

WORK AND WELFARE IN EUROPE

Combating Poverty in Local Welfare Systems

Active Inclusion Strategies
in European Cities

.....

Edited by Håkan Johansson
and Alexandru Panican



Work and Welfare in Europe

Series Editors

Denis Bouget
University of Nantes, France

Ana Guillén Rodríguez
University of Oviedo, Spain

Jane Lewis
London School of Economics and
Political Science, UK

Daniel Clegg
University of Edinburgh, UK

Aims of the Series

‘Welfare reform in Europe faces an uncertain future. This series provides the essential data and analysis that scholars need to understand and debate current developments in work and welfare and to evaluate future trajectories of care-work, poverty, activation policies, retirement and work-life balance’ - Professor Peter Taylor-Gooby, University of Kent, UK.

More information about this series at
<http://www.springer.com/series/14386>

Håkan Johansson • Alexandru Panican
Editors

Combating Poverty in Local Welfare Systems

palgrave
macmillan

Editors

Håkan Johansson
School of Social Work
Lund University
Sweden

Alexandru Panican
School of Social Work
Lund University
Sweden

Work and Welfare in Europe

ISBN 978-1-137-53189-6

ISBN 978-1-137-53190-2 (eBook)

DOI 10.1057/978-1-137-53190-2

Library of Congress Control Number: 2016942790

© The Editor(s) (if applicable) and The Author(s) 2016

The author(s) has/have asserted their right(s) to be identified as the author(s) of this work in accordance with the Copyright, Designs and Patents Act 1988.

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made.

Printed on acid-free paper

This Palgrave Macmillan imprint is published by Springer Nature
The registered company is Macmillan Publishers Ltd. London

Acknowledgement

The research leading to this book has received funding from the European Union's (EU's) Seventh Framework Programme for research, technological development and demonstration under grant agreement no. 290488. The full title of the project is *Combating Poverty in Europe* (COPE), see www.cope-research.eu.

We would like to thank colleagues working on the COPE project for interesting discussions on welfare in European and EU contexts, theoretical inquiries on poverty and social assistance in a changing Europe and important methodological debates on how to study local welfare in a comparative fashion. We would also like to thank Professor Martin Heidenreich at the Carl von Ossietzky University of Oldenburg, Germany, for bringing together a good set of scholars.

This implies that information and views set out in this book are those of the authors and do not necessarily reflect the official opinion of the EU. Neither the EU and its bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained therein.

Contents

- 1 A Move Towards the Local? The Relevance of a Local Welfare System Approach** 1
Håkan Johansson and Alexandru Panican
- 2 The Local Welfare System as a Scale Question** 29
Simone Scarpa
- 3 Conceptualising Local Welfare Systems: Exploring the Role of Actors and Governance Arrangements** 53
Håkan Johansson and Max Koch
- 4 Combating Poverty Through ‘Active Inclusion’? The European and National Contexts** 77
Daniel Clegg
- 5 Strategies Against Poverty and Social Exclusion in a Corporatist–Conservative Local Welfare System: The Dortmund Consensus** 105
Dorothee Spannagel

6	Anti-poverty Activities in a Liberal Welfare Model: Local Levers and Multi-level Tensions in Glasgow, UK	129
	<i>Hayley Bennett</i>	
7	Strategies Against Poverty in a Social Democratic Local Welfare System: Still the Responsibility of Public Actors?	155
	<i>Alexandru Panican and Håkan Johansson</i>	
8	Active Inclusion in a Southern European Local Welfare System: Combining Fragmentation and Public–Private Partnership in Turin	179
	<i>Franca Maino</i>	
9	Poland’s Active Inclusion Model—Still in Transition? The Case of Public Agencies’ Tensions and Emerging Role of Civil Society Organisations in Radom	207
	<i>Julia Kubisa and Justyna Zielińska</i>	
10	Worlds of Active Inclusion at Local Level: A Comparative Analysis	231
	<i>Alexandru Panican and Anna Angelin</i>	
11	Concluding Remarks: Exploring the Consequences of Scale and Place for Local Active Inclusion Strategies	261
	<i>Håkan Johansson and Bjørn Hvinden</i>	
	Index	277

Contributors

Anna Angelin holds a PhD in social work and acts as a researcher at the School of Social Work, Lund University, Sweden. Her main research interests are marginalisation, social assistance and poverty. Her research also includes Nordic comparative analyses of unemployment protection and social assistance development. She is currently Head of Research for *EconSec*, a cross-disciplinary research institute focusing on economic security, Lund University, Sweden.

Hayley Bennett is a research associate in the Academy of Government, University of Edinburgh, UK. Her research interests focus predominately on the British welfare state including the design of activation programmes, the role of the third sector in public service contracting and the politics of local employment programmes. Her most recent publication is 'Best of both worlds? A comparison of third sector providers in health care and welfare-to-work markets in Britain', in *Social Policy & Administration* (2015, with E. Heins).

Daniel Clegg is a senior lecturer in Social Policy in the School of Social and Political Science at the University of Edinburgh, UK. His research focuses on labour market policies and social security benefits for people of working age in comparative perspective. He has published widely in this area, and recently edited the themed section 'Reforming Minimum Income Protection in Europe' in the *Journal of International and Comparative Social Policy* (Volume 30, Issue 2, 2014).

Bjørn Hvinden is a professor in sociology and Head of Research at Norwegian Social Research (NOVA), an institute at the Oslo and Akershus University College

of Applied Sciences, Norway. His main research interests are comparative and European social policies, social citizenship, climate change and welfare, disability, poverty and youth job-insecurity. He recently edited a book titled 'Combating Poverty in Europe—Active Inclusion in a Multi-Level and Multi-Actor Context' (Edward Elgar, together with Rune Halvorsen).

Håkan Johansson is a professor in social work at the School of Social Work, Lund University, Sweden. His current research interests include social policy, civil society and welfare state change. He is currently working on projects on 'Europeanization of Swedish civil society organization' and 'Local welfare mixes in Swedish municipalities'. He has published extensively covering issues of social policy, citizenship, civil society and one of his most recent publications is an edited volume titled 'EU Civil Society' (with Sara Kalm, Palgrave Macmillan 2015).

Max Koch is a professor in social policy at the School of Social Work, Lund University, Sweden. An ongoing theme of his research has been the ways in which political and economic restructuring are reflected in the social structure with an emphasis on welfare and employment relations and in comparative perspective. More recently, he started to combine these research interests with issues of ecological sustainability, particularly climate change, 'sustainable welfare' and post-growth societies. Recent publications include 'Capitalism and Climate Change: Theoretical Discussion, Historical Development and Policy Responses' (2012), 'Non-Standard Employment in Europe: Paradigms, Prevalence and Policy Responses' (2013, co-edited with Martin Fritz) and 'Sustainability and the Political Economy of Welfare' (2016, co-edited with Oksana Mont).

Julia Kubisa is an assistant professor at the Institute of Sociology, University of Warsaw, Poland and an experienced researcher at the Marie Curie Initial Training Network Changing Employment at the University of Gothenburg, Sweden. Her research interests include gendered division of labour, sociology of organisation and industrial relations. She has published on migrant workers in health care sector and changes in public services. Her PhD thesis focused on trade union mobilisation of nurses and midwives in Poland and was published as a book 'Bunt białych czepków. Analiza działalności związkowej pielęgniarek i położnych' (Scholar 2014).

Franca Maino is an assistant professor in political science at the Department of Social and Political Sciences (University of Milan) and Director of the Observatory on 'Second welfare' hosted by the Research Centre 'Centro

Einaudi' in Turin, Italy. Her main research interests are comparative social policies, social innovation and welfare mix, active inclusion policies.

Alexandru Panican is an associate professor in social work at School of Social Work, Lund University, Sweden. His main research interests are social citizenship, comparative social policies, poverty, youth unemployment and school to work transition with focus on vocational education and training. His most recent publication is 'Social rights in the shadow of poor relief – social assistance in the universal Swedish welfare state', in *Citizenship Studies* (2016, with R. Ulmestig).

Simone Scarpa holds a PhD in European Urban and Regional Studies from the University of Milan-Bicocca and a PhD in Social Work from Linnaeus University, Växjö, Sweden. Recent publications include: 'The impact of income inequality on economic residential segregation: The case of Malmö, 1991–2010' (2014, in *Urban Studies*) and 'Immigration policy regimes, welfare states and urban inequality patterns: A comparison between Malmö and Genoa' (2015, in *European Urban and Regional Studies*).

Dorothee Spannagel is Head of the Distribution of Poverty and Wealth research unit at the Institute of Economic and Social Research in the Hans Böckler Foundation in Düsseldorf, Germany. Her research interests include social inequality and comparative welfare-state research, in particular wealth and poverty analyses. Recently she was appointed the scientific advisory board for the German federal government's Fifth Poverty and Wealth Report by the Federal Minister of Labour and Social Affairs.

Justyna Zielińska is a PhD student in Sociology of Labour and Organization Chair, Institute of Sociology, University of Warsaw, Poland. Her research interests include the transformation of labour markets in Poland, Europe and the world, peripheral labour markets, global division of labour and labour market exclusion. She is currently working in a project on 'Deregulation of the labour market, and the experience of uncertainty among employees of call centre'.

Abbreviations

ALG II	Arbeitslosengeld II, Minimum income scheme for jobseekers
ALMP	Active labour market policies
ALZ	Arbeitslosenzentrum, Center for Unemployed
ATC	Agenzia Territoriale per la Casa - Territorial Agency for the House
CAF	Centro di Assistenza Fiscale—Tax Advice Centre
CCP	Community Planning Partnership
CdSP	Compagnia di San Paolo
CEE	Central and Eastern European countries
CLA	Centre for Local Activity
CSO	Civil Society Organisation
DWP	Department for Work and Pensions
ESA-I	Income-Based Employment and Support Allowance
ESF	European Social Fund
FEA	Bundesagentur für Arbeit, Federal Employment Agency
FWA	Free Welfare Association
GCC	Glasgow City Council
GDP	Gross Domestic Product
HMRC	Her Majesty's Revenue and Customs
INPS	Istituto Nazionale di Previdenza Sociale, National Institute of Social Security
ISB	Initiative Sozialgewerblicher Beschäftigungsinitiativen, Association of Social Employment Initiatives

xiv Abbreviations

ISEE	Indicatore della situazione economica equivalente, Equivalent Financial Position Indicator
ISTAT	Istituto Nazionale di Statistica, National Institute of Statistics
JBG	Jobs and Business Glasgow
JCP	Jobcentre Plus
JSA-I	Income-Based Jobseekers Allowance
LAU I	Local Administrative Unit 1
MIP	Minimum Income Protection
MIS	Minimum Income Scheme
MSAO	Municipal Social Assistance Organisation
NASpI	Nuova Assicurazione Sociale per l'Impiego, New Social Insurance for Employment
NGO	Non-Governmental Organisation
NHS	National Health Service
NSC	New Social Card
NUTS	Nomenclature of Units for Territorial Statistics
PES	Public Employment Services
PiS	Law and Justice Party
PO	Civic Platform Party
PSL	Polish People's Party
RMI	Redito Minimo d'Inserimento
SGB II	Second Book of the Social Code
SNP	Scottish National Party
SPD	Sozialdemokratische Partei Deutschlands (German Social Democratic Party)
TSO	Third-sector organisation
WTC	Working Tax Credit
WP	Work Programme

List of Figures

Figure 2.1	Scale as a structuring principle impacting on territory and place	37
Figure 4.1	Unemployment rates 2007 and 2014	83
Figure 4.2	Youth unemployment rates 2007 and 2014	84
Figure 4.3	Long-term and very long-term unemployment rate, 2007 and 2013	85
Figure 4.4	Developments in working-age poverty risks, 2007–2013	86
Figure 4.5	Percentage of GDP expenditure on non-means-tested and means-tested social benefits, selected working-age functions, 2007	89
Figure 8.1	Number of persons receiving local minimum income from the city of Turin	191
Figure 8.2	Percentage of persons on local minimum income as part of the local population in the city of Turin	192
Figure 11.1	Scalar interactions and place dynamics influencing the role of local welfare systems and local strategies in combating poverty in Europe	271

List of Tables

Table 1.1	Regime features of local welfare systems	13
Table 1.2	Features of local cases	18
Table 2.1	The changing functions of local welfare systems: a threefold periodisation	42
Table 5.1	Socio-economic profile of Dortmund compared to Germany	109
Table 5.2	Distribution of responsibilities between Federal Employment Agency and municipalities regarding the delivery of ALG II transfers and services	111
Table 5.3	Comparative dimensions of the local welfare system in Dortmund	123
Table 6.1	Four broad types of third-sector organisations in Glasgow	136
Table 6.2	Local versus national approaches to activation	148
Table 6.3	Comparative dimensions of the local welfare system in Glasgow	151
Table 7.1	Unemployment in the age group 15–74, three main cities and national average (2005–2014), as percentage of the labour force	158
Table 7.2	Selected social assistance (SA) indicators compared in per cent, 2013	163
Table 7.3	Participants in activation programs in the age group 16–64 (participants as percentage of population, annual average 2003–2014)	165

xviii **List of Tables**

Table 7.4	Comparative dimensions of the local welfare system in Malmö	171
Table 8.1	Division of responsibility between levels of government on measures to fight poverty in Turin	188
Table 8.2	Comparative dimensions of the local welfare system in Turin	201
Table 9.1	Comparative dimensions of the local welfare system in Radom	225
Table 10.1	Main features of local political context and poverty debates	235

1

A Move Towards the Local? The Relevance of a Local Welfare System Approach

Håkan Johansson and Alexandru Panican

Challenges to National Models of Welfare

Fighting poverty and promoting social inclusion is a major challenge for most European welfare states, especially in the light of the 2008 financial crisis. The European Union (EU) has been extraordinarily interventionist in debates and has made the fight against poverty one of its five main EU 2020 headline targets. Under the banner of an ‘active inclusion strategy’, member states are encouraged to provide sufficient income support, inclusive labour markets and quality services, pursuing such policies in a coordinated manner at local, regional, national and European level, between policy areas (minimum income support, activation *and* social services) and among actors (public *and* non-public), as a means of fighting poverty and social exclusion. The request for a multi-pillar approach and coordinated actions and actors is put forward as the best way of combating ‘the persistence of poverty and joblessness and the growing complexities of multiple disadvantages’ (EC 2008/867, 2008; see also Küntzel 2012; Frazer and Marlier 2013; Clegg 2013).

The EU's active inclusion strategy resembles other EU strategies, as a form of a social investment approach to the challenges European welfare states are facing (EC 2013; Morel et al. 2013). Despite a growing political and academic interest into these issues, and despite the fact that it is at local level that most welfare policies are put into practice, except for research into social services, previous welfare studies have, to a large extent, focused on *national* policies, *national* reforms and *national* schemes and neglected to explore the relevance of a local dimension for comparative welfare research (Andreotti and Mingione 2014). We argue that the relevance of the local dimension is particularly pertinent in the light of three different, but inter-related trends that encourage us to rethink much of welfare research: state rescaling, a shift from contributory to non-contributory schemes and greater involvement of civil society actors in fulfilling welfare needs.

Firstly, many social scientists believe that the 'stateness' of contemporary welfare states is challenged 'from above', whether 'above' is called globalisation, Europeanisation or denationalisation. It is commonly held that this condition limits the de facto sovereignty of national governments, requires stricter budgetary discipline and new regulative measures, narrows the range of legitimate policy options and instruments at state level and shifts the balance between politics, markets and international courts as sources of material advantage, security and protection against risks. In relation to *national* welfare state regulation, such analytical accounts suggest that national governments' capacities in decision-making have been complemented by new international regulations, stemming from the EU and other international organisations (Graziano et al. 2011; Frazer and Marlier 2013). Processes of 'upward' rescaling—either expressed in terms of economic globalisation or as part of the construction of an internal market within the EU, including greater labour market mobility across borders—have thus diminished national governments' ability to make autonomous decisions and their capacity to enforce political decisions. Internationalisation and globalisation hence place nation states and national regulative institutions in a novel situation as these can no longer act as *the* regulative power in a wide range of policy areas.

In the context of European welfare states, processes of rescaling have often been spurred by developments at EU level (Ferrera 2005). National governments appear to be less capable of determining economic and social developments within their national boundaries (Kvist and Sari 2007).

Barbier (2013) proposes that European welfare states now have hybrid and multi-layered structures as they are embedded in the (social) policy-making apparatus of the EU, amplified in the EU's active inclusion strategy. Hemerijck (2012: 293) and others maintain that European welfare states are developing in an interactive evolution with the EU, as a form of institutional 'co-evolution'. Ferrera (2005) addresses the relations between national welfare states and the EU as a form of 'nested social policies', that is, domestic reforms take place within the context of European economic and social policies.

Whereas the aforementioned reform processes seem to challenge central and national level policy-making as a natural unit for analysis, supported by the EU's interest into the principle of subsidiarity, it is also evident that welfare policies and programmes are increasingly being challenged as national constructs 'from below', expressed as arguments in favour of the decentralisation of welfare policies and services (Panara and Varney 2013; Pollitt and Bouckaert 2000; Pollitt 2005; van Berkel et al. 2011). Across Europe, there is a trend for citizens to challenge long-established bureaucratic or paternalistic modes of administration that are viewed as rigid and inflexible. The notion of individualisation suggests, among other things, that people have become more knowledgeable, self-confident and conscious of their rights when dealing with frontline agency staff and professional helpers. These people expect—and are expected—to have the option of influencing decisions relating to their own welfare, whether these options are expressed through co-determination, user involvement, informed consent, group consultation or freedom of choice. Such demands for greater flexibility have certainly put pressure on a series of social security systems, but even more so on the delivery of social services, as clients, users and consumers expect to encounter more flexible solutions, adjusted to their particular circumstances (Hvinden and Johansson 2007).

Similar concerns are also being raised in relation to achieving greater participation or even more influence over the design, implementation and delivery of welfare policies and services. Throughout Europe we are seeing the emergence of new discourses on citizens' involvement as well as the establishment of new forms of civic participation beyond representative democracy (Grote and Gbikpi 2002; Fung 2004; Fung and Wright 2003). Governments are increasingly experimenting with new forms

of citizen participation, citizen forums and deliberative innovations. Within the area of welfare policies, these efforts seem to be expanding established forms of participation, including not only long-term actors (e.g. social partner organisations), but also self-help groups, user organisations, community-based organisations and other civil society actors speaking on behalf of marginalised groups (Newman et al. 2004; Barnes et al. 2007). Whereas traditional forms of political participation were mainly acted within the arena of national politics, these new experimental forms of participation often seek to engage local stakeholders in affairs that directly affect them.

These pressures ‘from above’ and ‘from below’ coincide with the observation that localism ‘is back on the political agenda’ (Featherstone et al. 2012: 177) and much emphasis in the re-scaling debate suggests that subnational (regional and local) arenas, entities, cities and urban conglomerates have become a more important level for certain public policy regulation and delivery (Mingione and Oberti 2013; Kazepov 2008, 2010). The solution to the challenges of modern governments does not lie in more extensive supranational coordination. Instead, the solutions to the complex set of problems many national governments face ought to be sought in subnational, regional or local, risk protection (Brenner 2004; Fyfe and Milligan 2003). Albeit that much social policy remains under the responsibility of national institutions (e.g. pensions and many other social security benefits), the mechanisms behind many social risks (e.g. poverty, economic exclusion or homelessness) and the greater diversity of life courses, risks, needs and preferences arguably require concerted efforts and close dialogue in the arena where people live and act—in local contexts.

The significance of exploring local-level studies into the topics of poverty and active inclusion is even more relevant considering that politicians turn to local solutions may in fact be interpreted as avoiding the responsibilities of European welfare states—a kind of ‘austerity localism’ (Featherstone et al. 2012; see also Council of Europe 2011). Arguably, rescaling and decentralisation could have adverse consequences for welfare and social policy provision (Brenner 2004; Ferrera and Rhodes 2000). From this perspective, welfare provisions and services previously provided at national level and then deliberately decentralised to local level do not necessarily improve problem-

solving capacities but might well create new—or reinforce already established—patterns of exclusion and/or conflicts over redistribution. A greater role for local welfare might also lead to increased inequality among regions and locations within a national state, with correspondingly different regional or communal capabilities to finance welfare, as well as challenging already weak understanding of social rights and social citizenship in European welfare states. The consequence of decentralisation and localisation may hence be greater cross-territorial disparities, greater social inequalities, more fragmented solidarity and unfair burdens on marginalised groups (Kitson et al. 2011). This combined with a potential greater reliance on non-public efforts creates a complex and partly ambiguous system of local-level welfare provision, with a complex set of actors involved.

Second, the current financial and economic crisis calls for a renewed approach to the relevance of *national* social policies and *national* income protection schemes. What started as a financial crisis has evolved into an economic, political and—without doubt—social crisis across the European continent (Brancaccio and Fontana 2011; Jenkins et al. 2013; Taylor-Gooby 2013). In the wake of the crisis, governments at various levels are currently facing increasing levels of unemployment, higher levels of long-term unemployment and new, more complex forms of social exclusion. Although different European countries face different challenges and have a range of capabilities for developing responses, observers tend to agree that the present crisis has either directly or indirectly given birth to a series of austerity packages that often aim to cut public spending, social security benefits and social services (Greve 2012). Southern European countries have been most severely affected (Gutiérrez 2014; Matsaganis 2011; Petmesidou and Guillén 2014), but also countries with other welfare regimes are facing greater pressures on public spending, partly due to pressures on financial and economic systems and partly due to changes in ideological orientation. Some of the Nordic countries seem to have managed fairly well, but even in these supposedly comprehensive, egalitarian and redistributive welfare states we can observe welfare reforms that promote more selective, targeted and narrower welfare systems (Greve 2012; Kvist and Greve 2011; Vis et al. 2011).

Changes of these kinds have paved the way for a set of far-reaching reform processes within European income protection systems. Clasen and Clegg's (2011) investigations into European unemployment protection shed light on a series of reform processes, one of them being that several European countries tend to put greater emphasis on non-contributory and means-tested benefits like minimum income schemes, social assistance schemes and similar. Marx and Nelson argue that with the 'return of mass unemployment in Europe, [...] cutbacks in first-tier social benefit programmes in some places and changed demographics, minimum income protection has become more important as a safeguard against low income and poverty in parts of Europe' (Marx and Nelson 2013: 7). Traditional national social protection solutions are arguably no longer viewed as the key option for people suffering from financial distress in times of unemployment or even sickness. Either directly, via straightforward reforms, or indirectly, by not increasing benefit levels or by tightening eligibility rules, it appears that contributory- and insurance-based unemployment protection is, to a greater extent, becoming complemented by various types of minimum income protection schemes or by a renaissance in means-tested safety net of last resort schemes like social assistance. Traditionally non-contributory schemes in general and social assistance schemes in particular were seen as a residual form of support, yet these gain in importance when governments are under pressure to find more financially viable solutions, also when larger cohorts of the population can no longer enter the regular labour market and thus are not entitled to insurance-based unemployment protection.

