



21st Century Benefits. The Future of the Welfare State

- ★ Many European nations established welfare states during the twentieth century to provide social protection for all citizens through social insurance and social services, yet the existing model is coming under increasing pressure. Researchers in the Welfare State Futures programme are investigating fundamental questions about the future of welfare, as **Professor Ellen Immergut** explains

The modern welfare state has its roots in events towards the end of the nineteenth century, as many countries responded to rapid industrialisation by exploring new social insurance models. While this was an important period in terms of re-defining the role of government with respect to the social and economic health of citizens, the more dramatic changes came later on, as Professor Ellen Immergut explains. “The really big changes around the development of an expanded welfare state came after the end of the Second World War,” she outlines. The welfare state has since become a pillar of many European societies, yet the social, industrial and economic circumstances of today are very different to those of the 1940s, and established welfare models are coming under increasing strain. “Trends around demographics and migration, and changes in family structures, all pose significant challenges to the welfare state,” says Professor Immergut.

Welfare state

These trends raise important questions about the future of the welfare state, a topic which is a central part of Professor Immergut’s



WSF Thematic Workshop Gothenburg.

research agenda. Based at the European University Institute in Florence and Humboldt Universität zu Berlin, Professor Immergut is the coordinator of the Welfare State Futures programme, an initiative comprised of 15 different projects engaging nearly 200 researchers to investigate various aspects of this important topic. “We’re investigating

questions around social work and families, healthcare, unemployment and many others. There are many sub-topics,” she says. Several projects are looking at healthcare provision, a core pillar of the welfare state. “Almost 100 percent of the European population has health insurance coverage. Healthcare is largely publicly provided in Europe, but there



are variations in the structure and payment arrangements,” outlines Professor Immergut. “We’re looking at questions like: What’s the impact on health inequality? Does that play a role in how people seek treatment? What about people in superdiverse neighborhoods—how do they access care? And how adequate is this care? More generally, what does inequality look like today and what are the important dimensions?”

A significant proportion of European citizens also have private healthcare insurance, allowing quicker access to high-quality care. However, while those who purchase private insurance still contribute to the public system through their taxes, this may affect public support for the welfare state, an issue of great interest to Professor Immergut in her work studying health inequalities to studying public opinion on health. “A big question for me is - does having more private options undermine social solidarity? If you reduce your waiting time by purchasing private insurance, do you stop supporting the public system?” she asks. The future of publicly-funded healthcare systems depends to a large degree on public consent and people’s willingness to contribute through taxation, another topic the project is addressing. “We are looking at the financial sustainability of healthcare systems in terms of people’s willingness to pay the taxes that it costs to provide care,” explains Professor Immergut.

There are many different strands to this work, bringing together sociological, political and economic research. One project within the wider Welfare State Futures initiative looked at the level of public acceptance of the healthcare system

in four countries; the UK, Norway, Slovenia and Germany. “A group of deliberative forums was held in the project. People discussed their level of satisfaction with their healthcare system and how much they supported it. It was quite interesting to see the differences,” outlines Professor Immergut. These discussions revealed deeper insights into public perceptions of healthcare systems, and how fair they are. “People in the UK really love the NHS for example. However, they are very worried that some people are taking advantage,” explains Professor Immergut. “They had

in Slovenia have improved, people feel upset about private profit coming into the health system,” outlines Professor Immergut. While researchers found that in general people are supportive of the principle of publicly-funded healthcare systems, there are pockets of discontent, which Professor Immergut says politicians should be aware of. “This does have the potential to be mobilised by populist parties. Even though people like the welfare state, there are things about it that people feel are very unfair,” she says.

This could be around access to healthcare

A big question for me is - **does having more private options undermine social solidarity?** If you reduce your waiting time by purchasing private insurance, **do you stop supporting the public system?**

strong feelings of solidarity towards people they considered deserving of access to the NHS – but they wanted to keep other people out.”

Research into people’s attitudes in Norway, Slovenia and Germany showed a different set of concerns however. One major issue across these countries is people who are perceived as wasting the public system, who fail to take responsibility for their own health, while there are also differing attitudes to the role of private healthcare, which in part is a legacy of communism. “In Slovenia, people are very concerned about the emergence of private medical care, because they’re used to a public system. Even though health services

for example, such as when the perception takes hold that recent arrivals to a country have gained rapid access to healthcare services without necessarily paying into the system. The European population is very mobile, and immigrants may have very different attitudes towards welfare, another topic researchers are exploring. “One project looks at how immigrants to different European countries perceive the welfare state. What do they know about it? What are their attitudes? Do they maintain ideas they had from their country of origin, or do they adopt attitudes that are similar to the country they migrated to?” says Professor Immergut. There is a strong comparative element to this research. “This is a broad programme, bringing together

