di "sussidiarietà passiva".

Viene riconosciuto socialmente e legalmente il ruolo regolativo delle reti sociali primarie, senza che lo Stato le sostenga attivamente con sussidi o trasferimenti monetari.

L'intervento pubblico è di tipo residuale ed i meccanismi di protezione del *welfare state* si attivano solo dopo il fallimento o l'impossibilità delle reti sociali primarie nel fornire assistenza agli individui in condizione manifesta di bisogno.

Le caratteristiche principali dei modelli sopra menzionati riguardano gli strumenti utilizzati, le regole d'accesso, le modalità di finanziamento adottate e gli assetti organizzativi.

Questi sistemi europei di protezione sociale si modellano in base alle esperienze storiche, politiche e culturali di ogni Paese e nascono storicamente sulla base di diversi modelli, ispirati ad obiettivi e criteri differenti.

I vari sistemi differiscono tra loro principalmente rispetto alla dimensione e alla composizione della spesa pubblica, agli aspetti istituzionali, ai tipi di prestazioni erogate e ai meccanismi di finanziamento previsti.

Il modello Italiano rientra nell'ambito del modello mediterraneo. Esso condivide i suoi caratteri essenziali: frammentazione dei programmi di spesa, ruolo di ammortizzatore sociale assegnato alla famiglia e mancanza di una rete di protezione di ultima istanza.

Lo Stato ha un ruolo "marginale", agendo secondo principi di "sussidiarietà passiva".

Viene riconosciuto socialmente e legalmente il ruolo regolativo delle reti sociali primarie, senza che lo Stato le sostenga attivamente con sussidi o trasferimenti monetari.

L'intervento pubblico è di tipo residuale ed i meccanismi di protezione del *welfare state* si attivano solo dopo il fallimento o l'impossibilità delle reti sociali primarie nel fornire assistenza agli individui in condizione manifesta di bisogno.

Questo comporta un ritardo nella creazione di una rete di sicurezza di base. Risulta sbilanciata la demercificazione, elevata per alcune categorie e bassa per altre.

In tale modello osserviamo una bassa destratificazione, che presenta nuove differenze trasversali alla struttura delle classi sociali.

La Costituzione prevede l'assistenza sociale, per chi non è in condizioni di lavorare, un diritto e non più una erogazione liberale delle organizzazioni benefiche riconosciute dallo Stato .

La salute, oltre che l'assistenza in malattia, diventa "fondamentale diritto dell'individuo e interesse della collettività" e Stato garantisce cure gratuite agli indigenti (art. 32).

Successivamente all'entrata in vigore della Costituzione e, in occasione del c.d. miracolo economico (1958-63), si assistette ad un profondo mutamento del paese, che cambiò profondamente l'Italia: lo sviluppo industriale si produsse soprattutto nel settentrione, più prossimo all'economia internazionale mentre, di converso, flussi migratori dal Mezzogiorno isolarono i centri rurali, lacerando le comunità tradizionali; si affievoliva, fino a sparire nelle città settentrionali, il modello autoritario della famiglia patriarcale; la televisione diffondeva modelli di comportamento innovativi tanto nella borghesia quanto nella classe operaia.

Uno dei principali obiettivi della strategia Europa 2020 é quello di far uscire dal rischio di povertà ed esclusione sociale almeno 20 milioni di europei entro il 2020.