While most contributory schemes are based on rules and regulations from central government, involve national stakeholders and are often subsidised by central government (e.g. pensions, sickness insurance, unemployment insurance etcetera), means-tested social assistance schemes are embedded in local contexts and are in the hands of local governments (Kazepov 2004; Saraceno 2002). The regulation of minimum income and social assistance schemes certainly varies across Europe (see Chap. 4 by Clegg in this volume), but most national schemes tend to include local governments as either a direct decision-maker or at least a local decision-taker, allowed and required to engage with and adjust to local circumstances. In disparate welfare states, like Italy and Sweden,

local governments have almost complete responsibility for such support schemes. Countries such as the UK or Germany, with highly centralised regulations, can also provide room for manoeuvre for local decision-makers allowing for adjustment to local circumstances. Considering that many comparative studies have primarily focused on social insurance and contributory benefit programmes, the growing significance of non-contributory and means-tested schemes thus calls for a renewed research focus into the significance of the local setting for the design and delivery of minimum income protection and social assistance support, preferably as a comparative study. This is even more pertinent considering that it is at local level that coordination between the three pillars of the active inclusion strategy is put into practice, that is, between income support, activation offers and access to social services.

Third, while income protection schemes can cater for some people's needs, it is becoming increasingly obvious that such schemes can only handle the complex issue of poverty to a certain extent. The gap between formal public schemes and individuals' needs seems to be widening as civil society organisations, such as third-sector organisations (e.g. charities, voluntary organisations, user and community groups), become more involved as welfare states are failing to deliver support and services. Organisations such as the Red Cross report that they experience a 'growing number of people living below the poverty line and needing assistance, and also a rise in the intensity of poverty, whereby those who were already poor are now poorer, as well as a widening gap between the rich and the poor. This means that those living at the margins of mainstream society—and those who are socially excluded—have grown in numbers and the distance to re-socialise, rehabilitate, find a job and re-join society has also increased' (International Federation of the Red Cross 2013: 5; see also Caritas Europa 2012; EESC 2012).

Across Europe various types of civil society organisations are invited and/or expected to step in when the welfare state 'fails' to deliver support and services for the most marginalised groups in societies. To an increasing extent, civil society organisations develop services and support for members and beneficiaries, sometimes directly working on public contracts, sometimes based on their own initiatives. This has also implied a new set of governance arrangements between public and civil society actors. Ranging

from loose collaborative networks to more formalised partnership arrangements and direct contracting-out models, new forms of relations and interactions are being constructed between public and civil society actors, illustrating the complexities of horizontal coordination which include the many forms of governance mechanisms embedded in such horizontal relationships (Brandsen et al. 2014; Bode et al. 2014; Boivard 2014; De Corte and Versheure 2014; Furneaux and Ryan 2014). In some European welfare states, the greater involvement appears to be a ground-breaking event since these have primarily relied on public efforts and universal social assistance schemes, while in other countries, local welfare organisations, such as community groups, charities and foundations, have always played a significant and essential role in local welfare provision (Bode 2006; Evers and Laville 2004). Such innovations primarily materialise at local level as a way to mobilise actors and resources and build new avenues for political participation, often in relation to user groups rarely involved in ordinary political debates (Bode and Brandsen 2014). This illustrates a more complex welfare mix, in which civil society actors are involved in the deliberation, design and delivery of support and services for various groups.

Purpose and Research Questions

These debates on rescaling, the renaissance of non-contributory welfare, combined with changes in the welfare mix, challenge us to develop a new set of research questions that conceptualises both state and local welfare in a novel manner.

This book takes stock of research into minimum income provision (e.g. social assistance models and regimes) and notices, interestingly enough, that this has focused on national reforms, national policies and national schemes as the main object of study, despite the fact that it is at local level that most such policies are put into practice. We find research into national minimum income/social assistance models and regimes (Eardley et al. 1996; Gough 2001; Gough et al. 1997; Bahle et al. 2011; Cantillon et al. 2004; Immervoll 2009; Marchal et al. 2011; Marx and Nelson 2013) and studies that compare the coverage, amount and duration of benefits as well as the distributive effect of national minimum income

schemes (Gomes 2014; Marchal et al. 2014; Peña-Casas and Ghailani 2013). More recently there has also been extensive research into the ‘activation turn’ in income provision, in particular in social assistance support (Hvinden and Johansson 2007; Lødemel and Trickey 2001; Lødemel and Moreira 2014). Only a few studies have however, deliberately sought to analyse local social assistance provision from a cross-European perspective (Saraceno 2002; Ranci et al. 2014). This calls for more extended analyses into how public efforts to combat poverty and promote active inclusion are organised and put into practice at local level and remodelled according to local conditions, cultures and agency organisation.

This book also takes stock of existing research into the role and function that local civil society organisations, such as third-sector and voluntary sector organisations, play at local level, providing support and services for poor and socially excluded groups. Research into welfare mix and the voluntary sector have traditionally focused on the macro-institutional design of national models (Bode 2006; Evers and Laville 2004, Salamon and Anheier 1998), yet more recently focused on issues of governance and organisational hybridity (Anheier and Krlev 2014; Skelcher and Smith 2014; Smith 2014), or co-production as a particular form of service provision (Brandsen and Pestoff 2006; Pestoff et al. 2012). However, existing research on welfare mix and the service provider function of third-sector and voluntary organisations focus primarily on various types of social services and less so on the involvement such actors play in relation to the financial needs of poor and socially excluded groups (e.g. Saraceno 2002). This is due to historical and structural reasons, yet due to the present crisis, new topics of investigation are to be placed on the agenda. In correspondence, traditional welfare research (including research on minimum income and social assistance provisioning) pays limited attention into the role and function of such non-public actors in catering for the needs of various groups and the efforts and attempts of voluntary organisations, charities and third-sector organisations to provide support and services for their members, beneficiaries and citizens in need. Our studies seek to contribute to these academic debates by studying public and civil society mutual cooperation and efforts to combat poverty and social exclusion in combination as two essential and intertwined aspects of local welfare systems.

The book thus builds upon, but also aims to expand existing research since the local level has been largely neglected; a more complex understanding of efforts to combat poverty and promote active inclusion needs to address how such schemes and efforts are organised and put into practice at local level and (re)modelled according to local conditions, cultures and agency organisation, as part of local welfare systems. The overall purpose of the volume is *to analyse the structure and composition of local welfare systems in European welfare regimes, with a particular focus on local anti-poverty strategies in five European cities*. We seek to investigate the role public agencies play in local welfare systems and, above all, in local activities fighting poverty and social exclusion. In addition, what is the role of civil society organisations—third-sector organisations including community groups, churches and charities—in local welfare systems? To what extent has the present crisis changed local governments' and civil society actors' involvement, cooperation and responsibilities in local welfare systems and in local anti-poverty strategies?

Against the backdrop of these overarching research questions, we put forward a set of concrete research topics that guide our comparative investigations: (a) How are local minimum income support schemes organised at local level and to what extent are such schemes coordinated with other related services (activation and social services) into a local active inclusion strategy? (b) What role and function do civil society organisations fulfil in local welfare systems in providing poor and socially excluded groups with support and services, acting as a complement or replacement to public services? (c) What governance arrangements prevail in contacts between public and non-public agencies (partnerships models, contract models or participatory governance arrangements) and to what degree are such local relations imbued by trust and cooperation and/or conflict and contestations?

These research objectives are combined with two more challenging analytical objectives, which, in short, aim to identify factors that shape and/or structure the constitution of local welfare systems in various welfare state contexts (e.g. local problem pressure, degree of local autonomy, degree of local public capacity, role and function of local civil society, traditions of cooperation) and to analyse the constitution of different local welfare systems against the backdrop of different welfare regimes. We generally

define a local welfare system as embedded in wider vertical and horizontal relationships that influence how these systems function, what they deliver and for whom. Local welfare systems thus differs from local governments and local welfare mixes as they are constituted of a set of welfare actors that are directly and indirectly interconnected and embedded in a particular local setting (see Chap. 2 by Scarpa and Chap. 3 by Johansson and Koch for further elaboration).

Studying Local Welfare Systems in Different Welfare Regimes

Our explicit interest in local welfare systems, local anti-poverty measures and local active inclusion strategies requires a brief explanation of the contextual dimension of local welfare system studies and our selection of cases. Five different European welfare states constitute the starting point for our analyses: Italy, Germany, Poland, Sweden and the UK (Esping-Andersen 1990, 1999) and also five cities analysed as local welfare systems. The analyses forms part of a FP7 EU collaborative research project titled ‘Combating Poverty in Europe: Re-organising Active Inclusion through Participatory and Integrated Modes of Multilevel Governance’ (Grant Agreement no. 290,488, see also www.cope-research.eu).

Considering the challenging methodological nature of making comparisons of local cases across country differences, we define these as cases within national contexts, rather than as cases per se (see below for further exploration). Most of the empirical investigations in the volume primarily explore two pillars of the active inclusion approach: in terms of minimum income/social assistance support and local activation services. Furthermore, each local case explores the relevant set-up of local civil society actors, and considering the variety of civil society actors involved in local welfare systems proper conceptualisations and terms used will reflect upon national and local circumstances (for more general conceptual debates, see, for instance, Wagner 2012).

The countries have been selected as they cover as many welfare regime conceptualisations as possible: a liberal welfare regime (the UK), a social democratic welfare regime (Sweden), a conservative welfare regime (Germany), a southern European regime model (Italy) and a post-socialist welfare regime

(Poland) (Fenger 2007) (see Chap. 4 by Clegg in this volume). The countries also belong to four different social assistance models/regimes: a 'welfare state with integrated safety net' (UK), a 'dual social assistance model' (Germany), a model of 'citizenship based, but residual social assistance' (Sweden) and a 'model of rudimentary assistance' (Italy) (Eardley et al. 1996; Gough et al. 1997). More recently, scholars have also made comparative investigations of central–local regulation with regard to social assistance provision and proposed that European welfare states could be arranged into various scalar models, depending on forms and degree of regulation (Halvorsen and Hvinden 2016; Kazepov 2008, 2010; Kazepov and Barberis 2012; Minas et al. 2012, 2014). The countries in the study represent the four scalar regimes/models proposed by Kazepov and the national models and are further explored by Clegg in Chap. 4 (see also Angelin et al. 2014; Clegg 2014; Jessoula et al. 2014; Heidenreich et al. 2014).

The first of Kazepov's models is one of 'strong local autonomy, but centrally framed' (e.g. Norway, Finland and Sweden) is characterised by shared responsibilities by central and local governments, yet with an emphasis on local political autonomy. The state has the legislative power over social assistance provision, but management and delivery of services and benefits are mainly an issue for local governments. Countries tend to provide local governments with extensive local autonomy and a typical feature is also local authorities with large capacities with regard to administrative structure and financial resources, for example. Second, a 'centrally framed model' that places strong emphasis on the role of the state and central legislative and regulative power (e.g. France, but also Germany and the UK). Here the central state makes decisions about all aspects of social assistance provision, for example, access criteria, amount and duration and local authorities are largely expected to act according to already established eligibility criteria and benefit levels. In Germany there has for instance been a clear trend of centralisation of minimum income provision from local level and to the central level. A third set of countries could be depicted as 'regionally framed countries', since they have passed on regulative responsibility for social assistance provision to subnational level (e.g. Spain, Italy and Switzerland). The regional level largely controls planning and eligibility criteria, while lower-level local actors manage and deliver social assistance. Such decentralisation and subsidiarity give rise to extensive variation across geographical areas and local authorities have extensive 'autonomy in

the design, management and implementation of social assistance schemes' (Kazepov and Barberis 2012: 226) and we can expect local fragmentation both between and within local entities. The last model explored by Kazepov and Barberis (2012) regards a 'mixed frame in transition' and refers to countries in which the central state has a key role in developing legal regulation, but that subnational bodies nonetheless play a significant role. However, it is suggested that international actors such as the EU also play a significant role for social assistance regulation in this model. With regard to the countries included in this study, Poland illustrates a mixed frame in transition where different 'territorial authorities—though lacking legislative power—intervene consistently not only in the management and delivery of social assistance measures, but also in their planning' (Barberis et al. 2010: 190). These three regime/model perspectives are summarised in Table 1.1.

Table 1.1 summarises the main national conditions for local welfare systems. However, one must not forget that these countries also differ regarding the involvement of civil society, third-sector and voluntary organisations in delivery of welfare services (Bode 2006; Evers and Laville 2004). In Germany the free welfare organisations have played an important institutional role as the main provider of social services for a long time, and continue to do so (Bode 2006; Strünck 2010). With regard to the Italian welfare state, Ranci and Mintagnini (2010) argue that without 'the contribution of the third sector in terms of resources and services, the capacity of the Italian welfare system to meet welfare needs would be much lower than it is' (Ranci and Mintagnini 2010: 109).

Table 1.1 Regime features of local welfare systems

	Germany	Italy	Poland	Sweden	The UK
Welfare state regime	Conservative regime	South European regime	Post-Socialist regime	Social Democratic regime	Liberal regime
Social assistance model	Dual social assistance	Rudimentary social assistance	–	Citizenship based, residual assistance	Welfare states with integrated safety nets
Scalar regime type	Centrally framed	Regionally framed	Mixed frame in transition	Strong local autonomy, centrally framed	Centrally framed

Source: Author elaboration.

Kendall (2003) asserts that third-sector organisations have been central in the provision of welfare services in the UK, albeit in combination with various for-profit alternatives and later research shows that community involvement, voluntary organisations and charity work have become even more important as a conservative government re-orientation towards a 'Big Society' model (Alcock 2010, 2012). Also in countries such as Poland it seems that local non-public actors have become more important in providing support and services for poor and socially marginalised groups, yet unlike the aforementioned countries, the EU seems to constitute an important alternative funding source for local, regional and national organisations, implying greater pressures in terms of transparency, professionalisation and keeping financial records (Krzyszowski 2010). In contrast to the aforementioned country profiles, voluntary organisations and similar actors have rarely played an extensive role as providers of services in the Swedish welfare system (Svedberg and Olsson 2010). They have rather acted as watchdogs, advocates and claims-makers in relation to public services, seeking to promote the (social) rights for members and beneficiaries.

Unlike a great deal of comparative welfare research, our ambition is to study five local welfare systems within their national contexts. Our main object of analysis will be five European cities as an illustration of different local welfare systems (largely leaving other subnational levels such as a regional level out of the analysis). A key actor in most local welfare systems are local governments and the local municipality. However, the countries in this volume differ when it comes to the role, size and the function of local governments in each particular national context. Comparative studies into local governments emphasise differences between local governments financial, administrative and professional capacities, largely arguing that the Nordic/Scandinavian welfare states rely on extensive local public capacities, while Italian local governments were much less well-equipped and that Germany and the UK are located between these polarities (Sellers and Lidström 2007; Heinelt and Hlepas 2006). Insight into the complexity that we find at local level is perhaps of even greater significance than in national comparisons. For instance, Germany builds on a complex federal structure, of federal states (16), counties (301) and municipalities (more than 12,000) (Heinelt and

Egner 2014) and it is the counties together with the municipalities that share the main responsibilities for policy implementation. Also Italy consists of a much greater number of local municipalities (slightly more than 8000), as well as 108 provinces and 20 regions. These vary extensively with regard to their average size, ranging from very small with a couple of hundred inhabitants to some with more than 500,000 inhabitants. Municipalities are responsible for a long list of services (including social services) but local authorities have fairly weak financial capacity in terms of tax collection (Piattoni and Brunazzo 2011). Poland also consists of a wide range of local municipalities (in total 2478 municipalities, known as *gminas*), which are linked with 315 counties (*poviat* and additional 65 cities with *poviat* status) as well as 16 regions. The average population of a *gminia* is around 16,000 inhabitants, but in rural areas these tend to be very small. Local municipalities are responsible for most types of public services, including an extensive list of social services and also have the right to collect taxes. During the last decade, local municipalities have gained more power, yet despite decentralisation reforms, turnout in local elections tend to be fairly low and ‘local government treat participation as a one-way street’ (Swianiawicz 2010: 12). Swedish municipalities have a long tradition of local self-government, strongly protected in the constitution. In total there are 290 municipalities and 18 county councils. As in most countries, these municipalities vary in size from some with a couple of thousand inhabitants to a few with several hundred thousand inhabitants. Swedish municipalities also tend to be fairly strong in financial and administrative terms and have the right to levy taxes and do so to a large extent (Lidström 2010: 11). In contrast to the other four countries, UK local councils tend to be large, with a high number of inhabitants and—following an Anglo-Saxon tradition—local governments have weak autonomy, but are nonetheless the main provider of a range of important social services, often in combination with extensive collaboration with civil society organisations.

These differences are important features for our analyses of local welfare systems since they indicate differences in the links and relations to higher-level authorities. Despite these differences our choice of case studies includes a set of unifying local context variables. The local cases we have selected are larger municipalities and/or cities in each national context

and, even more so, are cases that have shared both previous and current exposure to rather high levels of problem pressure (unemployment and poverty levels in their respective national contexts) in recent years. They also share other common features in terms of being historically industrialised cities that have undergone a period of unemployment in recent decades, partly due to de-industrialisation. Last but not least, they share a common feature in terms of being presently governed, or have been until recently, by a left-wing political majority that has constituted a political hegemony of substantial influence for decades. The cases selected are the cities of Dortmund (Germany), Turin (Italy), Radom (Poland), Malmö (Sweden) and Glasgow (the UK) (Johansson et al. 2013).

Dortmund is a large city in Germany, but not one of the largest. It has slightly fewer than 600,000 inhabitants and population has slightly decreased in recent years. The city has a strong heritage linked to early industrialisation in the nineteenth century. Located in the Ruhr region, there is clear evidence of its industrial legacy. However, for a period stretching over four decades, Dortmund has been challenged by substantial structural changes shaped by a downsized industry, yet now characterised by its creative social and employment policies (Spannagel 2013). Despite these efforts and also despite the fact that the German labour market has been booming lately, local unemployment levels are considerably above the national average, and this, above all, concerns long-term unemployment (Spannagel 2013). Prigge and Schwarzer (2006) classify Dortmund as facing 'precarious structural change and shrinkage' (Spannagel 2013: 10).

Turin held a prominent position as one of Italy's main industrial centres and after the Second World War was the home of the car manufacturer Fiat. However, from the 1990s onwards, Turin has undergone a process of industrial restructuring, shifting from an industrial towards a service/tertiary sector. Despite this, the recent decade has been characterised by economic stagnation, which was exacerbated by the 2008 crisis, resulting in a rapidly deteriorated economic situation and a problematic labour market situation.

Radom can be described as a rather typical Polish post-industrial city that used to be a poor working-class town in the country's central industrial area. Several major factories have closed down over recent decades

and have partly been replaced by small and medium-sized enterprises that are unable to employ sufficient numbers of Radom citizens. The partial collapse of local industry has resulted in substantial unemployment and high poverty rates in the national context, but the city is gradually implementing an economic restructuring process, supported by the city authorities that also involve civil society organisations aiming for innovative approaches to these very challenging poverty and social exclusion patterns. Despite the fact that the general development in Poland is clearly that of a growing economy, with increased employment that has reduced deprivation, Radom has not been able to follow this pattern. Instead the city demonstrates signs of decline, as the local social assistance system has more or less doubled during this time period (Kozek et al. 2013).

Malmö was one of the most industrialised cities in all of Scandinavia, but since the 1970s it has undergone a process of labour market transformation. Large shipping companies and textile manufacturing closed down rapidly and the number of jobs quickly decreased. Despite the fact that many Swedish municipalities have recently experienced a period of relative economic growth, Malmö stands out as facing particularly difficult problems, with much lower employment levels than the country in general and in comparative cities in particular, with high levels of unemployment and also extensive costs for social assistance and high levels of poverty (Angelin et al. 2013).

Glasgow is located in Scotland, a part of the UK that has had strong links to labour movements and left-wing political parties over the post-war period. The legacy of the industrial history of the city is partly responsible for the strongly left-wing political ideology of the city; Glasgow was home to many industrial jobs and the site of some of the UK's largest trade union and working-class political movements in the twentieth century. Unemployment levels have been consistently high in Glasgow for a number of years and the loss of industrial, unionised manufacturing jobs in the 1980s has substantially affected the labour market over the past 30 years. Local actors' efforts to create new employment have been somewhat successful; however these replacement jobs involve new risks and issues of poverty, employment insecurity and in-work poverty. As such, the city is facing a set of complex challenges regarding poverty and financial deprivation (Table 1.2).

Table 1.2 Features of local cases

	Dortmund	Turin	Radom	Malmö	Glasgow
Location	Major city in the Ruhr area, 8th largest in Germany	Northern Italy, Piedmont region, 4th largest	Medium-sized city in Poland, close to Warsaw	3rd largest city in Sweden, Southern parts	Major city in Scotland, 4th largest in UK
Size of population	Around 581,000	Around 911,000	Around 220,000	Around 300,000	Around 600,000
Main political orientation/legacy	Minor population decline Stronghold of Social Democratic Party	population decline over last decades Moderate left-wing tradition	minor population decline Socialist legacy, current Centre-Right governments	population growth Stronghold for Social Democratic Party	stable population Left-wing and Labour Party legacy, recent gains for SNP
Unemployment situation	Above national average, decreasing over last decade	Above national average, increasing over last decade	Significantly above national average, increasing	Significantly above national average, increasing	Above national average, large increase over last decade but noticeable decline since 2014
Poverty, minimum income, social assistance situation	Fairly stable proportion of households receiving minimum income scheme/social assistance	Increasing number of people receiving support, yet few in absolute numbers	Increasing number of people receiving minimum income scheme/social assistance support	High levels of poverty and social assistance claimants in a national context, increasing	Stubbornly high levels of poverty relative to UK context. Most deprived city in Scotland with increasing poverty levels

The local cases will be further explored in Chaps. 5, 6, 7, 8 and 9. However, it is of utmost importance to be aware of the challenges involved in trying to elaborate comparative conditions on issues such as poverty and social assistance features at local level (Bennett 2014). Data on variables for poverty, employment and social welfare indicators are mostly available at national level; and local city-level data is extremely limited and often of unreliable quality. Despite EUROSTAT's efforts within its Urban Audit database, data are lacking for key variables such as 'severely materially deprived' or 'people at risk of poverty or social exclusion'. Comparable data are also insufficient with regard to the economically active population (no data for Turin or Radom, incomplete for Malmö and Glasgow, and a limited time period for Dortmund). These data limitations create difficulties in terms of how we explore (and compare) socio-economic changes at city level and how to conceptualise local problem pressures, the transitions of post-industrial cities and the role of multi-level policies and multi-actor systems. There has been, perhaps unsurprisingly, little research with a methodological approach or which has suggested appropriate data sources to advance this research agenda. In other words, undertaking city-level studies of local welfare systems adds complexity to comparative research since it also poses some methodological issues: how can we understand local problem pressures within national welfare state configurations (various regimes) if we cannot take stock and depict socio-economic city level data across countries and over time?

