

## Guest Editorial

### **Welfare-state change, the strengthening of economic principles, and new tensions in relation to care**

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### **Outline of the concept of the special issue**

Changes in family structures, a massive increase in labour-market participation of women, and an ageing population have led to changes in the traditional organization of care work. European governments are being forced to find new solutions for managing what is called 'the emerging care deficit'. This volume of the NJSF addresses the new forms of care emerging across European countries.

Care work is still to a substantial degree provided in private households in unpaid or paid informal forms of care work, but many welfare states in Europe have extended financial support and public provisions in the field of childcare and elderly care, and have established new social rights for care recipients (Anttonen & Sipilä 2005; Kröger & Sipilä 2005; Rostgaard 2002). Pay for family care in the framework of parental-leave schemes and elderly care has been introduced (Pfau-Effinger 2007). This measure implies that care work produced within the private household by family members or relatives is to an increasing extent organized as semi-formal care. Such policies have contributed to diminishing the tensions between family and employment that had been developing as a consequence of the increase in labour-force participation rates of women. However, in many European countries, these tensions between care responsibility and employment still exist.

This restructuring of the organization of care work has overlapped with another major change in European welfare states, namely, the substantial modification of the main principle of the provision of care. As long as care was provided in the family, its production was based on principles of mutual support. However, this notion of family care was contested beginning in the 1970s. Feminists argued that care provided in the family excluded women – the main providers of family care – from the labour market and social security

(Anttonen & Zechner 2011; England 2005). As far as care was formalized, with the state taking the main responsibility, it was usually organized in the form of a broad public sector of social services. Care provision was based on social rights connected to needs. But state care based on public-sector social services was also contested, even in the Nordic countries. In the discourses of the early 2000s, people described it as rigid, uniform, and inhumane (Vabø 2006). The new type of welfare-state policies now in place following the reforms aim instead to empower people in need of care (or their relatives in the case of small children), and to give them the option to act as 'consumers' on the basis of 'free choice' between the different types of care provision on offer. According to Mia Vabø (2006), 'consumerism' was a major driving force behind the reforms of the Nordic welfare states. These reforms have been subject of a great deal of empirical research and a broad debate in the social sciences. However, these reforms have turned out to be even more far-reaching than many observers had expected and the introduction of 'consumerism' was part of a much larger phenomenon. In the new world of care provision, welfare states now tend to treat care as a good that people can sell and buy on markets under the conditions of competition between providers. Moreover, the organization of care on the basis of the principle of 'need' was to some extent substituted by the principle of 'efficiency', and it became legitimate for firms to use the production of care to make profits. We call this development the 'strengthening of economic principles' in relation to care.

The new policies include such elements as the introduction of Fordist principles into care work, the outsourcing of parts of what was formerly state-provided services to the market or the non-profit sector, the establishment of welfare markets and competition among the providing organizations, the introduction of cash-for-care schemes, the replacement of the concept of clients or patients holding rights with the concept 'consumers' making 'free choices' on the emerging social-care market (Bode 2005; Budäus 2003; Clarke & Fink 2008; Daly 2002; Knijn & Verhagen 2007; Kremer 2004; Lewis & al. 2008; Lundsgaard 2006; Rostgaard 2002; Ungerson 2005; Vabø 2006). These reforms have to a considerable degree been influenced by neoliberal ideas and principles (e.g., Esping-Andersen 1999; Jæger & Kvist 2003; Vabø 2006).

The introduction of these new policies has in part offered new solutions to budgetary problems and the lack of efficiency in care provision. However, it has also created substantial new tensions and contradictions in the care arrangements, because the new principles of care provision contradict other principles (Eichler & Pfau-Effinger 2009).

It is plausible to assume, however, that different welfare states have implemented these new principles to different degrees and in different forms. So far, there have been relatively few comparative studies on the strengthening of economic principles in care provision (for an exception, see for example Bode 2005; da Roit & Le Bihan 2011). There are also open questions concerning which cases such policies lead to tensions and which particular elements of these policies produce tensions.

## **Aims of the special issue**

The aims of this special issue of the NJSR are 1) to analyse policies that strengthen economic principles and their outcomes in the field of childcare and elderly care in European welfare states; 2) to analyse tensions and

contradictions which have emerged as a consequence of such policies; and 3) to contribute to the further development of the theoretical and conceptual frameworks for this line of research.

The authors analyse and explain the specific ways in which different welfare states have introduced and strengthened new economic principles in their care policies. Moreover, they analyse the outcomes of these policies, their potential tensions and contradictions, and the conditions under which such policies can lead to tensions in relation to care. In this regard, the volume will add new elements both to the debate and to the scientific analyses of the strengthening of economic principles in care policies of European welfare states.

The special issue is a mixture of comparative analyses from different welfare states in Europe, as well as case studies of single welfare states. The main bulk of the articles addresses the organization and policies of childcare and care of the elderly. Several of the articles analyse the change towards the client or user as a consumer in a service 'market', the new choice between 'cash or care', as with childcare, or between for-profit, non-profit or public-service delivery, as with care for the elderly.

The articles in this special issue are the result of the international research collaboration in the EU Network of Excellence 'Reconciling Work and Welfare in European Societies' (RECWOWE). The editors are the convenors of the task group, 'Tensions in care between work and welfare' under RECWOWE.