Le ricerche a livello europeo rivelano che il 29,9% degli italiani (e il 24,8% della popolazione europea) è a rischio di povertà ed esclusione sociale.
La nuova strategia Europa 2020 si pone tra i vari obiettivi quello dell'inclusione sociale, impegnandosi a fare uscire dalla povertà e dall'esclusione sociale almeno 20 milioni di persone nell'UE entro il 2020.
Questo obiettivo rischia di non essere raggiunto se non si inverte il trend del reddito a livello europeo.
L'Unione europea stima in circa 120 milioni i cittadini europei in una situazione di povertà o di esclusione sociale, e cerca di sviluppare una serie di misure per raggiungere l'obiettivo previsto nella strategia Europa 2020.
La protezione sociale è il fulcro del modello di sistema sociale europeo che mira a raggiungere entro il 2020 l'obiettivo di far uscire dalla povertà e dall'esclusione sociale circa 20 milioni di persone.
Il Quarto Rapporto sul Bilancio del sistema previdenziale italiano elaborato dal Centro Studi e Ricerche di Itinerari Previdenziali e recentemente presentato al Governo e alle Commissioni Parlamentari, analizza la spesa totale per la protezione sociale e il relativo finanziamento da entrate contributive e fiscali sia a livello statale sia regionale.
Il quadro d'insieme evidenzia una spesa elevata, con una forte crescita di quella puramente assistenziale, il cui finanziamento indica una importante redistribuzione di risorse. Questi fattori possono però rappresentare punti di "vulnerabilità" del nostro sistema di welfare che dopo i dati generali, analizziamo per sintesi.
Nel 2017 spesa totale per pensioni, sanità, politiche attive e passive del lavoro, assistenza sociale è stata pari a 447,3 miliardi pari al 54,13% dell'intera spesa pubblica, interessi sul debito compresi. In rapporto al PIL, cioè a tutta la ricchezza prodotta nel Paese, la spesa sociale pesa per il 27,34%.
Per il 2017 Eurostat indica che la spesa sociale complessiva in Italia è pari al 30% del Pil (percentuale superiore a tutte le medie europee) battuti solo da Danimarca, Francia e Finlandia; abbiamo addirittura superato la Svezia.
Secondo Ocse, sempre per il 2017, la spesa sociale in percentuale della spesa statale complessiva, ammonta al 55,8% e siamo superati solo dalla Danimarca, Germania, Francia, Finlandia e Norvegia.
I sistemi di welfare sono oggi attraversati da una profonda crisi, che origina, da un lato, da risorse sempre più scarse e vincoli di bilancio sempre più stringenti, e dall'altro dall'emergere di nuovi rischi e nuovi bisogni sociali.
Già a partire dagli anni 80-90 i sistemi di Welfare sono entrati in crisi per ragioni economiche, politiche, sociali e culturali, tanto da parlare, da allora, di una vera e propria crisi del Welfare State.
Un insieme di fattori tra cui l'invecchiamento della popolazione, il rallentamento dei consumi interni, l'ampliarsi della globalizzazione con oltre un terzo degli abitanti del pianeta che si affacciano all'industrializzazione hanno concorso a generare la crisi del welfare state.

Infine la “*globalizzazione*” dei mercati è stata indicata sia dai liberisti sia dagli stessi governi di sinistra come un fattore di crisi del welfare poiché, pur essendo una opportunità di sviluppo sociale, comporta, almeno per un primo periodo, più o meno lungo, problemi alle economie e agli apparati produttivi dei Paesi già industrializzati, con conseguenti incrementi dei costi sociali legati alla crescente disoccupazione nei settori
maturi e al sostegno di alcune produzioni. A questi si aggiungono i costi iniziali di inserimento derivanti dall’ingresso di nuovi cittadini attratti dalle economie sviluppate.
Per uscire dall'attuale situazione è necessaria una progressiva riduzione dell'intervento pubblico e la rivalutazione dell'iniziativa privata, sia in campo economico che sociale. È urgente, pena un’inevitabile e prossima crisi fiscale, la cessazione dell'assistenzialismo di Stato e la restituzione alla persona, alla famiglia, ai corpi intermedi, alla società nel suo insieme, di tutte le funzioni che loro competono e che lo Stato ha in modo indebito avocato a sé.
Con la graduale riduzione dell'apparato burocratico, della spesa pubblica e del prelievo fiscale si avrebbero notevoli benefici per l'intero sistema socio-economico.
Le risorse così liberate potrebbero venire investite più efficientemente ed efficacemente dai privati, specie in un contesto socio-economico più libero e flessibile, contribuendo così alla crescita della ricchezza e alla creazione di nuove occasioni di lavoro.
La fase di disagio che sta attraversando il welfare, soprattutto in Italia potrebbe rappresentare un’oc-casione irripetibile per cambiare e rinnovare se stesso.
Il nuovo welfare, postula una logica di alleanze tra pubblico, privato e società civile al fine, soprattutto, di lanciare nuovi strumenti finanziari per il reperimento delle risorse necessarie.
L’approccio delle capacità si presenta come un paradigma teorico alternativo alle tradizionali visioni che intendono lo sviluppo esclusivamente legato al PIL.
Lo sviluppo può invece essere inteso, oltre che in termini di crescita economica, anche come promozione ed evoluzione del progresso umano e delle condizioni di vita.
Occorre restituire valore e responsabilità all’individuo, mantenendo parallelamente una rete sociale di protezione, che sostenga e promuova l’autonomia del soggetto senza sostituirsi ad esso.