Structure of the Book

The book is divided into three main parts, which, in addition to this introductory section, consists of ten chapters. The first part of the book covers four chapters introducing our main research questions and the research debates that we seek to engage with, as well as the analytical and empirical framework for our research. The second part of the book is made up of five chapters, each presenting a different city case study (Dortmund, Glasgow, Turin, Malmö and Radom). The last part of the book contains two comparative chapters that aim to synthesise and further analyse the results from

the earlier parts of the book to compare local governance models regarding active inclusion policies, with a particular focus on the capacity of different actors to combat poverty and on the institutional arrangements that impede or enhance horizontal coordination between stakeholders.

This introductory chapter (Authors Johansson and Panican) has set the scene for the book, introduced its overall aim and themes as well as presenting a brief description of the contextual dimension of local welfare system studies and our selection of case studies. Chapter 2 (Scarpa) discusses the local welfare system as a 'scale' question. This chapter problematises the analytical use of upward or downward 'scale' and 'rescaling' and presents a review of recent comparative studies on local welfare systems, focusing on different factors and processes that increase or decrease the discretion of local levels of government in designing social policies. To foster greater comparability across different welfare regimes and to encourage comparability in complex local settings, the third chapter (Johansson and Koch) develops a common analytical grid that is applied to all case studies in the second part and the comparative analyses from the last part of this book. In Chap. 4, Clegg describes the supranational and national contexts for recent local-level initiatives to combating poverty and promoting active inclusion. The chapter discusses the emergence of the concept of active inclusion at European level and analyses how this concept generates distinctive patterns of reform and non-reform in national minimum income protection policies, creating different contexts, opportunities and constraints for local-level policy actions.

The second part of the book consists of five chapters, each focusing on one of our local cases. The five cases represent different welfare regimes that rely on various traditions and regulations with regard to the role of local agencies and civil society actors in delivering welfare services and goods to poor and socially excluded groups. Following our research topics, each of the different chapter will elaborate on a common set of themes for empirical investigation. Each chapter discusses (a) local public arrangements analysing the governance of minimum income provision and if/how minimum income provision is coordinated with other forms of public provision (activation services and other forms of social services) to give the poor and socially excluded support and services; (b) the role, function and extent to which civil society organisations are involved in

the design, planning and delivery of support and services for poor and socially marginalised groups in our respective cases and (c) the use of different governance arrangements (partnership and participatory governance arrangements) between public and non-public actors in planning and delivering services and to what extent such arrangements are based on cooperation and/or conflictual relations between various public and non-public agencies and potentially across levels. These themes are addressed by Chaps. 5, 6, 7, 8 and 9 and in the case studies of five European cities. Spannagel analyses the German city of Dortmund in Chap. 5; Bennett discusses local anti-poverty and active inclusion strategies in the Scottish city of Glasgow, UK in Chap. 6. Panican and Johansson analyse local anti-poverty policies and active inclusion strategies in the city of Malmö, Sweden in Chap. 7. Maino analyses how such policies and strategies are deployed in the Italian city of Turin in Chap. 8 and in Chap. 9, Kubisa and Zieleńska focus on the Polish city of Radom.

The final part of the volume consists of two comparative chapters. Chapter 10 by Panican and Angelin, seeks to identify local typologies of local strategies against poverty and social exclusion in a comparative perspective. The aim is to provide an analysis of cross-case similarities and differences with regard to the main themes raised in each case study. The last chapter of the book, by Johansson and Hvinden, opens up a debate with current welfare research and discusses the main findings in the book in relation to the concepts of scale and place.

References

- Alcock, P. (2010). Building the big society: A new policy environment for the third sector in England. *Voluntary Sector Review*, 1(3), 379–390.
- Alcock, P. (2012). New policy spaces: The impact of devolution on third sector policy in the UK. *Social Policy and Administration*, 46(2), 219–238.
- Andreotti, A., & Mingione, E. (2014). Local welfare systems in Europe and the economic crisis. *European Urban and Regional Studies*, 1–15. DOI: 10.1177/0969776414557191.
- Angelin, A., Johansson, H., Koch, M., & Panican, A. (2013). *National report: Sweden*, Work Package 5—The national arena for combating poverty, FP 7 project

- Combating Poverty in Europe (COPE). http://cope-research.eu/wp-content/uploads/2013/05/National_Report_Sweden.pdf Date accessed 17 June 2015.
- Angelin, A., Johansson, H., & Koch, M. (2014). Patterns of institutional change in minimum income protection in Sweden and Germany. *Journal of International and Comparative Social Policy*, 30(2), 165–179.
- Anheier, H., & Krlev, G. (2014). Welfare regimes, policy reforms, and hybridity. *American Behavioral Scientist*, 58(11), 1392–1411.
- Bahle, T., Hubl, V., & Pfeifer, M. (Eds.) (2011). *The last safety net: A handbook of minimum income protection in Europe*. Bristol: Policy Press.
- Barberis, E., Sabatinelli, S., & Bieri, A. (2010). Social assistance models in Europe. In Y. Kazepov (Ed.), *Rescaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate Publishing.
- Barbier, J.-C. (2013). *The road to social Europe. A contemporary approach to political cultures and diversity in Europe*. London: Routledge.
- Barnes, M., Newman, J., & Sullivan, H. (2007). *Power, participation and political renewal: Case studies in political participation*. Bristol: Policy Press.
- Bennett, H. (2014). *Comparing local welfare systems. Working material*. Edinburgh, Scotland: Edinburgh University.
- Bode, I. (2006). Disorganized welfare mixes: Voluntary agencies and new governance regimes in Western Europe. *Journal of European Social Policy*, 16(4), 346–359.
- Bode, I., Brandsen, T., Trommel, W., & Verschuere, B. (Eds.) (2014). *Manufactured civil society: Principles, practices and effects*. Basingstoke: Palgrave.
- Boivard, T. (2014). Efficiency in third sector partnerships for delivering local government services: The role of economics of scale, scope and learning. *Public Management Review*, 16(8), 1067–1090.
- Brancaccio, E., & Fontana, G. (2011). *The global economic crisis—New perspectives on the critique of economic theory and policy*. London: Routledge.
- Brandsen, T. (2014). State–third sector partnerships: A short overview of key issues in the debate. *Public Management Review*, 16(8), 1055–1066.
- Brandsen, T., & Pestoff, V. (2006). Co-production, the third sector and the delivery of public services. *Public Management Review*, 8(4), 493–501.
- Brenner, N. (2004). *New state spaces*. Oxford: Oxford University Press.
- Cantillon, B., Marx, I., Van den Bosch, K., & Van Mechelen, N. (2004). *The evolution of minimum income protection in 15 European countries 1992–2001*. Antwerp: Centrum voor Sociaal Beleid Herman Deleek.
- Caritas Europa (2012). *The impact of the European crisis. A study of the impact of the crisis and austerity on people, with a special focus on Greece, Ireland, Italy, Portugal and Spain*. Brussels: Caritas Europa.
- Clasen, J., & Clegg, D. (2011). *Regulating the risk of unemployment. National adaptation to post-industrial labour markets in Europe*. Oxford: Oxford University Press.

- Clegg, D. (2013). *Dynamics and varieties of active inclusion: A five-country comparison* –Work Package 5—The national arena for combating poverty. Edinburgh, Scotland: University of Edinburgh, School of Social and Political Science. http://cope-research.eu/wp-content/uploads/2013/10/D5.6_Comparative_Report.pdf. Date accessed 17 June 2015.
- Clegg, D. (2014). Convergence from below? The reform of minimum income protection in France and the UK. *Journal of International and Comparative Social Policy*, 30(2), 147–164.
- Council of Europe. (2011). *Local government in critical times: Policies for crisis, recovery and a sustainable future*. Strasbourg: Council of Europe.
- De Corte, J., & Versheure, B. (2014). A typology for the relationship between local governments and NPOs in welfare state regimes. *Public Management Review*, 16(7), 1011–1029.
- Eardley, T., Bradshaw, J., Ditch, J., Gough, I., & Whiteford, P. (1996). *Social assistance in OECD countries*. London: HMSO.
- EC. (2013). *Towards social investment for growth and cohesion*. COM. (2013). 83 final Brussels, 20.2.2013, European Commission.
- EC 2008/867. (2008, October 8). Commission recommendation on the active inclusion of people excluded from the labour market (C (2008) 5737), (2008/867/EC).
- EESC. (2012). *The impact of the crisis on civil society organisations in the EU*. Risks and opportunities. Brussels: *European Economic and Social Committee*. EESC COM/12/2012.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. London: Palgrave Macmillan.
- Esping-Andersen, G. (1999). *Social foundations of post-industrial economics*. Oxford: Oxford University Press.
- Evers, A., & Laville, J.-L. (Eds.) (2004). *The third sector in Europe*. Cheltenham: Edward Elgar.
- Featherstone, D., Ince, A., Mackinnon, D., Strauss, K., & Cumbers, A. (2012). Progressive localism and the construction of alternatives. *Transactions of the Institute of British Geographers*, 37, 177–182.
- Fenger, H. J. M. (2007). Welfare regimes in Central and Eastern Europe: Incorporating the post-communist countries in a welfare regime typology. *Contemporary Issues and Ideas in Social Sciences*, 3, 1–30.
- Ferrera, M. (2005). *The boundaries of welfare: European integration and the new spatial politics of social protection*. Oxford: Oxford University Press.
- Ferrera, M., & Rhodes, M. (2000). Building a sustainable welfare state. In M. Ferrera & M. Rhodes (Eds.), *Recasting European welfare states*. London: Routledge.

- Frazer, H., & Marlier, E. (2013). *Assessment of the implementation of the European Commission recommendation on active inclusion: A study of national policies—Synthesis report. (08/03/2013)*. Brussels: European Commission.
- Fung, A. (2004). *Empowered participation: Reinventing urban democracy*. Princeton, NJ: Princeton University Press.
- Fung, A., & Wright, E. O. (2003). *Deepening democracy. Institutional innovations in empowered participatory governance*. London: Verso.
- Furneaux, C., & Ryan, N. (2014). Modelling NGO-government relations: Australian case studies. *Public Management Review*, 16(8), 1013–1040.
- Fyfe, N. R., & Milligan, C. (2003). Out of the shadows: Exploring contemporary geographies of voluntarism. *Progress in Human Geography*, 27(4), 397–413.
- Gomes, A. L. (2014). *Are the European welfare state regimes converging in terms of their minimum income policy governance? An analysis for six countries in the period of 1992–2012*. Paper presented at the 2014 FISS conference, 2–4 June 2014, Sigtuna Sweden.
- Gough, I. (2001). Social assistance regimes: A cluster analysis. *Journal of European Social Policy*, 11(2), 65–70.
- Gough, I., Bradshaw, J., Eardley, T., & Whiteford, P. (1997). Social assistance in OECD countries. *Journal of European Social Policy*, 7(1), 17–43.
- Graziano, P., Jacquot, S., & Palier, B. (2011). *The EU and the domestic politics of welfare state reforms*. Basingstoke: Palgrave Macmillan.
- Greve, B. (Ed.) (2012). *The times they are changing?—Crisis and the welfare state*. Oxford: Wiley-Blackwell.
- Grote, J. R., & Gbikpi, B. (Eds.) (2002). *Participatory governance: Political and societal implications*. Opladen: Leske + Budrich.
- Gutiérrez, R. (2014). Welfare performance in Southern Europe: Employment crisis and poverty risk. *South European Society and Politics*, 19(3), 371–392.
- Halvorsen, R., & Hvinden, B. (2016). Introduction: How to achieve active inclusion in a multi-layered political context? In R. Halvorsen & B. Hvinden (Eds.), *Combating poverty in Europe: Active inclusion in a multi-level and multi-actor context*. Cheltenham: Edward Elgar.
- Heidenreich, M., Petzold, N., Natili, M., & Panican, A. (2014). Active inclusion as an organisational challenge: Integrated anti-poverty policies in three European countries. *Journal of International and Comparative Social Policy*, 30(2), 180–198.
- Heinelt, H., & Egner, B. (2014). Germany. In H. Heinelt & X. Bertrana (Eds.), *The second tier of local government in Europe. Provinces, counties, départements and landkreise in comparison*. London: Routledge.

- Heinelt, H., & Hlepas, H. K. (2006). Typologies of local government. In H. Bäck, H. Hienelt, & A. Magnier (Eds.), *The European mayor*. Verlag für Socialwissenschaften: Wiesbaden.
- Hemerijck, A. (2012). *Changing welfare states*. Oxford: Oxford University Press.
- Hvinden, B., & Johansson, H. (2007). *Citizenship in the Nordic countries. Dynamics of choice, duties and participation in a changing Europe*. London: Routledge.
- Immervoll, H. (2009). *Minimum-income benefits in OECD countries: Policy design, effectiveness and challenges*. Bonn: The Institute for the Study of Labor.
- International Federation of Red Cross (2013). *Think differently. Humanitarian impacts of the economic crisis in Europe*. Geneva: International Federation of Red Cross.
- Jenkins, S., Brandolini, A., Mickelwright, J., & Nolan, B. (Eds.) (2013). *The great recession and the distribution of household income*. Oxford: Oxford University Press.
- Jessoula, M., Kubisa, J., Madama, I., & Zielenska, M. (2014). Understanding convergence and divergence: Old and new cleavages in the politics of minimum income schemes in Italy and Poland. *Journal of International and Comparative Social Policy*, 30(2), 128–146.
- Johansson, H., Panican, A., Angelin, A., & Koch, M. (2013). *Combating poverty in Europe: Multi-level, multi-dimensional and multi-stakeholder models in local active inclusion policies*. Oldenburg: University of Oldenburg, Jean Monnet Centre for Europeanisation and Transnational Regulations, Institute for Social Sciences.
- Kazepov, Y. (Ed.) (2004). *Cities of Europe. Changing contexts, local arrangements, and the challenge to urban cohesion*. Oxford: Blackwell Publishing.
- Kazepov, Y. (2008). The subsidiarisation of social policies: Actors, processes and impacts. *European Societies*, 10(2), 247–273.
- Kazepov, Y., & Barberis, E. (2012). Social assistance governance in Europe: Towards multilevel perspectives. In I. Marx & K. Nelson (Eds.), *Minimum income protection in flux*. London: Palgrave Macmillan.
- Kazepov, Y. (Ed.) (2010). *Re-scaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate Publishing.
- Kendall, J. (2003). *The voluntary sector: Comparative perspectives*. London: Routledge.
- Kitson, M., Martin, R., & Tyler, T. (2011). The geographies of austerity. *Cambridge Journal of Regions, Economy and Society*, 4, 289–302.
- Kozek, W., Kubisa, J., & Zieleńska, M. (2013). Work package 6—The local arena for combating poverty. Local report: Radom, Poland. Warsaw, Poland: Institute of Sociology, University of Warsaw. http://cope-research.eu/?page_id=377. Date accessed 17 June 2015.
- Krzyszowski, J. (2010). Third sector organizations in social services in Poland: Old problems and new challenges. In A. Ewers & A. Zimmer (Eds.), *Third society organizations facing turbulent environments*. Nomos Verlag: Baden-Baden.

- Küntzel, S. (2012). The local dimension of active inclusion policy. *Journal of European Social Policy*, 22(1), 3–16.
- Kvist, J., & Greve, B. (2011). Has the Nordic welfare model been transformed? *Social Policy and Administration*, 45(2), 146–160.
- Kvist, J., & Saari, J. (Eds.) (2007). *The Europeanisation of social protection*. Bristol: Policy Press.
- Lidström, A. (2010). Sweden. Party-dominated subnational democracy under challenge? In J. Loughlin, F. Hendriks, & A. Lindstrom (Eds.), *The Oxford handbook of local and regional democracy in Europe*. Oxford: Oxford University Press.
- Lødemel, I., & Moreira, A. (2014). *Activation or workfare? – Governance and the neo-liberal convergence*. New York: Oxford University Press.
- Lødemel, I., & Trickey, H. (2001). *An offer you can't refuse. Workfare in international perspective*. Bristol: Policy Press.
- Marchal, S., Marx, I., & Van Mechelen, N. (2011). *Do Europe's minimum income schemes provide adequate shelter against the economic crisis and how, if at all, have governments responded?* IZA Discussion Papers 6264, Institute for the Study of Labor (IZA).
- Marchal, S., Marx, I., & van Mechelen, N. (2014). The great wake-up call? Social citizenship and minimum income protection in Europe in times of crisis. *Journal of Social Policy*, 43, 247–267.
- Marx, I., & Nelson, K. (2013). *Minimum income protection in flux*. Basingstoke: Palgrave Macmillan.
- Matsaganis, M. (2011). The welfare state and the crisis: The case of Greece. *Journal of European Social Policy*, 21(5), 501–512.
- Minas, R., Wright, S., & van Berkel, R. (2012). Decentralization and centralization: Governing the activation of social assistance recipients in Europe. *International Journal of Sociology and Social Policy*, 32(5), 286–298.
- Minas, R., Bäckman, O., & Korpi, O. (2014). Rescaling inequality? Welfare reform and local variation in social assistance payments. In K. Farnsworth, Z. Irving, & M. Fenger (Eds.), *Social policy review 26: Analysis and debate in social policy*. Bristol: Policy Press.
- Mingione, E., & Oberti, M. (2013). The struggle against social exclusion at the local level. Diversity and convergence in European cities. *European Journal of Spatial Development*, 1, 1–23.
- Morel, N., Pailer, B., & Palme, J. (2013). *Towards a social investment state? Ideas, policies and challenges*. Bristol: Policy Press.

- Newman, J., Barnes, M., Sullivan, H., & Knops, A. (2004). Public participation and collaborative governance. *Journal of Social Policy*, 33(2), 203–223.
- Panara, C., & Varney, M. R. (Eds.) (2013). *Local government in Europe: The 'Fourth Level' in the EU multi-layered system of governance*. Abingdon: Routledge.
- Peña-casas, R., & Ghailani, D. (2013). *Towards a European minimum income*. Contribution Workers' group. Final Report. No. EESC/COMM/03/2013.
- Pestoff, V., Brandsen, T., & Verscheure, B. (Eds.) (2012). *New public governance, the third sector and co-production*. London: Routledge.
- Petmesidou, M., & Guillén, M. A. (2014). Can the welfare state as we know it survive? A view from the crisis-ridden South European periphery. *South European Society and Politics*, 19(3), 295–307.
- Piattoni, S., & Brunazzo, M. (2011). Italy: The subnational dimension to strengthening democracy since the 1990s. In J. Loughlin, F. Hendriks, & A. Lindstrom (Eds.), *The Oxford handbook of local and regional democracy in Europe*. Oxford: Oxford University Press.
- Pollitt, C. (2005). Decentralization: A central concept in contemporary public management. In E. Ferlie, L. Lynn, & C. Pollitt (Eds.), *The Oxford handbook of public management*. Oxford: Oxford University Press.
- Pollitt, C., & Bouckaert, G. (2000). *Public management reform—A comparative analysis*. Oxford: Oxford University Press.
- Prigge, R., & Schwarzer, T. (2006). *Großstädte zwischen Hierarchie, Wettbewerb und Kooperation*. Wiesbaden: VS Verlag.
- Ranci, C., & Mintagnini, E. (2010). The impact of the commodification of social care on the role and identity of the third sector in Italy. In A. Ewers & A. Zimmer (Eds.), *Third society organizations facing turbulent environments*. Nomos Verlag: Baden-Baden.
- Ranci, C., Brandsen, T., & Sabatinelli, S. (Eds.) (2014). *Social vulnerability in European cities—The role of local welfare in times of crisis*. Basingstoke: Palgrave Macmillan.
- Salamon, L., & Anheier, H. (1998). Social origins of civil society: Explaining the non-profit sector cross-nationally. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 9(3), 213–248.
- Saraceno, C. (Ed.) (2002). *Social assistance dynamics in Europe. National and local poverty regimes*. Bristol: Policy Press.
- Sellers, J. M., & Lidström, A. (2007). Decentralisation, local government and the welfare state. *Governance: An International Journal of Policy, Administration and Institutions*, 20(4), 609–632.

- Skelcher, C., & Smith, S. R. (2014). Theorizing hybridity: Institutional logics, complex organizations and actor identities: The case of nonprofits. *Public Administration*. doi:10.1111/Padm.12105.
- Smith, S. R. (2014). Hybridity and non-profit organisations. The research agenda. *American Behavioral Scientist*, 58(11), 1494–1508.
- Spannagel, D. (2013). *Work package 6—The local arena for combating poverty local report: Germany*. Oldenburg: Carl von Ossietzky University Oldenburg.
- Strünck, C. (2010). Contested solidarity? Emerging market for social services in Germany and the changing role of third sector organizations. In A. Ewers & A. Zimmer (Eds.), *Third society organizations facing turbulent environments*. Nomos Verlag: Baden-Baden.
- Svedberg, L., & Olsson, L. E. (2010). Voluntary organisations and welfare provision in Sweden. In A. Ewers & A. Zimmer (Eds.), *Third society organizations facing turbulent environments*. Nomos Verlag: Baden-Baden.
- Swianiawicz, P. (2010). Poland: Europeanisation of subnational government. In J. Loughlin, F. Hendriks, & A. Lindstrom (Eds.), *The Oxford handbook of local and regional democracy in Europe*. Oxford: Oxford University Press.
- Taylor-Gooby, P. (2013). *The double crisis of the welfare state and what we can do about it*. Basingstoke: Palgrave.
- van Berkel, R., de Graaf, W., & Sirovátka, T. (2011). *The governance of active welfare states in Europe*. Houndmills Basingstoke: Palgrave Macmillan.
- Vis, B., van Kersbergen, K., & Hylands, T. (2011). To what extent did the financial crisis intensify the pressure to reform the welfare state? *Social Policy and Administration*, 45(4), 338–353.
- Wagner, A. (2012). “Third sector” and/or “civil society”: A critical discourse about scholarship relating to intermediate organisations. *Voluntary Sector Review*, 3(3), 299–328.

2

The Local Welfare System as a Scale Question

Simone Scarpa

Introduction

In recent years, scholarly interest in local welfare systems has grown among social policy researchers. Although the number of comparative studies on this topic is still limited, it has increased steadily, particularly across the European Union (EU) countries. The common denominator of these studies is the emphasis on the growing importance and discretion of local governments in the design and implementation of social policies. Their focus has been on a diverse range of social policies, from those traditionally provided by local governments, such as social assistance and other minimum income protection schemes (Saraceno 2002; Kazepov and Barberis 2013), to those with a more recent and less established history of local government involvement in their design and implementation, such as active labour market policies and other measures to tackle social exclusion (Karjalainen 2010; Ranci et al. 2014).