## The contributions

As a central part of the strengthening of economic principles in the field of long-term care in European welfare states, the figure of the old person in need of care, who was previously regarded as the client or patient, has been replaced by the figure of a 'consumer' who makes 'free choices'. In most countries these choices include offers by different providers of home care who compete on the care market and care performed by family members. The focus of the first article by **Birgit Pfau-Effinger, Per H. Jensen, and Ralf Och** is on the effects of these policies on caring family members. It aims to give an answer to two different research questions. First, how do different welfare states legally construct the work situation of caring family members and their relationship with the elderly 'care consumers'? Secondly, to what degree does this construction cause tensions? To answer these questions, the authors compare the legal construction of the work conditions of family care givers in Germany and Denmark, as well as the effects on their relationship with the older relatives who receive care.

The findings show that the degree to which 'consumerism' in long-term care causes tensions in the situation of the caring family member and in the care relationship depends on the ways in which it is embedded in a 'family care regime'. In this regard, the tensions are clearly greater in the semi-formal family care regime of Germany compared to the formal family care regime in Denmark.

The following article by **Barbara Fersch and Per H. Jensen** investigates politics of 'choice' for senior citizens in the Danish welfare state. The strengthening of economic principles in elderly home care in Denmark has primarily taken the form of outsourcing public care provision. The content and quality of services have remained the same, but the providers of services have

changed. The welfare state has continued to bear the major responsibility for the provision of elderly care, while outsourcing has allowed clients to choose freely between a public and private provider of care. The major aim of outsourcing has been to empower the frail elderly by providing them with exiting and choice opportunities and to construct them as consumers of welfare-state provision. Though Denmark's central government introduced the public service reform, the municipalities bear the administrative and financial responsibilities for the care of seniors. In other words, national policy-makers have imposed on the local authorities (municipalities) the duty to provide the opportunities for choice to individuals in need of care. Against this background and drawing on the case studies of two Danish municipalities, this article analyses how nationally imposed ideas and the 'politics of choice' have created tensions locally in the form of municipal resistance and blockages.

**Ingela Naumann** investigates the development of 'childcare markets' in both Great Britain and Sweden. The findings are that there are trends not only towards the marketization but also towards the universalization of childcare, which suggest a complex picture of competing policy logics and goals in the restructuring of welfare states. These similar ideas and trends have, however, played out differently in different national contexts. While market mechanisms have developed slowly over time and have so far had a limited effect in Sweden, in the UK ideas about universal early childhood education became influential as part of a new social-investment agenda in the 1990s, though their restricted implementation has not fundamentally altered the existing childcare market. The author finds that historical policy trajectories thus continue to matter; however, tensions and incoherencies among existing policies can open spaces for change.

With the article by **Tine Rostgaard**, we again investigate the case of free choice of home care in Denmark. The article discusses the overall premises underlying the introduction of the free choice in home care as a panacea to the crisis of the welfare state, and continues with a discussion of the assumptions behind the free choice with regard to the role and responsibilities of the home-care user, the older person. With free choice, the user is expected to become active in seeking information about providers and changing the home care they receive when the quality is poor. This emphasis on free choice overlooks the fact that care is not a commodity like others, for it requires trust and established relationships. In reality, most users do not desire the opportunity to change providers, but they do need continuity in care provision and care staff. Although users are generally appreciative of the opportunity to choose between providers, they do not rate the quality of the care to be any higher in the private sector than in the public. The article concludes that consumerism is now part of the logic of governance, and this has changed the relationship between the welfare state and its subjects. Consequently, new forms of risks, responsibility, and dependencies have been created.

**Anneli Anttonen and Liisa Häikiö** in their article scrutinize social care by investigating recent trends and changes towards marketization and market-like mechanisms within the social-policy field of social care in Finland. They find that public-sector service provision is being redefined and reorganized in such a way that the state and municipalities are taking less responsibility for producing care services-in-kind. Universalism, which the Nordic welfare states are so renowned for, is being challenged by neoliberalism, market-friendly social-policy doctrines, and demands for the development of user-friendly service systems that make choice possible. The authors find that the transformation of public administration into public management and the

influence of managerialism and New Public Management (NPM) on recent public-sector reforms have accelerated welfare-state change. As a result, a very extensive and deep reform of social-care service provision is taking place in Finland. These changes mean that the mixed governance mode will be reinforced and the earlier, state-centred welfare production mode is at least partly withering away. In this respect Finland is approaching the liberal welfare states. It is remarkable that there are today few critics of the new market-like mechanisms and operational practices.

The final article by **Teppo Kröger** investigates whether the introduction of market-based practices linked to NPM has affected the work satisfaction of care workers in care systems for the elderly in Denmark, Finland, Norway, and Sweden. This question is highly relevant because most countries are struggling to hire and retain workers in this sector. The work is often of low pay and of low status, and can be both mentally and physically strenuous. Using comparable survey data from Denmark, Finland, Norway, and Sweden, the author finds many variations between the four Nordic countries concerning both the adoption of market-inspired practices – which Denmark has been the most and Norway the least eager to introduce – and their implications. Employees of for-profit and public employers have similar levels of work satisfaction. In contrast, the implementation of a purchaser-provider model, whereby care assessment and care provision are separated administratively and physically, is associated with weaker levels of work satisfaction. The introduction of other NPM-based practices does not display similar negative associations. In particular, quality-control mechanisms are associated with higher levels of work satisfaction among care workers.

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