WSF

Welfare State Futures

Project Objectives

- to advance excellent inter-disciplinary and comparative research on Welfare State Futures on a pan-European basis
- to support capacity building for welfare state research on a cross-national basis throughout Europe
- to disseminate research-based knowledge on welfare state issues of societal, practical and policy relevance in cooperation with relevant users and experts

Project Partners and Funding

The programme is funded by 15 NORFACE partners and the European Commission (ERA-Net Plus funding, grant agreement number 618106). The Swedish Research Council for Health, Working Life, and Welfare (Forte) has made an additional contribution to the programme. M€ 19 of funding is allocated to fifteen projects that have started from late 2014 to early 2015. After the inception of the WSF Programme, NORFACE has gained four new partners, such that there are now currently 19 members. More information about the NORFACE network and its partners can be found on the NORFACE website (<http://www.norface.net/>).

Project Partners

NORFACE Partners

Austrian Science Fund (FWF)
Czech Academy of Sciences (CAS)
Independent Research Fund Denmark (IRFD)
Deutsche Forschungsgemeinschaft (DFG)
Estonian Research Council (ETAG)
Foundation for Science and Technology (FCT)
L'Agence nationale de la recherche (ANR)
Luxembourg National Research Fund (FNR)
Netherlands Organisation for Scientific Research (NWO)
Research Council of Lithuania (RCL)
Slovenian Research Agency (ARRS)
Swiss National Science Foundation (SNSF)
The Academy of Finland (AKA)
The Economic and Social Research Council (ESRC)
The Icelandic Centre for Research (RANNÍS)
The Irish Research Council (IRC)
The National Science Centre (NCN)
The Research Council of Norway (RCN)
The Swedish Research Council (VR)
The Social Sciences and Humanities Research Council (SSHRC) of Canada is associate partner and participates in several NORFACE programmes.

Contact Details

Professor Ellen M. Immergut,
Scientific Programme Coordinator
Ziegelstraße 13c, Room 325, 10117 Berlin,
Germany | Via dei Roccettini 9, San Felice
28, 50014 San Domenico di Fiesole (FI), Italy
T: +49 30 2093 1456
E: info.wsf.sowi@hu-berlin.de
W: www.welfarestatefutures.org

Professor Ellen M. Immergut

Ellen M. Immergut is

Professor of Political Science at the European University Institute in Florence and Humboldt Universität zu Berlin, having previously held professorships at the Universität Konstanz and the Massachusetts Institute of Technology. She has published on Health Politics, Pension Politics, and more generally on welfare state reform.



people from many countries. This gives us the opportunity to collaborate not just within projects but across them, which allows for bespoke comparison," stresses Professor Immergut.

The underlying issue in terms of fairness across different countries is often that people feel they are putting more into the system than they are getting out, leading to calls to link access to the welfare state more closely to contributions. This raises fundamental questions about the whole concept of welfare, which Professor Immergut and her colleagues in the project are investigating. "Should we re-think personal responsibility for welfare? How can we re-conceptualise it?" she asks. Researchers are looking at people's attitudes towards different methods of making access to welfare conditional, and their willingness to contribute to welfare provision. "What do people find fair? How do people change their behaviour in different circumstances?" continues Professor Immergut. "We're finding that people's individual concepts of fairness play a very important role in determining how much they want to contribute."

Behavioural economics

This is of course an important issue in terms of the financial sustainability of the welfare state, and a number of tax authorities are keen to explore methods of increasing receipts. The work of behavioural economists holds clear relevance here, with researchers finding that subtle changes in wording can help to increase receipts, which is borne out by work in the Welfare State

Futures programme. "We held an interesting experiment on taxation, together with the Norwegian tax authorities," outlines Professor Immergut. Letters were sent out to Norwegian taxpayers with subtly different wording, which affected people's willingness to pay. "In one letter taxpayers were informed that it was time to report their foreign income. A second letter stated that there were punishments if people did not report their foreign income, while a third variant said it was people's moral duty to report this income," says Professor Immergut. "Surprisingly, the third group responded very well, and the tax authorities gained a huge amount of additional revenue."

A number of national governments have picked up on these kinds of ideas, and Professor Immergut is keen to make the project's findings more widely available, both to the wider public and as an evidence base to inform welfare policy. While providing sufficient resources is clearly central to the long-term future of the welfare state, Professor Immergut believes it's also important to consider political factors and the level of public support. "The amount of resources you can commit to the welfare state depends on how enthusiastic people are about paying into the system," she points out. This rests to a large degree on whether people feel a sense of social solidarity, and that everybody is making a fair contribution. "My sense is that having that feeling of a shared common good is very important to people's sense of fairness and their willingness to support the welfare state," continues Professor Immergut.

WSF Thematic Workshop, Gothenburg.