These comparative studies have often employed different terms for referring to a shift of responsibilities from central to local governments. ‘Decentralisation’ is the most frequently used term in recent scholarship,

yet other terms are often employed for emphasising its seemingly novel nature in contemporary EU welfare states. Examples of these terms are ‘rescaling’ (Kazepov 2010; Keating 2013; Ranci et al. 2014), ‘subsidiarisation’ (Kazepov 2008), ‘regionalisation’ (Keating 1997; Ferrera 2005; Vampa 2014) or ‘territorialisation’ (Moreno and McEwen 2005; Andreotti et al. 2012; Bifulco 2014; Andreotti and Mingione 2014). The motivation for the use of these different terms is, among other things, based on the observation that decentralisation seems to have different causes and consequences in contemporary EU welfare states, compared with the post-war golden age of their development and that local governments have always played a key role as social service providers, albeit with relevant differences between countries. In this respect, the literature on local welfare systems appears to be characterised by a heterogeneous lexicon, as well as by a lack of conceptual cohesion. The accumulated evidence of research in this genre is furthermore fragmented and tends to be dominated by descriptive accounts of cross- and subnational variation. What is missing is a comprehensive theoretical framework to be used for accounting for the causes of cross- and subnational differences between local welfare systems, hence moving beyond the prevailing descriptive research orientation.

The purpose of this chapter is to sketch a theoretical framework of this kind by taking inspiration from the Territories-Places-Scales-Networks (TPSN) methodological approach that was recently proposed by Jessop et al. (2008). The reason for the choice of this approach is twofold. First, it employs the same spatial categories found in many studies on local welfare systems, that is, ‘scales’, ‘territories’ and ‘places’ and is useful for further elaboration and cross-fertilisation. The TPSN approach accommodates a fourth spatial category, that of ‘network’, which refers to forms of cross-boundary partnership and cooperation between local governments (e.g. municipalities, regions or metropolitan areas). This spatial category is neither analysed to greater extent in the literature on local welfare systems nor in any of the following cases analyses of local welfare systems (see Chaps. 5, 6, 7, 8 and 9) and therefore not explored further. Second, the TPSN approach can also be used as a heuristic device for explaining the differences between the three aforementioned spatial categories, as well as their reciprocal relationships. In particular, the spatial category of scale appears to be a crucial one for understanding both the

downward (i.e. to subnational institutions) and upward (i.e. to supranational institutions) transfer of social policy competencies in European welfare states.

Building on this approach, the following section offers a short, and by no means comprehensive, review of a few recent studies on local welfare systems. The aim of this preliminary review is to highlight how it is possible in these studies to identify three spatial categories that are often used to define the processes generating local welfare systems. As mentioned, these spatial categories are those constituting the TPSN approach: scales, territories and places. In the third section, the argument is developed that in order to investigate the mutual differences and reciprocal relationships between these spatial categories, the concept of scale should be chosen and used as an analytical entry point. This section also discusses the theoretical implications of using the concept of scale as an entry point into the analysis of local welfare systems. Based on the previous review of scalar theory, the remainder of the chapter proposes a spatially sensitive periodisation of welfare state development, which focuses on the historical evolution of central–local government relationships in three subsequent stages of development. A concluding discussion is then presented in the fifth and last section.

Scales, Territories and Places of the Welfare State

Historically speaking, decentralisation is not a new theme in Europe, but it is only in recent decades, between the 1970s and the 1980s, that it has become a central principle of welfare state redesign. When New Public Management emerged as the guiding principle for welfare state reforms, decentralisation began in fact to be seen as an effective tool for enhancing public sector efficiency as well as local government capacity to respond to the specific needs and demands of local populations (Dubois and Fattore 2009; Wollmann and Thurmaier 2012). However, decentralisation has been rarely considered as an important category of welfare state research and it has gained attention in mainstream literature only

recently. In particular, a number of recent studies examined the extent to which decentralisation resulted in an increase in internal variation within welfare states and, therefore, in the emergence of subnational welfare systems that are embedded in locally specific institutional frameworks and policy traditions. This literature on 'local welfare systems' identified three processes that are thought to affect country-specific forms of decentralisation:

1. The extent to which decentralisation reforms transfer social policy responsibilities from central to local governments (i.e. what might be termed the *magnitude* of decentralisation).
2. The enduring influence of pre-existing patterns of central–local government relationships on the degree of freedom that can be achieved by local governments as a consequence of decentralisation reforms (i.e. what might be termed the *path dependency* of decentralisation).
3. The ways in which locally specific political and institutional traditions and socio-economic contexts mediate the impact of decentralisation reforms at local level (i.e. what might be termed the *place embeddedness* of decentralisation).

Although these three parallel streams of research emphasise different aspects of welfare state decentralisation, they share a common view that the effects of decentralisation processes are intrinsically ambivalent and that neither national nor local governments behave as mere active shapers of or passive reactors to these processes.

With respect to the first of the aforementioned processes affecting welfare state decentralisation (i.e. the magnitude of decentralisation), a key factor has been identified in the establishment of the principle of vertical subsidiarity at EU level, with the implementation of the Maastricht Treaty (Toth 1992). Vertical 'subsidiarisation' encouraged EU member states to adopt new governance structures providing larger degrees of autonomy, together with correspondent degrees of responsibility, to local governments (Kazepov 2008).

In its horizontal form, the principle of subsidiarity had previously exerted a certain influence on social policy developments in the EU countries characterised by a stronger Catholic tradition. In these countries,

horizontal subsidiarity encouraged the sharing of responsibilities between the public sector and non-public actors (both for profit and non-profit) (Colombo 2008). The relationship between the public sector and non-public actors has been traditionally more problematic in Nordic countries. These countries have been characterised by a high level of administrative decentralisation but also by a more state-oriented approach to social policy provision, as well as by a more individualised notion of family:

Subsidiarity means that the state hands over responsibility not just to the family but above all to local society, that is, to subcultures. The Nordic countries have difficulty [...] handling over responsibility to subcultures in accepting that there are spheres where the universal, much-maligned common sense has no right to penetrate. (Thorkildsen 1997: 171)

Along with the top-down pressures from EU level, another factor contributing to the increase in the magnitude of decentralisation is thought to be the bottom-up demand for the provision of social services more tailored to the specific needs of local communities (Andreotti et al. 2012; Andreotti and Mingione 2014). The view is that individual social situations have become more heterogeneous in post-industrial societies, hence requiring correspondingly more heterogeneous forms of welfare state provision: that is, differing also across subnational contexts.

Within the TPSN approach, these top-down and bottom-up pressures for change can be relabelled as processes influencing the *scalar configuration* of the welfare state (Jessop et al. 2008: 393). The concept of scale will be discussed more in detail in the next section. Here it suffices to add that, in the context of comparative social policy research, this concept can be used to refer to the hierarchical structuring of welfare states in dominant and subordinate tiers of regulation, or ‘scales’, as well as to shifts of power between these different hierarchically ordered scales. Any form of re-allocation of power between scales can be defined as a process of (welfare state) *rescaling* (Brenner 2004a; Kazepov 2010; Keating 2013).

The second process influencing welfare state decentralisation has to do with the enduring influence of pre-existing patterns of central–local government relationships. As Ferrera (2005) noted, the degree of territorial standardisation of welfare state arrangements within national territories

strongly depends upon (and, in many cases, continues to mirror) the spatial reach of political power that national elites were able to achieve during the phase of nation-state building. Drawing heavily on the works of Stein Rokkan, Ferrera (2005) argued that the nation-state building phase was characterised not only by a process of ‘external boundary demarcation’, that is, the demarcation of the outer line of political control of nation states, but also by a process of ‘internal structuring’, that is, by a top-down steering process carried out by national elites and aimed at achieving a more or less complete subjugation of locally based competing powers. Under this theoretical perspective, the enduring resistance of any of these locally based competing powers against the expansionist coercion of national elites is thought to also have exercised an influence on the development of modern welfare states, by affecting the level of territorial homogeneity that was possible to achieve.

It has been noted that when high levels of territorial heterogeneity in welfare state provision are accompanied by a weak role of the central government in defining the social rights of citizens, intra-national regional inequalities may increase and nationwide social cohesion may be threatened (Andreotti et al. 2012; Andreotti and Mingione 2014).

Within the TPSN approach, the historical trajectories of patterns of central–local government relationships can be relabelled as processes influencing the *territorial articulation* of the welfare state (Jessop et al. 2008: 393). As mentioned, the phases of nation-state building brought about not only the drawing up of national demarcations of political control, together with the establishment of categorical divides between national civil societies (for instance, between citizens and non-citizens), but also other forms of internal bordering and administrative differentiation within national jurisdictional boundaries: ‘This internal territorial differentiation of the modern state entails the establishment of (a) intergovernmental hierarchies; and (b) place- and region-specific institutional forms in which particular types of spaces—such as urban areas, metropolitan economies, rural peripheries, border zones and so forth—are encompassed under distinctive administrative arrangements’ (Brenner 2004b: 453). The spatial category of territory can be thus used to refer to the distribution of social policy responsibilities, resources and powers between central and local institutions and to the ways in which different types of local institutions

are integrated and rendered compatible with a nationally bounded and coherent framework of intervention.

The third process influencing welfare state decentralisation is that related to the mediating role played at local level by specific political and institutional traditions in interaction with the socio-economic context, that is, the local economic structure and labour market system. The assumption is that decentralisation processes do not yield the same outcomes in different subnational contexts, not only as a consequence of differences in the territorial articulation of the welfare state (e.g. in the structure and scope of local governments), but also as a consequence of the different types of institutional and socio-economic resources that can be mobilised at local level. The capacity to mobilise these resources is thought to have become crucial in the current phase of welfare state decentralisation. In fact, local communities (including public and private actors) are being urged to take on more responsibility in the design and implementation of social policies. Accordingly, some scholars have proposed the recognition of local welfare systems as separate and independent objects of research. Local welfare systems have been defined as ‘dynamic processes in which the specific local socio-economic and cultural conditions give rise to: different arrangements of formal and informal actors, public or not, involved in designing and implementing welfare policies; and different profiles of people in need. [The local welfare system] is not to be considered as a simple rescaling of welfare responsibilities to the local level, but as specific configurations of population needs and welfare providers and resources emerging at the local level’ (Andreotti et al. 2012: 1926).

Within the TPSN approach, the set of institutional and socio-economic factors influencing the specific embedding of welfare state arrangements in a local context can be referred to by the concept of *place* (Jessop et al. 2008: 393). The concept of place can be thus used to refer to forms of area differentiation within a same national territory and, in particular, to those existing between ‘core’ and ‘peripheral’ areas in terms of economic development, institutional capacity, and civil society activism (Massey 1984). The place embeddedness of a local welfare system implies the existence of a geographical setting where decentralisation processes can be monitored and analysed in their contextual specificity by social policy researchers.

In this respect, Jessop et al. (2008) warned that a narrow focus on the local embedding of social phenomena may run the risk of spatial fetishism and, therefore, to adhere to a conception of space as static and relatively immune to historical change. In fact, when the distinctiveness of a social phenomenon is attributed exclusively to the fact that this phenomenon takes place in a (distinct) cartographic unit (e.g. a city or a region), spatial relations are then abstracted from their substantive and constantly evolving social relations. However, 'space cannot be conceived as a static, pre-given platform of social relations, but must be recognised as one of their constitutive, historically produced dimensions' (Brenner 2004a: 28).

Furthermore, there are reasons to believe that local socio-economic and cultural conditions have always played a crucial role in influencing the spatialisation of social phenomena in local contexts, including welfare state provision. For this reason, these local conditions cannot alone explain the reasons for 'the emergence of local welfare systems' (Andreotti et al. 2012: 1927), if with this phrase we want to designate a relatively new phenomenon in EU welfare states.

A similar reasoning can be applied to the enduring influence of patterns of central–local relationships established in the past (i.e. the second of the aforementioned processes). Clearly, the importance of path-dependent processes cannot be neglected. However, what has attracted the attention of many researchers is the extent to and the way in which pre-existing institutional structures have been remodelled by downward (i.e. to subnational institutions) and upward (i.e. to supranational institutions) shifts of power. These processes of welfare state *rescaling* seem to be of a novel character and to serve as the primary driving force of decentralisation, affecting the inherited institutional forms of territorial articulation and place embeddedness of welfare states.

As mentioned, most of the research on local welfare systems is generally concerned with just one of the three aforementioned spatial categories. The TPSN approach can be adopted for overcoming this one-dimensionalism and for allowing for a more holistic and wide-ranging understanding of the plural spatial dimensions of local welfare systems.

Following the guidelines of the TPSN approach, the spatial category of scale can be chosen as the entry point into the analysis of the ‘triangular’ relationship between scales, territories and places and these relationships have been recalibrated by recent decentralisation processes. By selecting scale as the entry point, the analytical focus is first placed on the scalar transformation of the welfare state and then on the structuring role of this transformation on the territories (scale→territory) and places (scale→place) of the welfare state—as shown in Fig. 2.1. Before proceeding further with a discussion of these parallel structuring effects, the next section defines the concept of scale in order to explain in more detail its difference from the other spatial categories with which it interacts.

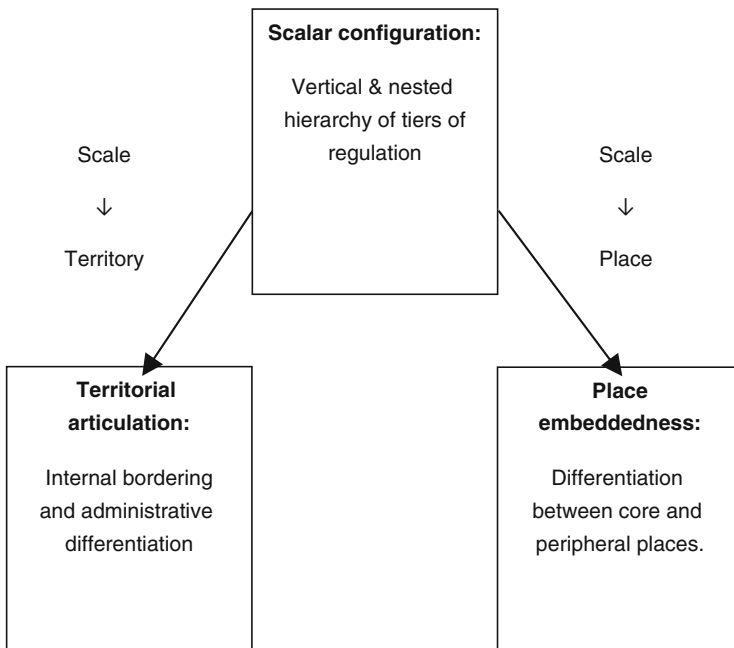


Fig. 2.1 Scale as a structuring principle impacting on territory and place (Source: author’s elaboration based on Jessop et al. (2008))

The Concept of Scale as an Analytical Entry Point

Research on the spatial dimension of welfare states often encounters the risk of confusing ‘contingent local variations’ in welfare state provision with the ‘causal processes’ generating these variations (Duncan 1989: 233). Contingent local variations in welfare state provision are the outcome of the triangular relationship between scales, territories and places. The causal processes generating these variations can instead be identified in the ways in which the three spatial categories intersect with each other within specific subnational context. In order to understand the causes of cross- and subnational differences between local welfare systems, it is thus necessary to take the three categories into account simultaneously.

One advantage of using the concept of scale as an entry point is that, in the first place, this concept facilitates distinguishing between contingent local variations and their causal and generative processes. In other words, the concept of scale allows us to follow Henri Lefebvre's suggestion of shifting the attention ‘from things in space to the actual production of space’ (Lefebvre 1991: 37). In fact, the concept of scale refutes the notion of space as a predetermined and fixed entity and, instead, highlights the inherently socially constructed nature of ‘spatialised’ phenomena. Perhaps the most widely cited definition of scale (and the one with the broadest consensus among scalar theorists), is the one proposed by the Belgian geographer Erik Swyngedouw:

Spatial scale is what needs to be understood as something that is produced; a process that is always deeply heterogeneous, conflictual, and contested. Scale becomes the arena and moment, both discursively and materially, where socio-spatial power relations are contested and compromises are negotiated and regulated. Scale, therefore, is both the result and the outcome of social struggle for power and control (Swyngedouw 1997: 140).

One problem with this processual and non-essentialist notion of socio-spatial scale is that it may be exposed to the risk of conceptual elusiveness and, therefore, to be conceptually stretched to include a too wide and mixed range of phenomena that do not have a necessarily scalar nature. In order to overcome this risk, Neil Brenner suggest that:

[I]n the absence of an explicit causal argument linking the substantive social content of the spatial unit in question to its embeddedness or positionality within a broader scalar hierarchy, there is little reason to theorize the issues connoted by the singular usage of the ‘politics of scale’ in a scalar terminology rather than through an alternative geographical lexicon, such as that of place, locality, territoriality or networks (Brenner 2001: 600).

Therefore, a condition *sine qua non* for the definition of a spatial unit as a scale is that it needs to be positioned within a broader nested hierarchy of scales. At the same time, the socio-spatial scales constituting a scalar hierarchy should not be conceived as self-enclosed and mutually separated tiers, but as open and interpenetrating domains. A rearrangement of a scalar hierarchy (i.e. a process of rescaling) implies a change of the ways in which its constituent scales are interrelated and interpenetrated with each other (i.e. with higher and/or lower scales). Consequently, the relationship between scales cannot be conceived as a zero-sum game. For instance, the relationship between national and local levels of government cannot be equated with a mere interchange of power resources between some sorts of communicating vessels—as if the weakening of one level would be automatically associated with the parallel empowering of the other level. That is to say, welfare states, as national scales, cannot be conceived as ‘merely external parameters for the urban question’ (Brenner 2000: 364).

It should be noted that the concept of scale is not entirely new. An antecedent of this concept can be identified in the notion of the ‘spatial fix’ introduced by the Marxist geographer David Harvey (Harvey 1978), which exerted a strong influence on urban studies. The notion of the spatial fix refers to the spatial crystallisation of social relations within a geographical unit, which leads to the establishment of relatively coherent and stable local frameworks of regulation, based on the interconnection of local economic structures and local modes of institutional regulation. Apparently, this concept resembles some of the proposed definitions of local welfare systems, as those discussed in the previous section.

Harvey’s argument is that even the most volatile forms of capital cannot be devoid of some form of grounding in space. Capital always needs to anchor itself to ‘a physical landscape appropriate to its own condition at a particular moment in time, only to have to destroy it, usually in the

course of a crisis, at a subsequent point in time' (Harvey 1978: 124). In fact, spatial fixes tend to have a chronically unstable nature, which is due to the contradictory tension between the need of fixity (i.e. the need to obtain profits in certain localities) and the need for mobility (i.e. the possibility of reinvesting these profits in other localities) of capital. Because of the higher mobility of capital relative to labour, the tension between fixity and mobility can lead to a crisis and to the search of 'new' spatial fixes.

As noted, one limit of Harvey's perspective is that the causes of instability of spatial fixes are seen as cyclical but also, to a certain extent, as erratic and unpredictable (Jessop 2000). The definition of the same phenomenon in scalar terms instead allows the explanation of the aforementioned crises as events associated with long-term developments and regime shifts in capitalist development. In fact, as explained below, scalar theory provides a unified framework for the parallel analysis of the spatial and temporal nature of the forms of interaction between national and local welfare systems.

A Scale-Attuned Analysis of Welfare State Decentralisation

The starting point for the definition of a unified framework for the parallel analysis of the spatial and temporal development of welfare states can be identified in the 'strategic-relational approach' to state theory, originally developed by Bob Jessop (2002) and then expanded by the author to analyse the scalar aspects of European governance (Jessop 2005). The strategic-relational approach is based on a Gramscian perspective on state power, which considers the state as a terrain of political struggle. Under this Gramscian perspective, the state is thought to be affected by power relations in society at large. At the same time, the state is also believed to operate *selectively* to reinforce or discourage the actions of some agents to the advantage or detriment of others—by means of what is defined as its 'strategic selectivity'. The direction of the strategic selectivity of the state depends upon the capacity of different actors or coalitions of actors to mobilise and pursue (successful) political strategies designed to affect state policies and, therefore, the (strategically selective) functioning of the state.

Neil Brenner proposed a spatialisation of the strategic-relational approach, by adding that: 'space is not only a key dimension of state insti-

tutional organisation, but frequently becomes an explicit object of state strategies as they target particular geographical areas, places, and scales' (Brenner 2004a: 89). By collapsing Jessop's notion of strategic selectivity and the notion of spatial selectivity, Brenner advances the idea of state spatial selectivity. State spatial selectivity can be defined as the sum of state policies and initiatives aimed at differentiating state's territoriality (e.g. by favouring the concentration of investments and resources in certain places at expenses of others), but also preserving its geographical unity, institutional stability and operational coordination. As in the case of strategic selectivity, the geographical focus of the state spatial selectivity is the outcome of the balance of power among actors or coalitions of actors pursuing competing political strategies and goals.

Furthermore, Brenner outlined a periodisation for the analysis of the transformation of the state spatial selectivity of European nation states, from the post-war period of macroeconomic policy-making (i.e. a period characterised by centralisation of welfare state arrangements) to the contemporary period of welfare state restructuring and rescaling (i.e. a period characterised by decentralisation of welfare state arrangements). Despite the high level of abstraction of his periodisation, Brenner acknowledges the path-dependent and path-shaping aspects of (welfare) state scalar configuration: 'The rescaling of state space never entails the creation of a "blank slate" on which totally new scalar arrangements could be established, but occurs through a conflictual "layering" process in which emergent rescaling strategies collide with, and only partially rework inherited landscapes of state scalar organisation' (Brenner 2009: 134).

Following Brenner, it is possible to identify three sequential phases in the recalibration of the welfare state as a 'scalar configuration' (Table 2.1).

The first phase of *spatial Keynesianism* (1960s to early 1970s) was characterised by:

- A scalar configuration based on the nearly undisputed prevalence of the national scale of regulation over subnational ones.
- A territorial articulation of the state that promoted the standardisation of welfare state arrangements within national boundaries.
- A state spatial selectivity that aimed at reducing differences in the availability of institutional and economic resources between places (e.g. cities and regions).

Table 2.1 The changing functions of local welfare systems: a threefold periodisation

Phases of welfare state's spatial development	Spatial dimensions of the welfare state		
	Scalar configuration	Territorial articulation	Place embeddedness
Spatial Keynesianism (post-war to mid-1970s)	Predominance of national scales over other scales	Territorial standardisation of welfare state arrangements	Equalisation of living conditions between places
Strategies of endogenous development (mid-1970s to mid-1980s)	Increased importance of the local scale, enduring predominance of national scales	Continuation of the territorial standardisation process	Prioritisation of public interventions on crisis-ridden places
Locational policies (mid-1980s to present day)	Increased importance of local and supranational scales, decreasing importance of the national scale	Increase in local discretion in design and implementation of social policies	Widening of inter-urban competition and disparities between places

Source: Author's elaboration based on Brenner (2004a, b)

During this first phase, European welfare states continued to display different patterns of central-local government coordination, as a consequence of the different paths of internal structuring followed by each country during nation-state building phases. Despite these cross-national differences in the patterns of geographical parcelisation of nation-states' territories, spatial Keynesian policies were generally controlled and coordinated by central governments, leaving relatively little discretion to local bureaucracies in their design. The goal of central governments was to ensure economic stability by achieving a nationwide redistribution of resources and reducing economic differences between social groups but also between places (e.g. cities or regions). Redistribution was seen as a desirable goal not only from a normative point of view, but also from a macroeconomic one. In fact, the rationale behind Keynesian economics, which dominated economic theory and policy in the post-war period until the 1970s, was to sustain national economic growth through mass consumption, that is, by supporting aggregate demand and ensuring full employment.

Local governments were assigned the role of implementers of centrally defined policies and were not involved in the decision-making process: ‘In order to standardise the provision of welfare services and to coordinate national economic policies, national states centralised the instruments for regulating urban development, thereby transforming local states into transmission belts for centrally determined policies and programs’ (Brenner 2004a: 152). By and large, spatial Keynesianism implied the implementation of policy strategies that aimed at reducing disparities in living conditions between cities and regions: ‘The goal of state action in this context was less to enhance the productive force of capitalist socio-spatial configurations, than to spread the industrialisation process as evenly as possible across the entire surface of the national territory’ (Brenner 2004a: 130). Given the pre-existing differences in nation-state building (and the related differences in the territorial articulation of the welfare state), the extent to which this equalisation of living conditions occurred varied considerably across European countries (Scarpa 2009).

The subsequent phase of *endogenous development strategies* (mid-1970s to mid-1980s) was characterised by:

- A scalar configuration based on an increased importance of subnational scales, albeit in the context of an enduring predominance of the national scale.
- A territorial articulation of the welfare state that continued the standardisation of welfare state arrangements within the national boundaries.
- A state spatial selectivity that prioritised some forms of public intervention in crisis-ridden places (e.g. deindustrialising cities or regions).

According to Brenner, the oil crises of the 1970s, among many things, brought about a partial reorganisation of central–local government relationships in many European countries. On the one hand, the national scale maintained its predominance over other scales, and the goal of social policies was still to reduce existing socio-economic imbalances between localities. The territorial standardisation of welfare state arrangements was continued—although the degree to which it was achieved continued to vary across European countries because of differences in

their path-dependent trajectories of development. On the other hand, new spatially selective strategies were tried out in order to provide financial support for the places hit the hardest by the worldwide economic recession: 'Paradoxically [...] the first major crack in the edifice of spatial Keynesianism appeared during a decade that was otherwise the historical highpoint for state projects of national territorial distribution' (Brenner 2004a: 198). In fact, the disruption in demand caused by the 1970s recession forced central governments to intervene more actively at local level in order to subsidise and protect industries that were considered to be of central importance to national economies. In many circumstances, the places benefiting from these public interventions were not economically depressed, as those targeted by spatial Keynesian policies had been. Instead, the 'new' targeted places were industrial areas in decline due to the general fall in demand for manufacturing products and/or to losses of market shares resulting from changes in international trade routes.

Associated with the increase in local governments' activism was a reorientation of urban governance. This reorientation involved a shift from a mere 'managerial' approach to the provision of centrally designed interventions towards a more 'entrepreneurial' and risk-taking style of urban governance, primarily focused on the promotion or facilitation of economic growth at local level, in the context of heightened demands for fiscal austerity and budgetary restraint (Harvey 1989). Endogenous development strategies were nevertheless emergency measures taken in response to the crisis of local industries in specific cities and regions, while maintaining a national strategy of socio-economic development based on the standardisation of social policies and aimed at the equalisation of living conditions across places.

The third phase of *locational policies* (mid-1980s to present day) differs from that of endogenous development strategies in three respects:

- A scalar configuration based on an increased importance of supranational and subnational scales, in the context of a decreasing importance of the national scale.
- A reorganisation of the territorial articulation of the welfare state increasing the discretion of local governments in the design and implementation of social policies.

- A state spatial selectivity favouring interregional and inter-urban competition and, therefore, the widening of socio-economic disparities between places.

Locational policies are not designed at national level and then implemented in a top-down fashion, as in the cases of spatial Keynesian policies and endogenous development policies. During this phase, central governments lose part of their decision-making authority in the identification and selection of cities or regions that are to be engaged in projects of local institutional experimentation and innovation. Locational policies are in fact the outcome of the interaction of international, national and subnational institutions in the context of European multi-level governance. This multiplication of ties of governance has been described as polycentric and multilateral process of 'relativisation of scales' in which no single scale prevails over or is subordinate to another: 'There is no new privileged scale around which other levels are now being organized to ensure structured coherence within and across scales. Instead, there are continuing struggles over which spatial scale should become primary and how scales should be articulated, and this is reflected in a more complex nesting and interweaving of different scales as they become rearticulated' (Jessop 2002: 179). This means that the apparent loss of power of nation states takes place in the absence of the consolidation of supra- or subnational entities with political powers that are equivalent (or superior) to those of nation states.

At the same time, the decentralisation processes that started in the previous phase are pushed forward, compromising the capacity of central governments to maintain homogeneity in welfare provision within national boundaries. The transfer of institutional responsibilities from central to local governments leads to an increase in local autonomy and discretion. Accordingly, the steering role of central governments becomes less significant with regard to social policy issues. This process is clearly not uniform across countries and the relocation of social policy responsibilities from central to local governments continues to follow path-dependent trajectories of development, with varying outcomes in different national contexts. It is also important to remark that central governments are not necessarily passive reactors to these decentralisation

processes, as they can manoeuvre and exploit these processes as blame-avoidance strategies for shifting responsibility for policy failure to local governments (Andreotti and Mingione 2014).

Additionally, with the launch of locational policies, the spatially redistributive approaches aiming to reduce disparities in living conditions across cities and regions are gradually dismissed. The aim of locational policies is not so much to rebalance economic development throughout the national territory, as to consolidate or even strengthen the position of single cities or regions of high economic potential within national and international urban hierarchies: 'The goal of national, regional, and local state spatial policies is no longer to alleviate uneven geographical development, but actively to intensify it through the deployment of urban locational policies designed to strengthen the place-specific socio-economic assets of strategic, globally linked city-regions' (Brenner 2004a: 16). Therefore, during this phase, central governments increasingly and selectively concentrate public investments in cities and regions that are seen as potential engines of economic growth, and whose profit-making capacities are thought to raise the aggregate competitiveness of the national economy as a whole in the face of an increasing global competition. As mentioned, the concentration of public investments in these already growing areas is achieved at the expense of a reduction of redistribution from these areas to poorer and less economically developed cities and regions—hence contributing to the widening of interregional and inter-urban disparities in living conditions within national boundaries.

In this scenario, the different position of cities and regions within national urban hierarchies, and their different degree of integration into the global economy, play a crucial role in determining intra-national differences in population needs to which welfare states are expected to respond. The differentiation of population needs across cities and regions contributes to undermining the internal spatial coherence of the welfare state and to promoting a further downward shift of policy-making discretion to local governments.

The rescaling of European welfare states seems to have resulted in 'an unstable, continually evolving institutional mosaic' of local experiments that have not yet combined into 'a fully consolidated state form', based on a coherent subdivision of social policy responsibilities and

activities between levels of governments (Brenner 2004b: 476). Rather, as Jamie Peck and Adam Tickell stated many years ago, but whose words continue to seem to be appropriate today, ‘the feverish search for local solutions is a symptom of the crisis itself, a reflection of continuing global political economic disorder’ (Peck and Tickell 1994: 280).

Hence, the spatial transformation of welfare states associated with the launch of locational policies appears to be a contradictory process, involving the devolution of social policy responsibilities both to supranational and subnational institutions and bringing about hierarchically nested structures of decision-making, in which each institutional level acts as one among equally important institutional levels. At the same time, the ensuing fragmentation of welfare states at the subnational level tends to have an inherently dynamic character: given the permanent conditions of political and economic instability, local welfare systems cannot design and implement social policy strategies with a long-term planning horizon.

Conclusion

This chapter attempted to sketch a unified theoretical framework for the simultaneous analysis of three different and usually separately investigated spatial dimensions of European welfare states: scales, territories and places. This unified theoretical framework can be applied for examining, in a comparative manner, the ways in which these three spatial dimensions intersect and interconnect with one another in different local welfare systems.

Therefore, the theoretical framework sketched in this chapter avoids the pitfall of many recent studies on local welfare systems, which usually focused only on one of the spatial dimensions of welfare states and regarded the transformations occurring in one of these dimensions as fully accounting for all the transformations occurring in their other spatial dimensions.

In the proposed theoretical framework, the concept of scale is indicated as the most appropriate entry point for the analysis of the spatial transformation of European welfare states. In fact, the argument of this chapter is that ongoing processes of spatial reorganisation of European welfare states are raising new policy and research issues primarily at the level of scale, and then only secondarily at the levels of territories and places.

The spatial reorganisation of European welfare states can be described as a process of both rescaling and relativisation of scales. This means that social policy responsibilities have been redistributed between supranational, national and subnational levels but in the absence of the supremacy of any of these levels over the others, that is, in ‘the absence of a dominant nodal point in managing interscalar relations’ (Jessop and Sum 2006: 271). A related argument is that the last step of the three-step periodisation previously outlined (i.e. the phase of locational policies) prefigures an enduring and uncompleted process of trial-and-error experiments at local level rather than the establishment of a durable and fully actualised regime of welfare state governance. The global financial crisis put additional pressures to European welfare states, which have exacerbated pre-existing differences in living conditions across regions and cities, both between and within member states.

Uneven geographical development was an important component of the European integration process well before the eruption of the crisis (Hadjimichalis 2011). The convergence criteria established by the Maastricht Treaty focused exclusively on fighting inflation, respecting fiscal discipline, maintaining exchange rate and interest rate stability. Furthermore, the obligation to meet the Maastricht criteria had the effect of depriving central governments of important resources previously used to support economic development in the less competitive regions and cities.

More recently, European countries are obliged to keep public expenditure under control despite the long duration of the crisis and can no longer implement long-term and effective countercyclical policies. In particular, crisis-ridden countries are obliged to implement harsh austerity measures in order to secure financial support from other member states (Varoufakis 2011). The politics of austerity has thus impacted unevenly across the EU and pre-existing conditions of uneven geographical development played an important role in the unfolding of the consequences of the global financial crisis, both between and within national contexts.

Future research could explore the impact of austerity measures on local welfare systems and verify whether the arguments presented in this chapter still hold in the light of the current global financial crisis.

References

- Andreotti, A., & Mingione, E. (2014). Local welfare systems in Europe and the economic crisis. *European Urban and Regional Studies*, 1–15. doi: 10.1177/0969776414557191.
- Andreotti, A., Mingione, E., & Pollizzi, E. (2012). Local welfare systems: A challenge for social cohesion. *Urban Studies*, 49(9), 1925–1940.
- Bifulco, L. (2014). Citizenship and governance at a time of territorialization: The Italian local welfare between innovation and fragmentation. *European Urban and Regional Studies*, 1–16.
- Brenner, N. (2000). The urban question as a scale question: Reflections on Henri Lefebvre, urban theory and the politics of scale. *International Journal of Urban and Regional Research*, 24(2), 361–378.
- Brenner, N. (2001). The limits to scale? Methodological reflections on scalar structuration. *Progress in Human Geography*, 25(4), 591–614.
- Brenner, N. (2004a). *New state spaces. Urban governance and the rescaling of statehood*. Oxford: Oxford University Press.
- Brenner, N. (2004b). Urban governance and the production of new state spaces in western Europe, 1960–2000. *Review of International Political Economy*, 11(3), 447–488.
- Brenner, N. (2009). Open questions on state rescaling. *Cambridge Journal of Regions, Economy and Society*, 2(1), 123–139.
- Colombo, A. (2008). The Lombardy model: Subsidiarity-informed regional governance. *Social Policy & Administration*, 42(2), 177–196.
- Dubois, H. F. W., & Fattore, G. (2009). Definitions and typologies in public administration research: The case of decentralization. *International Journal of Public Administration*, 32(8), 704–727.
- Duncan, S. (1989). What is locality? In R. Peet & N. Thrift (Eds.), *New models in geography* (vol. 2, pp. 221–252). London: Unwin Hyman.
- Ferrera, M. (2005). *The boundaries of welfare: European integration and the new spatial politics of social protection*. Oxford: Oxford University Press.
- Hadjimichalis, C. (2011). Uneven geographical development and socio-spatial justice and solidarity: European regions after the 2009 financial crisis. *European Urban and Regional Studies*, 18(3), 254–274.
- Harvey, D. (1978). The urban process under capitalism: A framework for analysis. *International Journal of Urban and Regional Research*, 2(1), 101–131.

- Harvey, D. (1989). From managerialism to entrepreneurialism: The transformation in urban governance in late capitalism. *Geografiska Annaler, Series B, Human Geography*, 71(1), 3–17.
- Jessop, B. (2000). The crisis of the national spatio-temporal fix and the tendential ecological dominance of globalizing capitalism. *International Journal of Urban and Regional Research*, 24(2), 323–360.
- Jessop, B. (2002). *The future of the capitalist state*. Bristol: Polity Press.
- Jessop, B. (2005). The political economy of scale and European governance. *Tijdschrift voor Economische en Sociale Geografie*, 96(2), 225–230.
- Jessop, B., & Sum, N. L. (2006). *Beyond the regulation approach: Putting capitalist economies in their place*. Cheltenham: Edward Elgar Publishing.
- Jessop, B., Brenner, N., & Jones, M. (2008). Theorizing sociospatial relations. *Environment and Planning D: Society and Space*, 26, 389–401.
- Karjalainen, V. (2010). Actors, scaling and governance in activation policy. In Y. Kazepov (Ed.), *Rescaling social policies: Towards multilevel governance in Europe* (pp. 139–174). Farnham: Ashgate.
- Kazepov, Y. (2008). The subsidiarization of social policies: Actors, processes and impacts. Some reflections on the Italian case from a European perspective. *European Societies*, 10(2), 247–263.
- Kazepov, Y. (Ed.) (2010). *Rescaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate.
- Kazepov, Y., & Barberis, E. (2013). Social assistance governance in Europe: Towards a multilevel perspective. In I. Marx & K. Nelson (Eds.), *Minimum income protection in flux* (pp. 217–248). Basingstoke: Palgrave Macmillan.
- Keating, M. (1997). The invention of regions: Political restructuring and territorial government in Western Europe. *Environment and Planning C: Government and Policy*, 15(4), 383–398. <https://uk.sagepub.com/en-gb/eur/environment-and-planning-c-government-and-policy/journal202438>.
- Keating, M. (2013). *Rescaling the European state: The making of territory and the rise of the meso*. Oxford: Oxford University Press.
- Lefebvre, H. (1991). *The production of space*. Oxford: Basil Blackwell.
- Massey, D. (1984). *Spatial divisions of labour: Social structures and the geography of production*. London: Macmillan.
- Moreno, L., & McEwen, N. (2005). Exploring the territorial politics of welfare. In N. McEwen & L. Moreno (Eds.), *The territorial politics of welfare*. London: Routledge.

- Peck, J., & Tickell, A. (1994). Searching for the new institutional fix: The after-Fordist crisis and the global-local disorder. In A. Amin (Ed.), *Post-fordism: A reader* (pp. 280–215). London: Blackwell.
- Ranci, C., Brandsen, T., & Sabatinelli, S. (Eds.) (2014). *Social vulnerability in European cities. The role of local welfare in times of crisis*. Basingstoke: Palgrave Macmillan.
- Saraceno, C. (Ed.) (2002). *Social assistance dynamics in Europe: National and local poverty regimes*. Bristol: Policy Press.
- Scarpa, S. (2009). The scalar dimension of welfare state development: The case of Swedish and Finnish social assistance systems. *Cambridge Journal of Regions Economy and Society*, 2(1), 67–83.
- Swyngedouw, E. (1997). Neither global nor local. “Glocalization” and the politics of scale. In K. Cox (Ed.), *Spaces of globalization* (pp. 137–166). New York: Guilford Press.
- Thorkildsen, D. (1997). Religious identity and Nordic identity. In Ø. Sørensen & B. Stråth (Eds.), *The cultural construction of Norden* (pp. 138–160). Oslo: Scandinavian University Press.
- Toth, A. (1992). The principle of subsidiarity in the Maastricht treaty. *Common Market Law Review*, 29, 1079–1105.
- Vampa, D. (2014). The sub-state politics of welfare in Italy: Assessing the effect of territorial mobilization on the development of region-specific social governance. *Regional & Federal Studies*, 24(4), 473–491.
- Varoufakis, Y. (2011). *The global minotaur: America, the true origins of the financial crisis and the future of the world economy*. London: Zed Books.
- Wollmann, H., & Thurmaier, K. (2012). Reforming local government institutions and the new public management in Europe and in the US. In K. Mossberger, S. Clarke, & P. John (Eds.), *The Oxford handbook of urban politics* (pp. 179–209). Oxford: Oxford University Press.

3

Conceptualising Local Welfare Systems: Exploring the Role of Actors and Governance Arrangements

Håkan Johansson and Max Koch

Introduction

For a long period of time, welfare state research has focused on *national* welfare reforms, *national* social policies and *national* income protection schemes as its main objects of study. National welfare regime typologies and national models of welfare have also traditionally dominated the academic debate in comparative social policy. More recently, however, amplified by the global financial crisis, national governments have come under performance pressure and have tended to rely more on subnational governments for the design and delivery of welfare. As a consequence, academics have begun to place greater emphasis on the relevance and structure of local welfare systems, local welfare governance and local participatory arrangements. However, the extent to which rescaling and localisation trends empirically indicate, and theoretically justify, the introduction of a new paradigm of ‘localism’, is still a disputed matter (Evans et al. 2013).

Some participants in this debate associate a move towards local welfare and a localisation agenda with greater participation, deliberation and more democracy. In short, the local level is almost regarded as superior

and as more effective than ‘higher’ regulatory levels (Andreotti et al. 2012; Fung and Wright 2003; Fung 2004). Since contemporary societies gain in complexity and thus the welfare needs and expectations of large sections of the population are increasing, it is claimed that the best way and the best level to cater for citizens’ welfare needs and ambitions is within their local social, cultural and political contexts. A localisation of public policies to subnational arenas would also encourage more direct forms of citizen participation and involvement in discussions, debate and decision-making procedures as well as opening up a space for the involvement of civil society associations and organisations in local policy-making procedures, thereby directly and/or indirectly presenting and representing the views and claims of their members and/or a wider set of beneficiaries (Mingione et al. 2002). Others, however, interpret the ambition of national politicians to turn to local solutions as a flight from the responsibilities of European welfare states—a kind of ‘austerity localism’ (Featherstone et al. 2012; see also Chap. 1). From this perspective, welfare provisions that were previously provided at national level and were then deliberately decentralised to local level do not necessarily improve problem-solving capacities, but instead create new issues and conflicts: for example, the localisation of not only welfare delivery but also taxation is—all other things being equal—likely to lead to greater inequality among regions and locations within a national state, with correspondingly different regional or local capabilities for financing welfare. Hence, an (un)intended consequence of decentralisation and localisation may be new cross-territorial disparities, greater social inequalities, fragmented solidarities and unfair burdens on marginalised groups. Accordingly, Purcell (2006) warns policy-makers and scholars about falling into a ‘local trap’. Hence, localism (or local welfare) is not necessarily something positive or something that necessarily promotes citizen participation and democracy.

What adherents and critics of a localisation of welfare systems appear to have in common is the lack of an empirical foundation for their arguments. The local level has yet to be thoroughly analysed in order to fully capture current transformations in European welfare states. While the present volume, as a whole, is dedicated to this purpose, this chapter aims to contribute to the development of a corresponding analytical frame-

work by reviewing and systematising the existing literature. The chapter's point of departure is a discussion of the rescaling processes of previously national welfare systems. Whereas the previous chapter (Chap. 2 by Scarpa) addressed local welfare as a scalar system, this chapter more directly engages with the horizontal governance arrangements that take place in local welfare systems. Subsequent sections address local welfare features and actors, issues of governance as well as of partnership arrangements, participation and control, highlighting the role and function of civil society organisations in the planning, design and delivery of local welfare services. Our theoretical and conceptual reflections will, at the same time, guide the subsequent empirical chapters that carry out a comparative analysis of the real world of local welfare systems and societies (see Chaps. 4, 5, 6 7 8, and 9).

Rescaling 'National' Welfare Regimes

The notion of a 'regime' is commonly used within comparative social policy and welfare research (Esping-Andersen 1990, 1999). It refers to the wider institutional framework that prevails in a given country, including the organisation of social protection and other relevant welfare systems as well as the principles, norms and values that underpin them. The term 'regime' thus encompasses more than government action. In fact, the former embeds the latter in a web of socio-cultural norms that frame the operations of a government or institution and their interactions with economy and society. Regimes are thus long-lasting and hard to change as they constitute a foundational structure for a particular welfare state. Esping-Andersen claimed that the notion of a regime 'reflects the circumstance that short-term policies, reforms, debates and decision-making takes place within frameworks of historical institutionalism that differ qualitatively between countries' (Esping-Andersen 1990: 80). However, such an analytical emphasis may become a shortcoming since regime theories tend to presuppose institutional inertia, model stability and identify common traits in social policy arrangements. Regime conceptualisations hence tend to produce 'a snapshot of the world at one point in time and do not easily capture the mutations of the birth of new

species. Any typology of welfare regimes therefore remains valid only as long as history stands still' (Esping-Andersen 1999: 73).

This particular understanding of a welfare regime has had a very positive and long-lasting echo, and Esping-Andersen's seminal book from 1990 is still highly influential as a recent review of its reception history again confirms (Emenegger et al. 2015). It has stimulated 'regime' and 'typology' debates in various areas, including 'care' (Antonnen and Sipilä 1996; Simonazzi 2008), social assistance and minimum income (Gough et al. 1997), and the 'green' or 'eco-social state' (Gough et al. 2008; Koch and Fritz 2014), where similarities and differences to welfare regime typologies have been highlighted. Critics suggested expanding the list of factors for the explanation of welfare state development focusing on religion (Van Kersbergen 1995), institutional veto points (Immergut 1992) and gender (O'Connor 1996). The overall positive reception is also reflected in the fact that later welfare regime typologies that included greater numbers of countries confirmed rather than questioned Esping-Andersen's approach, insofar as they proposed four or five 'worlds of welfare' rather than three, yet with a significant overlap in the allocation of countries (Arts and Gelissen 2002; Ferragina and Seelaib-Kaiser 2011). In their influential overview of welfare regime typologies, Arts and Gelissen point out that the remarkable degree of theoretical consistency that characterises Esping-Andersen's approach would decrease through the adaptation of alternative theoretical arguments. However, beyond Esping-Andersen's classical types, and in relation to Europe, two complementary welfare clusters are often distinguished to broaden the empirical reach of the comparative analysis. A 'Mediterranean' cluster (e.g. Spain, Portugal and Greece) that, according to Ferrara (1996), also includes Italy, and a cluster of 'eastern European' countries, whereby the verdict of the welfare affiliation of individual eastern European countries is still out (Fenger 2007). Similar debates are ongoing in other parts of the world including East Asia (Sung and Pascall 2014).

Though the regime debate initiated by Esping-Andersen has undoubtedly been beneficial for comparative research, two points remain that are worth noting. First, most participants in this debate have addressed the welfare state exclusively on the national scale; second, this debate has tended to focus on public and central policies and agencies, while under-

estimating the relevance of other societal actors in the design and delivery of welfare policies and services.

In relation to the first point, recent state theory and political economy contributions have encouraged researchers to view state spatiality in dynamic ways (Koch 2008; see also Chap. 1 by Johansson and Panican and Chap. 2 by Scarpa, in this volume). From this perspective, the spatial dimension of state regulation is not seen as a fixed object but as a delicate structure that is permanently subject to rescaling processes in the course of which new, multi-scalar structures of state organisation, political authority and socio-economic regulation emerge. Both transnational and supranational processes of decision-making and local worlds of welfare and the associated regional and local authorities, actors and decision-making bodies play an increasingly important role (Daly 2003). Hence, it is not the *state itself* that is being ‘hollowed out’ or diminished in terms of regulatory power, but the *national* dimension of the state. Far from retreating, state institutions are foremost engaged in what Brenner (2004: 453) calls ‘spatial targeting’, that is, attempts to ‘enhance territorially specific locational assets, to accelerate the circulation of capital, to reproduce the labour force, to address place-specific socio-economic problems and/or to maintain territorial cohesion’. Current debates about devolution, subnationalisation or decentralisation raise similar concerns and challenge established understandings of welfare regimes (Kazpeov 2010; Minas et al. 2012; Pollitt 2005).

Some comparative research suggest that the welfare state is much more fragmented than the original regime approach proposed, above all, in countries with a federal structure (Pierson 1995). Moreover, comparative studies into the organisation of social services have furthermore noted that these are embedded in local contexts and depend, to a large extent, upon local political capacities, priorities and decisions (Jensen and Lolle 2013). For instance, in-depth investigations into the social democratic welfare regime have detected great tensions between the regime principles of universalism and equality, on the one hand, and local autonomy and variation, on the other. A useful illustration thereof is the notion of a ‘welfare municipality’, which highlights the limitations of the welfare state regime concept by including local entities of a particular country (Kröger 1997; Trydegård and Thorslund 2000, 2010).

In relation to the second point, studies into the design and delivery of social services in a European perspective highlight the significance of voluntary organisations and local welfare mixes, particularly in a continental European welfare regime (Bode 2006). To some extent this divide was reflected by Esping-Andersen in 1999 when he wrote that some ‘insist that the triad [state, market and family] should rightfully be presented as a diamond, with a fourth leg reserved for the third sector’, like charities, cooperatives and voluntary associations. He continued by admitting that ‘in principle, I would have no objections. In practice, it may make little empirical difference... where its role is more than peripheral it is because it is subsidized by the state—i.e. a semi-public delivery agency’, (Esping-Andersen 1999: 36). To what extent this holds true is obviously an empirical question. However, much current research suggests that—particularly at local level—the efforts of non-public actors are far from negligible (Anheier and Salamon 2006; Evers and Laville 2004; Salamon 2010). The relevance of non-statutory bodies has also become increasingly important in the wake of the current crisis, particularly when such actors are supposed to fill the gap when the state ‘fails’ to deliver. National and local politicians seek to involve various types of non-profit, third-sector and voluntary sector organisations to deliver support and welfare services in innovative, more cost-effective and client-responsive ways, yet often reflecting and respecting various welfare state regime settings (Ascoli and Ranci 2002; Bode 2006; Henriksen et al. 2012).

Dimensions and Actors of Local Welfare

Notions such as ‘local welfare state’ (Cochrane 1994, 2004; Steinmetz 1990), a ‘local dimension’ of welfare (Heidenreich and Aurich forthcoming; Küntzel 2012), local ‘worlds of welfare’ (Zimmermann et al. 2014), and local welfare regimes (Schridde 2002) have been in use for quite some time. While much social protection remains under the responsibility of national institutions (often pensions, sickness insurance and unemployment insurance), these conceptualisations refer to the social policies that are either completely or partly under the responsibility of local governments or in other ways part of local level policies and provisioning. To our knowledge,

the most comprehensive analytical account has been put forward under the heading of a 'local welfare system' approach (Andreotti and Mingione 2014; Andreotti et al. 2012; Mingione et al. 2002). It is suggested that a local welfare system differs from both a local welfare state and a local welfare mix in that the former mainly refers to public efforts at the local level and the latter to the set-up of different actors (public, non-profit and for-profit) engaged in designing and delivering welfare services and provisions. As a corollary, any analysis of a local welfare system would need to take a broader analytical perspective, in which public policies and public agencies are important objects of analysis, yet fully understood only when also embedded in the respective local context (Andreotti and Mingione 2013). Although this is not explicitly spelled out, it is implied that such a list of background factors will affect on the actual orientation of local social policies and co-determine the structures of local welfare systems.

The local welfare system approach therefore builds upon a complex set of pressures and challenges facing contemporary European welfare states. Since local entities differ within and across regions and countries, analytical tools must be developed that enable researchers to analyse local welfare systems across geographical boundaries and in their interaction with and partial dependence upon national legal and institutional frameworks (see Chaps. 1 and 2). Though far from being 'local products', local welfare systems have nonetheless their own history, with specific economic characteristics, demographic structures, socio-economic conditions and cultural and political institutional traditions as well as local configurations in terms of welfare provision. In short, the analysis of local welfare systems requires recognition of their 'own distinctive cultural, economic and social resources' (Andreotti et al. 2012: 1934) embedded in particular spatial contexts.

More particularly, Mingione et al. (2002) argue that analyses need to consider the *socio-economic situation* in the local entity, for example, local problem pressure in terms of levels of unemployment, patterns of social exclusion as well as local demographic factors. It is thus necessary to pay attention to the magnitude, character and politicisation of social problems and social risks in particular local settings (Ranci et al. 2014). In some circumstances these can be portrayed as supply-side factors such as local problem pressure, constitutions of local social risks, local needs and groups' characteristics. Arguably, a local welfare system featuring a

relatively high proportion of poor people is likely to develop different policies, strategies and interventions and to have a different mix of institutional and individual actors (public and non-public) than a local city or municipality enjoying greater affluence (see Chaps. 5, 6, 7, 8, and 9).

Other relevant factors include the *local political/institutional traditions* (e.g. the type and orientation of the local government), the local political culture, size and orientation of local interest groups and existing and dominant cleavages and conflicts in local politics. Reliance on local levels in governance and regulation and in the actual implementation and enactment of public services raises questions about the capabilities local governments actually have in playing these roles. Although our analysis seeks to avoid the reduction of local welfare systems to local welfare states, it is important to pay attention to local governments and public agencies. This applies not only to the regulation and implementation of provisions and services, but also regarding 'the capacity of public actors to promote and coordinate forms of cooperation and participation/empowerment of citizens' (Andreotti et al. 2012: 1925). Similar concerns have in fact been raised in comparative local government studies that demonstrate that the political, administrative and fiscal capacity of local governments varies widely across and potentially within countries (Sellers and Lidström 2007). Not only are local welfare systems structured by the internal and external social problems they face but also by the actual capacities of local governments for tackling these problems.

While we follow Andreotti et al. (2012) and Mingione et al. (2002) in their identification of the dimensions that any analysis of local welfare systems and their institutional design should consider, we also direct scholarly attention to their dynamic nature by emphasising the role of local actors and agency types. This could include studies of the function of civil society and civil society organisations in local welfare provision (e.g. regarding size, focus, resource basis and mode of mobilisation and their relation to the statutory welfare system) (Mingione et al. 2002: 36 ff.). In a partial departure from the established debate on local welfare systems, we suggest conceptualising local welfare system in terms of *arenas or particular milieus*, where actors with different power resources operate and interact. We agree with Mingioni and Oberti in their emphasis on the 'dynamic processes in which the specific local social and cultural contexts give rise both to diversified mixes of actors underlying the

strategies for implementing social policies and to diverse profiles of needy or assisted populations' (Mingione and Oberti 2003: 3). Local welfare systems hence encompass a mix of public and non-public actors that participate both in deliberations and delivery of welfare provision and services. Yet local institutional settings still affect the character and focus of the roles and functions of local actors in local welfare provision, combined with the degree and forms of the needs of local citizens.

Addressing the risk of localism, Andreotti and Mingione (2014: 8) suggest possible interventions to counterbalance some of these potential pitfalls of a local welfare system approach. These authors point out that tackling inequalities between local entities and groups through social policy requires a set of measures at national and supranational levels. Using the example of poverty and minimum income support, they suggest that countries need to: (a) develop a regulatory framework that aims to secure the basic level of protection for the population; (b) develop an 'effective system for redistribution from central authorities to local bodies and social groups in greatest need' (Andreotti and Mingione 2014: 8); and (c) ensure the existence of fairly large local authorities with sufficient resources (financial and professional) in order to provide efficient services and support. This framework would, however, need to be complemented by an equally important set of interventions at local level, focusing on the capacities of local actors. This would (d) organise the capacity of local actors (public and non-public) in a synergetic manner in order to permit optimal use of local resources. It would finally include (e) interventions that strengthen local welfare workers' capabilities for identifying precarious groups and exploring the 'political will to combat discrimination of minorities and other vulnerable groups' (Andreotti and Mingione 2014: 8).

The Governance of Local Welfare

The local welfare system approach recognises the relevance of local governance as the 'glue' that holds local actors together, but has not been developed at greater length. The alleged shift from (local) 'government' to (local) 'governance' presupposes that, in contrast to the idea of a unified (local welfare) state, there is not a single unitary actor but a complex set

of relatively autonomous local actors (Kooiman 2002; Newman 2001, 2005; Pierre and Peters 2000). Hence, local governance arrangements encompass actors from various and different societal spheres (public and non-public). Decision-making mechanisms in local governance not only include bureaucratic and political voting procedures but also competition, negotiation and various forms of partnership arrangements between the actors involved. Similarly, Stoker (1998) emphasises the power (inter)dependencies that current governments face and the blurred boundaries that materialise as various actors and stakeholders come together to handle a particular issue. Accordingly, the concept of governance 'recognizes the capacity to get things done, which do not rest on the power of government to command or use its authority. It sees government as able to use new tools and techniques to steer and guide' (Stoker 1998: 18). It has thus become paramount for local governments not to use their formal power but to explore their ability of keeping together and coordinating the resources and interests of public and private actors (Pierre and Peters 2000). However, and this applies to all governance processes, it is important to remember that the shift from local government to local governance by no means implies that governance takes place without government. It means a redefinition of local government's role in local public affairs rather than a wholesale retreat of local government (Denters 2011: 314).

In fact there is often a series of different types of governance taking place at the same time in the same locality. Newman (2007: 369) proposes that there are (at least) four different modes of governance: hierarchical, managerial, network and self-governance. Although she defines these in a more general manner they can highlight different types of governance also in local welfare systems. *Hierarchical governance* refers to the rule-based mode of power, in terms of usages of legal and bureaucratic power. In local welfare governance, this obviously overlaps with a more traditional top-down understanding of a welfare state in which politicians decide, and public welfare professionals execute services and provisions. *Managerial governance*, on the other hand, is much more based on incentives and the assumption that organisations and persons act instrumentally. Local managerial welfare governance may include elements of contractualisation and managerialism, for example, in cases where ser-

vices are contracted-out to non-public actors. *Network governance* stands in opposition to both the aforementioned since it stresses the relational, mutual and reciprocal elements. Local network governance arrangements might thus include local partnerships or different forms of formal and informal collaborative arrangements that bring together public and non-public actors, ideally on an equal footing and for a joint purpose. Last but not least, Newman stresses that *self-governance* is a fourth and separate mode of governance, as a form of installing self-controlled agency and autonomy in actors.

The concept of governance in general and the four modes of governance in particular raise a series of issues. These include the structure of local welfare systems and embedded forms of local governance arrangements as well as the role(s) of civil society organisations (e.g. charities, voluntary organisations, community groups and cooperatives) in local welfare governance arrangements. To simplify matters, one can argue that local civil society actors have, at least two main functions in local welfare systems: as providers of services and support and as advocates and guards in the promotion of claims vis-à-vis (local) governments. Local organisations act as experts on particular social problems, offer services and support to people in need, either independently from the involvement of governments and local authorities or in cooperation with them. They may also be involved in deliberation activities of local welfare. However, an additional fact, often forgotten in governance analyses, is that public and non-public actors often have different interests. One of the most influential models to cater for such differences in interest has been developed by Najam (2000) who argues that one needs to analytically distinguish between the goals and strategies that governments *and* civil society organisations have in relation to each other and whether they have similar *or* dissimilar goals. Exploring this further, he presents an analytical model portraying four types of distinctive relationships: *cooperation*, *complementarity*, *co-optation* and *confrontation*.

A local welfare system may entail elements of *cooperative relationships* between local governments and local civil society organisations in terms of mutual understandings about that which one is aiming to achieve as well as to what these aims are. Such a cooperative relationship may materialise in the form of a partnership arrangement

between the actors involved or as collaborative arrangement (i.e. similar goals and similar strategies to reach such goals). A local welfare system might also entail a *complementary relationship* with respect to the strategies developed by the actors involved. Najam namely maintains that 'where the goals of government and NGOs are similar, they are likely to gravitate to an arrangement—either independently or contractually—in which they complement each other in the achievement of shared ends, even through dissimilar means. Where the preferred means are also similar, complementarity will blossom into cooperation' (Najam 2000: 387). For instance, both public and non-public actors may share the aim of combating poverty in their particular local setting, yet agree on the assumption that this is best done in separate ways and without any greater coordination between actors and the various projects, programmes and initiatives taking place.

However, an analysis of a local welfare system also needs to be sensitive to the relationships between local governments and local civil society organisations that are not based on similar goals but instead on conflict-oriented relationships. Here, Najam refers to the notion of *co-optation* that is widely discussed in the literature and often applied when governments invite non-public actors into joint arrangements—with the direct and/or indirect ambition to circumscribe or avoid their criticism. He acknowledges that a situation of dissimilar goals, yet common means, is even more complex since both parties will attempt to change the goals of the other. He asserts that the relationship could 'linger into mutual manipulation, turn into outright confrontation or convince one party that their ends are a subset of the other party' (Najam 2000: 389). Due to power asymmetries that often exist between governments and civil society organisations, co-optation tends to be primarily shaped by governments. The last relationship Najam pictures as *confrontational*, based on a situation in which both goals and means are dissimilar and, hence, in conflict with each other. This may materialise in the forms of repression, coercion or control on part of the government, and open contention, mobilisation and confrontation on part of the civil society actors involved.

Partnership, Participation and Control

Our reading of the local welfare system approach suggest particular attention to be paid into network governance and above all how two forms of network governance provide a governing space for the interaction between local government agencies and local civil society actors.

First, the notion of ‘partnership’ is of central importance in network governance in general and local governance in particular and has almost turned into a discipline itself (Lowndes and Skelcher 1998; Mörth and Sahlin-Andersson 2006; Skelcher and Sullivan 2008). However, ‘partnership’ is a slippery term and is part of a larger collaborative discourse about how we understand public policies and public agencies. The term involves a wide range of notions such as inter-agency working, cooperation, coordination, joined-up government, participatory governance and collaborative governance. Some argue that the current search for coordination, partnerships and joined-up solutions is the philosopher’s stone of contemporary government (Haywood and Wright 2000). Academics maintain that governments’ current interest in partnership arrangements is due to a complex set of factors. First and foremost, it is held that a partnership arrangement can assist in problem solving as it brings together the approaches and experiences of a range of partners (Geddes and Bennington 2001; Geddes 2008). Hence, joint working across sectors might stimulate new ways of thinking about old problems and produce innovation as individuals and organisations ‘are exposed to new ideas and ways of working’ (Geddes 2008). Cross-sector partnership arrangements and multi-agency partnerships facilitate new resources and possibly also a more effective usage of existing resources. It is also often maintained that bringing together a full range of actors may reduce the risks for policy failure, at least in terms of easing the pressure on the particular actor that used to be responsible for the issue at hand. Last but not least, partnership arrangements stimulate and increase the legitimacy of any action and measure taken. By building alliances with involved stakeholders (Geddes 2008: 220), partnerships increase the legitimacy of the entire governance process.

Arguably, a partnership arrangement presupposes a cooperative relationship between governments and civil society organisations. It requires 'the involvement of at least two agents or agencies with at least some common interests of interdependencies... and also ... a relationship between them that involves a degree of trust; equality or reciprocity' (Powell and Glendinning 2002: 3). In similar operational definitions it is generally emphasised that a partnership presupposes that otherwise independent bodies start and agree on cooperating to achieve a common goal. These then create new organisational structures or processes to achieve such a goal or even implement a joint programme, which could include sharing relevant information, risks and rewards (Powell and Glendinning 2002). Mörth and Sahlin-Andersson (2006: 38) offers a similar, albeit slightly different, definition of a partnership based on lasting cooperation between 'equal' partners, who jointly seek to achieve commonly established goals. Participation is voluntary, whereby both partners contribute to the partnership and its activities and also share responsibilities. All mentioned authors agree, however, that trust and reciprocity are central and distinguish a partnership from managerial and hierarchical governance. Yet this trust is not gained easily since it presupposes acceptance of differences, as well as interest in compromises and mutual learning from all relevant parties (Geddes 2008: 217). In reality, trust may be an ideal that only some of the partners strive for. Partners may in fact be highly unequal, unwilling to act in a reciprocal manner, that is, to take the perspective of the other partner into account and change accordingly. The absence of trust may well in turn lead to more hierarchical forms of coordination, more contract-like arrangements or just unequal partnerships dominated by one of the actors.

Second, another highly debated form of local governance arrangement regards 'participatory governance', as a general relocation of authority from traditional political institutions to new arenas for political participation (Schmitter 2002; Newman et al. 2004; Barnes et al. 2007). Here we find innovations in decision-making processes, that is, the ways in which governments engage diverse societal actors in the discussion and deliberation of wider policy developments, policy implementation and delivery (Grote and Gbikpi 2002). Most of these innovations seek to foster greater participation on the part of citizen groups, associations and

local organisations and take the form of local panels, committees, deliberative forums or consultation practices. As explored by Johansson and Panican (see Chap. 1 this volume), the debates on localisation and local participatory governance include an element of optimism in that the mere move of more decision-making power to a local level is associated with a quasi-automatic increase in participation, and new and greater involvement of citizens and actors not previously engaged in political discussions (Fung 2004; Fung and Wright 2003).

One of the most crucial questions for empirical research is who is actually entitled to participate and what actors have the power to set the rules for participation (Heinelt 2010). Another important issue is how decisions are being made within governance arrangements. Often discussions about participatory governance rest on deliberative ideals, the assumption being that all participants are equal and that collaboration between the actors is based on mutual respect and recognition of each other's rights to present arguments; however, there is no guarantee that these are actually turned into practice (Ansell and Gash 2007). However, another topic of analysis is whether one can detect processes and patterns of *hierarchisation* and *elitism* among the representatives involved. Since local participatory governance arrangements are at risk of marginalising local associations and organisations, there is also the danger that 'those who wear the "community" hat on partnership boards are not promoting the interests of the most socially disadvantaged groups' (Lowndes and Sullivan 2004: 61). Only those civil society organisations that are rich in terms of resources and capacities may actually be invited and provided with the option of partaking in local participatory arrangements.

These concerns challenge scholars to ascertain why actors actually participate at all, and, above all, why local civil society organisations actively participate in local welfare governance models (Barnes et al. 2007; Swyngedouw 2005). The previously discussed notion of co-optation can be applied to disentangle the complex relationships that often exist between public and non-public agencies since it refers to a situation where governments invite external non-state actors and critics to join government-dominated bodies as a way of exposing them to expectations about collegiality, consensus and shared responsibility for decisions (Selznick 1949; Fung and Wright 2003).

In this context Wright et al. (2011) have made the important observation that local participation cannot be analysed in separation from other modes of local governance, for example, local partnership arrangements. These authors argue that the involvement of civil society organisations (community groups, voluntary organisations and cooperatives) in local partnerships, projects and service delivery programmes opens up a 'semi-private organizational space where the sticky issues and potential problems associated with constraining the rights of certain groups of citizens is located in a zone outside the normal public accountability arrangements' (Wright et al. 2011: 303). Patterns of participation of civil society actors in local governance arrangements may therefore be interpreted as a form of self-governance, or as a means of the state to govern non-state actors and a domain in which the previous clear-cut and principal boundaries between the local government and civil society gradually dissolve—and a somewhat nebulous space of decision-making emerges that is constantly being reconstructed. To quote Morison, the 'space of government is thus extended far beyond the formal aspects of the state. In particular civil society now appears not as the opposite of the state, but as a space where government can happen' (Morison 2000: 123).

Conclusion

On the basis of this critical review of the existing literature this chapter has contributed to the development of an analytical concept for the study of local welfare. Having focused on rescaling trends in the relation between national and local welfare regulation, features of and actors within local welfare systems, issues of governance, partnership and participation as well as the role of civil society organisations in local welfare arrangements, we conclude that local welfare systems are far from being a mere reflection of central regulation modes, let alone the results of the implementation of national reform processes. Quite the opposite, local welfare systems should be conceptualised as embedded in wider vertical and horizontal relationships that influence how these systems function, what they deliver and for whom. A growing significance of local welfare systems does thus not necessarily coincide with a decentralisation or

retrenchment of national risk protection. Rather than an unambiguous spatial rescaling, where higher levels of governance withdraw from earlier responsibilities and leave them to the local level, we are in fact witnessing the development of more complex multi-level systems of social policy financing, regulation, administration and management (Johansson and Maino 2016; Lobao et al. 2009).

A further outcome is that studies into local welfare systems need to develop a horizontal dimension. A systematic consideration of the complexity of local welfare systems does not only imply the understanding of local welfare systems as embedded in national welfare state configurations (rules and regulations, patterns of resource distribution, national policies and politics, etc.) but also in their own right. Beyond public agencies, public efforts and capacities, a state-of-the-art analysis of local welfare system would include a complex set of public, for-profit and non-profit actors as well as their various interests and resources, which would need to be conceptualised in response to the particular sets of problems and demands of citizens, inhabitants and beneficiaries on the ground. As mentioned, this implies that a local welfare system is different from both a local welfare state and a local welfare mix. While the term 'local welfare state' is dedicated to local public efforts, 'local welfare mixes' refer to particular set-ups of different actors (public, non-profit and for-profit actors) engaged in designing and delivering welfare services. In contrast, the concept of a 'local welfare system' would require a still broader analytical approach, in which public policies and agencies as well as the respective actors are important objects of analysis, but are only fully understood when also embedded in particular local settings.

Challenges both for future research and the empirical chapters of the present volume are the integration of vertical and horizontal processes of policy coordination and governance models and the study of the mutual and often unintended effects such forms of coordination may cause. In particular, analyses need to consider the capacities that local-level agencies have to act as regulators, planners and deliverers of local welfare provision, as they are structured by higher level authorities. A full and combined analysis of vertical and horizontal coordination would then recognise that public and non-public providers (at different levels) are involved in complex vertical and horizontal multi-scalar relationships.

We conclude with the following list of analytical dimensions regarding the study of local welfare systems that, at the same time, will serve as analytical guideline for subsequent empirical chapters. We generally understand local welfare systems as a system construed of a set of welfare actors that are directly and indirectly interconnected and embedded in a particular local setting.

- This local setting may be an urban city or a rural municipality. Our understanding of a 'local' entity differs along with national contexts, since what is 'local' is in part determined by higher scales of regulation and welfare provision;
- The set-up of actors differs along various axes such as organisational types (public, non-profit and for-profit actors), degrees of formalisation (formal organisations to loosely connected networks) as well as their mandate among beneficiaries.
- Actors differ to the amount and kind of resources that they may use in particular welfare systems. These resources may be mobilised both within and beyond the particular local welfare system and may be of an economic, political, cultural or symbolic kind;
- These actors are being brought together by different forms of governance arrangements, such as partnership and participatory governance arrangements.

In addition, local welfare systems are structured by a set of factors both embedded within the particular local setting as well as in relation to higher levels of regulation, policy articulation, governance arrangements and so on.

- Local welfare system may hence be analysed in relation to particular local political and historical contexts, that is, previous conflicts, forms of cooperation and political orientations;
- Local welfare system are also structured by the social problems and challenges they face, that is, in terms of degree and form of migration, unemployment, poverty, integration, homelessness, directly and indirectly affecting local welfare systems and local social policies;

- Local welfare system are included into wider scales of policy formulation, resource allocation, institutional conditions and so on that directly and indirectly structure the respective set-up of actors as well as forms of governance and participation.

References

- Andreotti, A., & Mingione, E. (2013). The city as a local welfare system. In N. Carmon & S. S. Fainstein (Eds.), *Policy, planning and people*. Philadelphia: University of Pennsylvania Press.
- Andreotti, A., & Mingione, E. (2014). Local welfare systems in Europe and the economic crisis. *European Urban and Regional Studies*, November, 1–15. doi: 10.1177/0969776414557191.
- Andreotti, A., Mingione, E., & Polizzi, E. (2012). Local welfare systems. A challenge for social cohesion. *Urban Studies*, 49(9), 1925–1940.
- Anheier, H., & Salamon, L. (2006). The nonprofit sector in comparative perspective. In W. W. Powell & R. Steinberg (Eds.), *The nonprofit sector: A research handbook* (2nd ed.). New Haven: Yale University Press.
- Ansell, C., & Gash, A. (2007). Collaborative governance in theory and practice. *Journal of Public Administration Research and Theory*, 18, 543–571.
- Anttonen, A., & Sipilä, J. (1996). European social care services: Is it possible to identify models? *JESP*, 6(2), 87–100.
- Arts, W., & Gelissen, J. (2002). Three worlds of welfare capitalism or more? A state-of-the-art report. *Journal of European Social Policy*, 12, 137–158.
- Ascoli, U., & Ranci, C. (2002). *Dilemmas of the welfare mix*. New York: Springer.
- Barnes, M., Newman, J., & Sullivan, H. (2007). *Power, participation and political renewal: Case studies in political participation*. Bristol: Policy Press.
- Bode, I. (2006). Disorganized welfare mixes: Voluntary agencies and new governance regimes in Western Europe. *JESP*, 16(4), 346–359.
- Brenner, N. (2004). *New state spaces*. Oxford: Oxford University Press.
- Cochrane, A. (1994). Restructuring the local welfare state. In R. Burrows & B. D. Loader (Eds.), *Towards a post-fordist welfare state?* Routledge: London.
- Cochrane, A. (2004). Modernisation, managerialism and the culture wars: Reshaping the local welfare state in England. *Local Government Studies*, 3(4), 481–496.

- Daly, M. (2003). Governance and social policy. *Journal of Social Policy*, 32(1), 113–128.
- Denters, B. (2011). Local governance. In M. Bevir (Ed.), *The SAGE handbook of governance*. London: Sage Publications.
- Emenegger, P., Kvist, J., Marx, P., & Petersen, K. (2015). Three worlds of welfare capitalism: The making of a classic. *Journal of European Social Policy*, 25(1), 1–13.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. Cambridge: Polity press.
- Esping-Andersen, G. (1999). *Social foundations of post-industrial economics*. Oxford: Oxford University Press.
- Evans, M., Marsh, D., & Stoker, G. (2013). Understanding localism. *Policy Studies*, 34(4), 401–407.
- Evers, A., & Laville, J.-L. (2004). *The third sector in Europe*. Edward Elgar: Cheltenham.
- Featherstone, D., Ince, A., Mackinnon, D., Strauss, K., & Cumbers, A. (2012). Progressive localism and the construction of alternatives. *Transactions of the Institute of British Geographers*, 37, 177–182.
- Fenger, H. (2007). Welfare regimes in Central and Eastern Europe: Incorporating post-communist countries in a welfare regime typology. *Contemporary Issues and Ideas in Social Sciences*, 3(2), 1–30.
- Ferragina, W., & Seelaib-Kaiser, M. (2011). Thematic review: Welfare regime debate—past, present, futures? *Policy and Politics*, 39(4), 583–611.
- Ferrara, M. (1996). The ‘southern’ model of welfare in social Europe. *Journal of European Social Policy*, 6(1), 17–37.
- Fung, A. (2004). *Empowered participation: Reinventing urban democracy*. Princeton, NJ: Princeton University Press.
- Fung, A., & Wright, E. O. (2003). *Deepening democracy. Institutional innovations in empowered participatory governance*. London: Verso.
- Geddes, M. (2008). Inter-organizational relationships in local and regional development partnerships. In S. Cropper, M. Ebers, C. Huxham, & P. S. Ring (Eds.), *The Oxford handbook of inter-organizational relations*. Oxford: Oxford University Press.
- Geddes, M., & Bennington, J. (2001). *Local partnerships and social exclusion in the European Union. New forms of local social governance?* London: Routledge.
- Gough, I., Bradshaw, J., Ditch, J., Eardley, T., & Whiteford, P. (1997). Social assistance in OECD countries. *JESP*, 7, 17–43.

- Gough, I., Meadowcroft, J., Dryzek, J., Gerhards, J., Lengfield, H., Markandya, A., et al. (2008). JESP symposium: Climate change and social policy. *Journal of European Social Policy*, 18(4), 325–344.
- Grote, J. R., & Gbikpi, B. (Eds.) (2002). *Participatory governance: Political and societal implications*. Opladen: Leske + Budrich.
- Haywood, J., & Wright, V. (2000). Governing from the centre. In R. Rhodes (Ed.), *Transforming British government, roles and relationships* (vol. 2). Basingstoke: Macmillan.
- Heidenreich, M., & Aurich, P. (forthcoming). European worlds of employment and social services: The local dimension of activation policies. *International Journal of Social Welfare* 23, 6–22.
- Heinelt, H. (2010). *Governing modern societies: Towards participatory governance*. London: Routledge.
- Henriksen, L. S., Smith, S. R., & Zimmer, A. (2012). At the eve of convergence? Transformations of social service provision in Denmark, Germany, and the United States. *Voluntas*, 23(2), 458–501.
- Immergut, E. M. (1992). *Health politics: Interests and institutions in Western Europe*. Cambridge: Cambridge University Press.
- Jensen, P. H., & Lolle, H. (2013). The fragmented welfare state: Explaining local variations in services for older people. *Journal of Social Policy*, 42(2), 349–370.
- Johansson, H., & Maino, F. (2016). Mixing multi-level and network governance. How do local actors relate to the policies, steering mechanisms and resources of higher-level actors and structures. In R. Halvorsen & B. Hvinden (Eds.), *Combating poverty in Europe: Active inclusion in a multi-level and multi-actor context*. Cheltenham: Edward Elgar.
- Kazpeov, Y. (2010). *Re-scaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate Publishing.
- Koch, M. (2008). The state in European employment regulation. *Journal of European Integration*, 30(2), 255–272.
- Koch, M., & Fritz, M. (2014). Building the eco-social state: Do welfare regimes matter? *Journal of Social Policy*, 43(4), 679–703.
- Kooiman, J. (2002). Governance: A social-political perspective. In J. R. Grote & B. Gbikpi (Eds.), *Participatory governance: Political and societal implications*. Opladen: Leske + Budrich.
- Kröger, T. (1997). Local government in Scandinavia: Autonomous or integrated into the welfare state? In J. Sipilä (Ed.), *Social care services: The key to the scandinavian welfare model*. Aldershot: Avebury.

- Küntzel, S. (2012). The local dimension to active inclusion policy. *Journal of European Social Policy*, 22(3), 3–16.
- Lobao, L., Martin, R., & Rodriguez-Pose, A. (2009). Editorial: Rescaling the state: New modes of institutional-territorial organization. *Cambridge Journal of Regions, Economy and Society*, 2, 3–12.
- Lowndes, V., & Skelcher, C. (1998). The dynamics of multi-organizational partnerships: An analysis of changing modes of governance. *Public Administration*, 76, 313–333.
- Lowndes, V., & Sullivan, H. (2004). Like a horse and a carriage or a fish on a bicycle: How well do local partnerships and public participation go together. *Local Government Studies*, 30(1), 51–73.
- Minas, R., Wright, S., & van Berkel, R. (2012). Decentralization and centralization: Governing the activation of social assistance recipients in Europe. *International Journal of Sociology and Social Policy*, 32(5), 286–298.
- Mingione, E., & Oberti, M. (2003). The struggle against social exclusion at the local level. Diversity and convergence in European cities. *European Journal of Spatial Development*, 1, 1–23.
- Mingione, E., Oberti, M., & Pereira, J. (2002). Cities as local systems. In C. Saraceno (Ed.), *Social assistance dynamics in Europe*. Bristol: Policy Press.
- Morison, J. (2000). The government-voluntary sector compacts: Governance, governmentality and civil society. *Journal of Law and Society*, 27(1), 98–132.
- Mörth, U., & Sahlin-Andersson, K. (2006). *Privatoffentliga partnerskap: Styrning utan hierarkier och tvång?* Stockholm: SNS förlag.
- Najam, A. (2000). The four C's of government third sector-government relations. *Nonprofit Management and Leadership*, 10(4), 375–396.
- Newman, J. (2001). *Modernising governance: New labour, policy and society*. London: Sage.
- Newman, J. (Ed.) (2005). *Remaking governance: Peoples, politics and the public sphere*. Bristol: Policy Press.
- Newman, J. (2007). The double dynamics of activation. *International Journal of Sociology and Social Policy*, 27(9/10), 364–375.
- Newman, J., Barnes, M., Sullivan, H., & Knops, A. (2004). Public participation and collaborative governance. *Journal of Social Policy*, 33(2), 203–223.
- O'Connor, J. (1996). From women in the welfare state to gendering welfare state regimes. *Current Sociology*, 44(2), 1–13.
- Pierre, J., & Peters, B. G. (2000). *Governance, politics and the state*. London: Macmillan.

- Pierson, P. (1995). Fragmented welfare states: Federal institutions and the development of social policy. *Governance*, 8(4), 449–478.
- Pollitt, C. (2005). Decentralization: A central concept in contemporary public management. In E. Ferlie, L. L., & C. Pollitt (Eds.), *The Oxford handbook of public management* (pp. 371–397). Oxford: Oxford University Press.
- Powell, M., & Glendinning, C. (2002). Introduction. In M. Powell & C. Glendinning (Eds.), *Partnerships, new labour and the governance of welfare*. Bristol: Policy Press.
- Purcell, M. (2006). Urban democracy and the local trap. *Urban Studies*, 43(11), 1921–1941.
- Ranci, C., Brandsen, T., & Sabatinelli, S. (Eds.) (2014). *Social vulnerability in European cities. The role of local welfare in time of crisis*. Houndmills Basingstoke: Palgrave Macmillan.
- Salamon, L. (2010). Putting the civil society sector on the economic map of the world. *Annals of Public and Cooperative Economics*, 81(2), 167–210.
- Schmitter, P. C. (2002). Participatory governance arrangements: Is there any reason to expect it will achieve “sustainable and innovative policies in a multilevel context”? In J. Grote & B. Gbikpi (Eds.), *Participatory governance: Political and societal implications*. Opladen: Leske + Budrich.
- Schridde, H. (2002). Local welfare regimes and the restructuring of the welfare state—an Anglo-German comparison. *German Policy Studies*, 2(1), 105–142.
- Sellers, J. M., & Lidström, A. (2007). Decentralization, local government and the welfare state. *Governance: An International Journal of Policy, Administration and Institutions*, 20(4), 609–632.
- Selznick, P. (1949). *TVA and the grass roots: A study in the sociology of formal organizations*. Berkeley: University of California Press.
- Simonazzi, A. (2008). Care regimes and national employment models. *Cambridge Journal of Economics*, 33(2), 211–232.
- Skelcher, C., & Sullivan, H. (2008). Theory-driven approaches to analysing collaborative performance. *Public Management Review*, 20(6), 751–771.
- Steinmetz, G. (1990). The local welfare state: Two strategies for social domination in urban imperial Germany. *American Sociological Review*, 55(6), 891–911.
- Stoker, G. (1998). Governance as theory: Five propositions. *International Social Science Journal*, 50(155), 17–28.
- Sung, S., & Pascall, G. (2014). *Gender and the welfare states in East Asia*. Basingstoke: Palgrave Macmillan.

- Swyngedouw, E. (2005). Governance innovation and the citizen: The Janus face of governance-beyond-the-state. *Urban Studies*, 42(11), 1991–2006.
- Trydegård, G., & Thorslund, M. (2000). Inequality in the welfare state? Local variation in old-age care—the case of Sweden. *International Journal of Social Welfare*, 10, 174–184.
- Trydegård, G., & Thorslund, M. (2010). One uniform welfare state or a multitude of welfare municipalities? The evolution of local variation in Swedish elder care. *Social Policy and Administration*, 44(4), 495–511.
- Van Kersbergen, K. (1995). *Social capitalism: A study of christian democracy and the welfare state*. London: Routledge.
- Wright, S., Marston, G., & McDonald, C. (2011). The role of non-profit organizations in the mixed economy of welfare-to-work in the UK and Australia. *Social Policy & Administration*, 45(3), 299–318.
- Zimmermann, K., Graziano, P., Aurich, P., & Fuertes, V. (2014). Local worlds of marketization. Employment policies in Germany, Italy and the UK compared. *Social Policy & Administration*, 48(2), 127–248.

4

Combating Poverty Through ‘Active Inclusion’? The European and National Contexts

Daniel Clegg

Introduction

The challenge of effective action to combat poverty and social exclusion is always to some degree a local one. As Marlier et al. (2007: 224) put it, ‘even where policy responsibility remains at national level the responsibility for delivery of policies rests with regional or local levels of government ... effective delivery of policies to promote social inclusion, especially if they are to reach the most vulnerable, needs to be coordinated and accessible at a very local level’. Nonetheless, across contemporary Europe, there is very wide variation in the socio-economic, institutional and policy environments in which local actions to address poverty occur. Despite the EU having endeavoured in recent years to promote a common vision of integrated anti-poverty policies, articulated around the notion of ‘active inclusion’ (European Council 2008), distinct national pressures and policy legacies continue to differentially shape approaches to anti-poverty policy and the degree of leverage the local policy actors have in this field.

The aim of this chapter is to describe in more detail the supranational and national contexts in which the recent local-level initiatives to combat

poverty and social exclusion, analysed in subsequent contributions to this volume, are to be understood. The chapter begins by discussing the emergence of the concept of active inclusion at European level from the middle of the last decade, when this new, if somewhat ambiguous, approach to minimum income protection policy took shape on the European policy agenda. A first major obstacle subsequently encountered by the active inclusion agenda was the impact of the financial and economic crisis that began in 2007–2008. This led not to only rising unemployment and poverty in many European countries, but in a number of these countries increased downward pressure on government finances, due to spiralling budget deficits. A second challenge has been the pre-existing which Sect. 3 focuses upon, has been the pre-existing diversity of national systems of minimum income protection. As the five countries analysed in this volume illustrate, these have traditionally had very different structures of entitlement and different frameworks for financing and governance and, in part as a result of this, have had links and affinities with other social policy fields. 'As Sect. 4 shows, despite the European-level exhortation to develop active inclusion strategies, these different policy legacies and problem pressures have in reality combined to generate quite distinctive patterns of reform and non-reform in national-level minimum income protection policies in recent years, in the process creating very different contexts, opportunities and constraints for local-level policy actions.

Active Inclusion on the European Policy Agenda

As part of the development of the new social agenda for the period 2005–2010 (European Commission 2005), in the middle of the last decade, the European Commission committed to launching a new Community initiative on minimum income schemes. This was the first major supranational legislative foray into this field since the 1992 European Council recommendation on common criteria for social assistance in social protection systems (European Council 1992), and an apparent victory for the European-level social non-governmental organisations (NGOs), for whom the partial implementation of the 1992 recommendation has been an ongoing lobbying focus. While the 1992 recommendation focused largely

on the existence and adequacy of needs-based social security benefits, the 2006 communication that launched the first stage of the consultation on the new initiative embedded the issue of minimum income protection within a broader policy strategy. Access to social services and support for labour market re-entry (mentioned as guidelines for the implementation of rights to basic resources in the 1992 recommendation) was now presented alongside adequate minimum income protection as equally important elements of a comprehensive policy mix. It was this explicit interlinking of three policy fields, minimum income protection, labour market support and social services provision, that was fundamental to that which was termed by the European Commission as an 'active inclusion strategy' (European Commission 2006: 8).

The notion of active inclusion, no doubt useful for a European-level policy concept, lends itself to a variety of interpretations. One critical viewpoint is that it subordinates all other possible aims of minimum income protection to the promotion of labour market attachment. As Daly (2010) has argued, the adoption of the new European initiative on minimum income coincided temporally with a significant transition at European level to a 'narrower and more liberal' conceptualisation of issues of poverty and social exclusion, and also with European social policy, more broadly, in the wake of the nomination of the first Barroso Commission and the mid-term review of the Lisbon Strategy. In this view, the language of active inclusion 'instantiates a shift to an activation paradigm' in minimum income policy (Vandenbroucke et al. 2014: 284) that is fully in keeping with the refocusing of EU actions on the twin aims of jobs and growth. In support of this interpretation, it is notable that 'a link to the labour market' was the first enumerated (and thus symbolically the most important?) of the three dimensions of active inclusion mentioned in the original 2006 communication (European Commission 2006: 8), while the discussion of a social services element took a distinctly narrow and instrumental approach, emphasising mainly services (such as counselling and ICT training) 'that may help remove some of the hurdles encountered by some individuals and their families in entering mainstream society, thereby supporting their re-insertion into employment' (European Commission 2006: 8). In the guidelines detailed in the 2008 recommendation, employment concerns manifestly

pervade all three elements (now called strands) of active inclusion, with 'active availability for work' as a key guideline for the 'adequate income support' strand and the 'improvement of employment and training services' emphasised under both the 'access to quality services' and 'inclusive labour markets' strands (European Commission 2008: 2–3).

This understanding of active inclusion was not uncontested however. Both social NGOs such as the European Anti-Poverty Network (2008) and the European Parliament (2008) emphasised the importance of a broader understanding of services in anti-poverty policy (including, for example, network industries such as transport and other public utilities). The aforementioned actors also called for an explicitly rights-based approach to minimum resources and especially spoke out against the dangers of seeing access to work or promoting 'employability' as the only way of addressing poverty, a perspective that has arguably led to the neglect of positive minimum income policy over the last two decades in EU (Marchal et al. 2014). In relation to the issue of positive minimum income policy, these critical voices particularly emphasised the extent of poverty among households with at least one adult in work. As the active inclusion strategy was gradually extended at European level a number of these broader concerns were embedded in it, although without some narrower 'work first' elements being totally removed. The 2008 recommendation was, for example, entitled 'Active Inclusion of People Excluded from the Labour Market', while explicitly stating the importance of actions targeted at improving the situation of poor people already in work.

The active inclusion strategy is an example of what Vandembroucke et al. (2014; see also Armstrong 2010) call 'second-order input governance' by the EU in the poverty field. It is second-order in that it seeks to influence national and subnational policies rather than replacing them with supranational ones, as would be the case with a first-order governance approach. But it is input-focused in that it refers to the instruments of policy rather than merely setting outcome targets that allow member states to devise their own policies that aim to attain these targets. Part of the ambiguity of the active inclusion concept is inherent in such a mode of governance, which can refer to policy instruments and their reform only in vague and imprecise ways, if it is to avoid crossing the line between second- and first-order governance. This would violate

subsidiarity principles that member states hold dear (and which were explicitly reiterated by the European Council when it formally endorsed the active inclusion strategy in December 2008) (European Council 2008). The vagueness of active inclusion is also the consequence of partial and unsatisfactory political compromises around the aforementioned controversies regarding the objectives and priorities of anti-poverty policy, and notably the extent and nature of the emphasis on work as a route out of poverty. The result is that while active inclusion should, in principle, have served as a point of reference for national reforms to minimum income protection policies across Europe since 2008, in practice, it is still rather unclear as to what this concept is actually referring to. In consequence the concept of active inclusion might equally legitimately be interpreted as further encouragement for the activation or 'workfare' logic that has been gaining ground in minimum income protection policies across EU countries for some time now (Lødemel and Moreira 2014) or as a repudiation of this in favour of a broader policy approach.

While EU-level social policy strategies frequently avoid taking an unambiguous stance on the content of policies that generally are defined nationally, these have typically contained quite strong procedural recommendations designed to open up domestic policy debates and processes to the widest range of stakeholders. This aspect is not wholly absent from the active inclusion strategy, yet receives relatively little emphasis. Although the 2007 communication of the European Commission emphasised the role of civil society organisations in both representing and providing services to people experiencing poverty (European Commission 2007: 4), the 2008 recommendation only briefly mentions 'active participation of all other relevant actors' as one of four steps that member states should take to ensure the effectiveness of integrated active inclusion policies (European Commission 2008: 2). This is far from a clarion call for the mobilisation of non-state actors in shaping and delivering anti-poverty policies, despite their considerable role in this field in many EU countries (Jacobsson and Johansson 2009).

After its formal adoption in late 2008, the active inclusion strategy sank largely without trace at EU level, and as a result has conspicuously failed to attain the visibility of other EU social reform strategies—such as 'flexicurity'—in most domestic-policy discourses or indeed in academic

debate. In part this is because the centre of gravity in EU-level discussion on poverty shifted (back) to ‘outcome governance’—the steering of policies through outcome targets and monitoring—due to the transition from the Lisbon Strategy to Europe 2020 and the adoption quantified poverty reduction targets in the context of the latter (Agostini et al. 2013). Arguably more important, however, was the new socio-economic context that followed the financial crisis of 2007–2008 and the economic and sovereign debt crises that subsequently engulfed the EU. As well as generally diverting energies away from slow processes of structural reform and towards urgent questions of crisis management, both at domestic and European level, this new economic context totally destabilised the initial framework within which the active inclusion strategy had been defined, that is: the need to ‘reach out to those at the margins of society and the labour market’ who were failing to benefit from increased growth, rising employment and falling unemployment (European Commission 2007: 2). With the advent of the crisis, the key challenge for minimum income protection policy was no longer appearing to be ‘mobilising the full potential of our human resources’ (European Commission 2007: 2), instead in most countries these policies were concerned with rising levels of poverty and unemployment in an increasingly constrained fiscal environment.

A Challenging Economic Context

The European economy has been extremely hard hit by the global economic crisis, with the EU (EU-28) experiencing a large recession (−4.5 % decrease in GDP) in 2009 and then a second, smaller recession (−0.4 %) in 2012. While this has had a major impact on economic activity across the entire EU, the depth and severity of the crisis has varied quite considerably across member states, including the five countries analysed in later chapters of this volume. Of these countries Italy has undoubtedly suffered most, having experienced both a larger than average initial recession (−5.5 %) as well as a second recession of greater severity than elsewhere, with large declines in output in both 2012 and 2013 (−2.4 and −1.9 % respectively). A second group comprising Germany, Sweden and the UK all experienced quite severe recessions in 2009,

but this was not repeated in 2012, albeit, only just, in the case of the UK. Economic growth also rebounded much more vigorously in Germany and Sweden than in the UK in 2010 and 2011, although the UK recorded marginally the highest growth figures (+1.7 %) of the three countries in 2013. The case of Poland is different again, as here there was no recession, not even in 2009, and Poland has subsequently recorded economic growth figures consistently above the EU average.

Unsurprisingly given the severity of its output shock, unemployment increased most in Italy during the crisis, more than doubling from 6.1 % in 2007 to over 12 % in 2014 (Fig. 4.1). In Sweden and the UK, unemployment increased to a non-negligible degree over this period, but the position of both countries relative to the EU-15 average was nonetheless slightly better in 2014 than it was in 2007. Despite Germany achieving a similar economic performance to Sweden and the UK, the labour market impact of the crisis has been very different there, where unemployment has fallen consistently in recent years to stand at only 5 % in 2014, compared to 8.5 % in 2007. In Poland unemployment was also lower in 2014 than it was in 2007, although it declined only marginally, despite Poland's relatively strong economic performance, and still stands

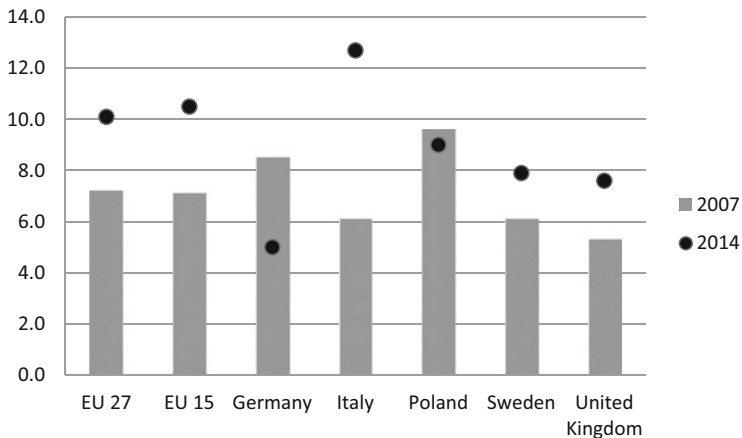


Fig. 4.1 Unemployment rates 2007 and 2014
(Source: Eurostat, UK data is for 2013)

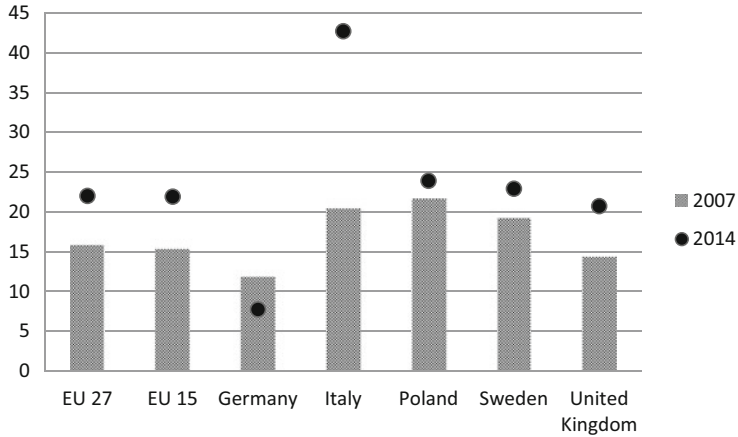


Fig. 4.2 Youth unemployment rates 2007 and 2014
(Source: Eurostat, UK data is for 2013)

at a relatively high 9 % of the active population. Furthermore, youth unemployment in Poland increased between 2007 and 2014, to a greater degree than that of total unemployment in all the countries mentioned during the crisis, with the exception of Germany (Fig. 4.2). In Italy nearly 45 % of all economically active young people were unemployed in 2014, compared to just over 20 % in 2007.

From the perspective of minimum income protection policy, the growth of long-term unemployment has been another highly significant consequence of the economic crisis. While long-term unemployment declined as a proportion of all unemployment in the initial years of declining output, due to the magnitude of the crisis and time effects, by 2013 nearly 50 % of the unemployed in the EU had been out of work continuously for more than 12 months. As a share of the active population (Fig. 4.3) long-term unemployment more than doubled between 2007 and 2013 in both Italy and the UK, and also increased significantly in Sweden, albeit from a comparatively very low level. In all these countries, the very long-term unemployment rate (the share of the workforce continuously unemployed for more than 24 months) also more than doubled. In stark contrast, the rates of long-term and very long-term

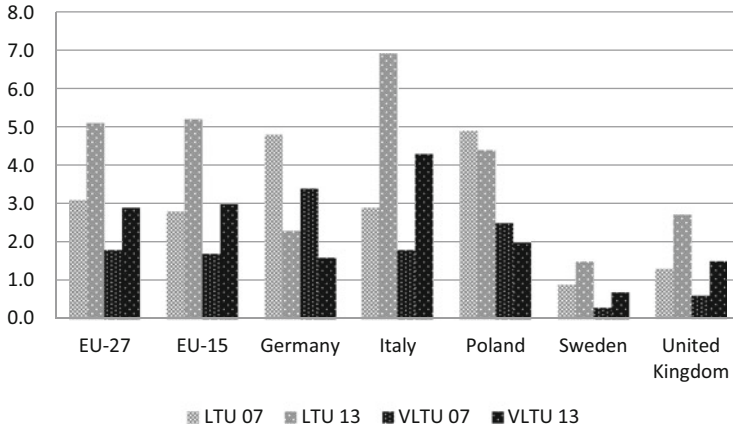


Fig. 4.3 Long-term and very long-term unemployment rate, 2007 and 2013 (Source: Eurostat. Long-term unemployment = continuous unemployment for +12 months; very long-term unemployment = continuous unemployment for +24 months)

unemployment declined appreciably in both Germany and Poland during the crisis, thanks to their stronger labour market performance, although in both countries, the rates remained at high levels compared to Sweden and, to a lesser extent, the UK.

At the level of the EU, income poverty—understood as the aggregated proportion of national populations with an equivalised income after social transfers of less than 60 % of the national median—increased only very marginally during the economic and financial crisis, from 16.5 % in 2007 to 16.6 % in 2013. However, different demographic groups fared very differently, with poverty rates among Europeans aged 65 or over actually falling by 4.5 points to 13.7 %, while these rates increased by 1.3 points to 16.6 % among working-age adults. In Italy and Sweden, income poverty increased by this order or more among working-age adults (Fig. 4.4). This was also the case in Germany, despite the fall in unemployment, while these rates fell marginally in both Poland and the UK. The proportion of working-age people at risk of poverty or social exclusion, according to the definition used in EU 2020, which combines measures

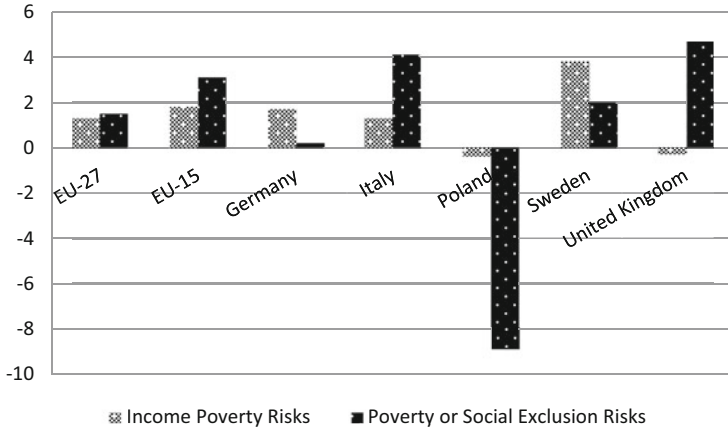


Fig. 4.4 Developments in working-age poverty risks, 2007–2013 (Source: Eurostat. Income poverty risks = percentage of population with equivalised income less than 60 % of median income; poverty or social exclusion risks (AROPE) = Sum of people at risk of income poverty, seriously materially deprived or living in households with very low work intensity, as percentage of population)

of income poverty, severe material deprivation and household with low work intensity, increased by more than the EU average in Italy, Sweden and the UK, increased more modestly in Germany, and decreased sharply in Poland from comparatively very high levels in 2007.

Although to some what differing degrees, nearly all the countries analysed in this research have thus experienced growing underlying demand for working-age minimum income protection since the onset of the crisis, due to increasing long-term unemployment and/or rates of poverty and social exclusion. The exception is Poland, where levels of unemployment, long-term unemployment and material deprivation were already comparatively high before the crisis and remain so today in spite of positive developments in recent years.

At one level, this development might have been expected to increase political commitment to bolstering safety nets, particularly in a period when governments were sensitive to their role of stabilising consumer demand. At the same time, the crisis also generated strongly competing

demands on policy-makers' attention and resources, whether in relation to the compensation of a variety of non-poor victims of the crisis or—and especially as the crisis continued (Clasen et al. 2012)—the perceived need to take action to consolidate public finances.

The latter concern was of course mediated by differing pre-crisis public finance positions, the varying exposure of national financial sectors to bad debt and the country's relationship to the Eurozone. Germany and Sweden both had general government surpluses at the onset of the crisis and have retained relatively healthy public finances throughout, despite having to fund large banking bailouts, in the German case. Italy and Poland both saw modest public-sector deficits grow quickly in the early years of the crisis—in the case of Poland, notwithstanding comparatively good economic performance—and have been forced to implement more severe consolidation measures within the framework of the Excessive Deficit Procedure, under which Eurozone members and newer member states have obligations to take action to avoid large deficits in national budgets. In May 2015 the European Commission decided to retract its Excessive Deficit Procedure (EDP) on Poland. Fright in the financial markets and the resulting long-term interest-rate rises have also forced Italian governments to focus attention on reducing the country's traditionally very high level of public debt, which continued to grow during the crisis to reach 128 % of GDP in 2013. The UK also has a comparatively high debt-to-GDP ratio (87 % in 2013), but benefits from more accommodating market conditions. However, due to a comparatively large public deficit (3 % of GDP) at the onset of the crisis, and especially due to the scale of financial-sector bailouts implemented in the first years of the crisis, by 2009 the UK had a public deficit of nearly 11 % of GDP, the fourth highest in the EU, behind only Greece, Ireland and Spain.

All in all, the economic crisis has created a deeply ambivalent environment for the implementation of a EU-wide strategy for the reform of minimum income protection. In one sense, by leaving widespread problems of poverty and social exclusion in its wake across the EU, the crisis has only underscored the relevance of such a minimum income protection initiative. In another sense, however, it has created a much more hostile environment for the articulation of claims for increased public expenditure for the poorest EU citizens, at least in part due to the

structures of the EU's own approach to economic governance. Moreover, the crisis has revealed, and indeed intensified, the true extent of socio-economic divergence between the member states of the EU, who have fared very diversely with respect to the macroeconomic, social and fiscal impacts. The different pressures generated by the crisis across European countries furthermore confront institutional and policy frameworks for minimum income protection that are themselves highly varied.

Diverse National Policy Legacies

The notion of minimum income protection refers to social benefit schemes where eligibility is determined by the criterion of low individual or household resources (means-testing), and where benefit levels are set to meet subsistence needs (Bahle et al. 2011; Eardley et al. 1996). These schemes may be general, addressed to all underlying causes of need, in which case they correspond to the traditional concept of social assistance. But the broader concept of minimum income also includes more categorical means-tested social security benefits, where provision is differentiated according to the social risk or contingency (old age, unemployment, sickness, family responsibilities, low income from work etc.) that is deemed to be the primary cause of low household incomes.

In all EU countries minimum income schemes are 'lower-tier benefits' (Immervoll et al. 2015), intended to complement risk protection through non-means-tested social security schemes (social insurance provisions or universal 'demogrants'). Accordingly, the scope, role and beneficiary profile of minimum income provision is strongly shaped by the broader dynamics of welfare state development, which have always played out very differently across the EU. As Fig. 4.5 shows, at the onset of the economic crisis, expenditure on means-tested benefits for key working-age social security functions (family/children, unemployment, housing and social exclusion) represented a far larger share of GDP in Germany and the UK than it did in Sweden, due to Sweden's then more extensive non-means-tested provision in these areas. However, as the cases of Italy and Poland illustrate, the underdevelopment of 'upper-tier' benefits is not in itself a sufficient condition for the development of minimum income

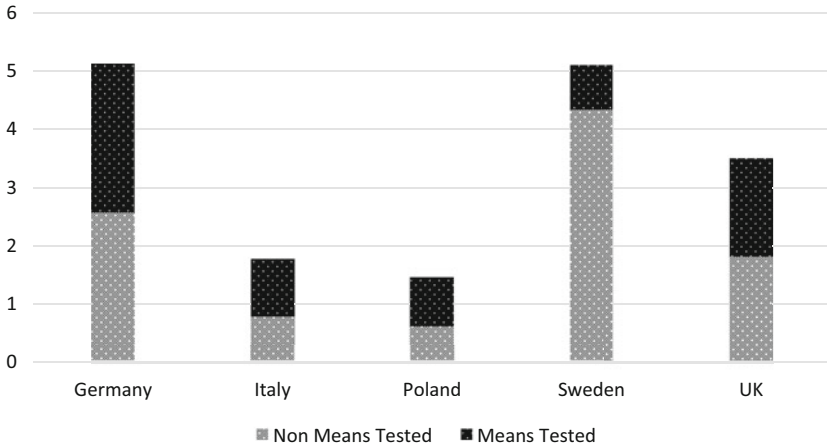


Fig. 4.5 Percentage of GDP expenditure on non-means-tested and means-tested social benefits, selected working-age functions, 2007 (Source: Eurostat. Selected working-age functions = sum of expenditure on family/children, unemployment, housing and social exclusion not counted elsewhere)

protection. Despite modestly dimensioned non-means-tested social security provisions for people of working age, these three countries still devoted relatively small shares of GDP to minimum income protection benefits; access to these is limited by restrictive eligibility conditions and fragmentary provision. Indeed, Italy is still one of the few countries in the EU (along with Bulgaria and Greece) with no nationally regulated safety net of last resort, and only partial, piecemeal and geographically variable provisions organised at local level (Frazer and Marlier 2009).

Looking beyond expenditure, at the onset of the economic crisis, the institutional characteristics of the main minimum income provisions for people of working age were very different in the countries covered in this volume. In the UK and Germany, the main measure was that which Immervoll et al. (2015: 18) call a 'social assistance-like unemployment assistance', or what Marchal et al. (2014: 252) refer to as a 'near-equivalent to unemployment insurance'. These are unemployment-benefit schemes that meet the subsistence needs of households with an unemployed member, are not dependent on any employment or social security contribution record, and where the beneficiaries are nor-

mally registered as unemployed and are subject to job-seeking requirements. The unemployment assistance scheme of this kind in the UK (*Income-Based Jobseekers Allowance*, JSA-I) was also flanked by separate categorical minimum income provisions for lone parents with young children (*Income Support*), those with work-limiting sickness or disabilities (*Income-Based Employment and Support Allowance*, ESA-I) and a well-developed system of employment-conditional tax credits (most importantly *Working Tax Credit*, WTC) for low-income households with a working member. All these, along with housing and means-tested child support, create an extremely complex overall system of sometimes partly overlapping working-age minimum income provisions (Goerne and Clegg 2013). The main German scheme (*Arbeitslosengeld II*, ALG II) was introduced as recently as 2005, following the adoption of the Hartz IV reforms, which merged the pre-existing social assistance and unemployment-assistance provisions, while simultaneously retrenching the upper-tier unemployment insurance (Petzold 2013). ALG II eligibility is based on an income test and a broad definition of 'employability', and can also be received by those in employment. Thus it is more encompassing of working-age people in poverty than JSA-I and reduces the complexity of German minimum income provision in comparison to the UK.

In contrast, in Poland and Sweden the main minimum income protection benefit for working-age people in 2007 (as is the case today) was not an unemployment benefit but instead a less categorically specific social assistance programme to which both the unemployed and people in need for other reasons can apply. The Swedish *Socialbidrag* is a genuinely non-categorical scheme, while Poland's periodic allowance (*Zasiłek okresowy*) is targeted at households who fill the income criterion and experience one of thirteen itemised contingencies (unemployment, homelessness, disability, addiction etc.) that enable entitlement to support (Kozek et al. 2013). As mentioned above, Italy still has no nationally regulated social assistance system, despite the lack of any non-contributory social security for able-bodied people of working age, such as an unemployment-assistance measure. However, past experimentations on the national level—notably the pilot *Redito Minimo d'Inserimento* (RMI) programme that existed between 1999 and 2001—and regional and municipal initiatives have tended towards introducing general measures addressed to all forms and causes of social exclusion (Madama et al. 2013).

Another dimension of considerable variation in the institutional design of minimum income protection, and particularly relevant in the context of the present volume, is in the governance of minimum income protection. While this has many facets, including the differing roles played in European minimum income policies played by voluntary, community or 'third-' sector organisations alongside public actors, the focus here is restricted to the division of responsibility between national and municipal or local governments in this policy field. The UK lies at one end of the spectrum. Since the National Assistance Act of 1948, minimum income protection has been the responsibility of national government, which finances provision out of general taxation and delivers benefits through central government agencies. Until recent changes to the UK's system of discretionary emergency payments, this meant that the role of local government with regard to social security in the UK was essentially restricted only to the administration—on behalf of central government—of some housing-related support (Housing Benefit and Council Tax Benefit). The Hartz IV reforms aligned Germany much more with the UK in this respect, as these transferred a large part of the responsibility for minimum income protection from municipalities, who had funded and administered the pre-existing social assistance scheme, to the German federal government, as a form of centralisation or even nationalisation of minimum income protection. On the financing side, ALG II is now largely funded out of federal taxation, although municipalities continue to meet the costs of housing-related supplements. However, due to a political compromise, the initial plans for the 'federalisation' of minimum income protection were less successful on the delivery side. While it had originally been intended that administration of this benefit would be carried out by the Federal Employment Agency, ultimately (and following a necessary constitutional amendment) the reform instead created a *sui generis* joint federal–municipal delivery structure. Furthermore, to mollify representatives of municipal interests represented in the German second chamber of parliament, the reform also allowed for the administration of ALG II to remain under full municipal control in a certain number of municipalities (so-called *Optionskommunen*).

The cases of Poland and Italy represent intermediate forms of minimum income protection governance, where the administration of benefits is a

municipal competence (as a delegated competence from the regions in the Italian case). Their regulation is the responsibility of national government, and financing comes from a (often somewhat uncertain) mixture of fiscal resources from various levels of government. In the Italian case, in particular, this mixture of competences arguably owes less to considered policy design than to the accommodation of mounting general demands for regional autonomy in the last decade (Madama et al. 2013). The 2001 Constitutional reform that assigned competence for social assistance to the regions was thus being prepared at the same time as the national piloting of the aforementioned RMI, and central–local tensions frustrated both its successful implementation and likelihood of it being permanently adopted. In Poland the shared responsibility over social assistance within a context of fiscal scarcity often seems to feed dynamics of buck-passing between different levels of government (Kozek et al. 2013).

Of the cases discussed here, it is in Sweden that municipalities have the strongest regulatory role in minimum income protection, positioning it at the opposite end of the governance spectrum from the UK. Sweden's 290 municipalities are responsible both for delivering social assistance and for its funding out of municipal taxation. While the municipalities' activities in this area are regulated by a national framework law that establishes standards that municipalities follow, and this framework has been tightened on a number of occasions during the last decade and a half (in 2001 and 2013), local government actors retain considerable discretion in specifying benefit rules and designing structures and procedures for benefit delivery (Angelin et al. 2013).

A third dimension of variation, intersecting with types of entitlement and governance structures, and at least in part determined by them, are the different linkages and affinities that minimum income protection systems have with other areas of social policy. This is a crucial consideration within the context of the active inclusion agenda, which as discussed in this chapter recommends that minimum income protection be conceived as one part of a comprehensive policy mix that also comprises support with reintegration into the labour market and appropriate enabling social services. However, the different ways that minimum income protection is conceived and governed in different countries creates different sets of barriers to such integrated policy planning and implementation.

The main minimum income protection schemes in the UK and Germany (in the form of unemployment—or 'employability'—benefits) were already strongly integrated into national labour market policies in 2007. In the UK, JSA-I was delivered by the national public employment service Jobcentre Plus, as were all minimum income benefits with the exception of tax credits, for which administrative responsibility lay with Her Majesty's Revenue and Customs (HMRC), the administrative agency of the Treasury (the UK Ministry of Finance). In contrast, the articulation of minimum income protection via social services, which are the responsibility of local authorities in the UK, was far less integrated. While there were pilot initiatives of integrated planning and co-location of complementary central and local government services for those at the margins of the labour market in the 2000s (notably the so-called City Strategy), these were never rolled out nationally (Goerne and Clegg 2013). A parallel trend in the same decade was for problems of cross-sectoral policy coordination in this area to be 'offloaded' onto the market, with labour market programmes for the 'hardest-to-help' being tracted out to private providers on a payment-by-results basis, based on the assumption that these private providers would be encouraged by financial incentives to construct supply chains of appropriate social and labour market service packages (Goerne and Clegg 2013).

In Germany, the joint municipal–federal delivery structures created in the wake of the Hartz IV reforms in Germany were also dubbed Jobcenters, alluding to the British example and clearly signalling the integration of minimum income protection into a labour market policy logic, despite these structures remaining formally outside and separate from the mainstream Federal Employment Agency. In principle, the co-location of municipal activities in the social services field within the Jobcenters should have encouraged their better integration into minimum income policy planning and administration than in the UK. However, early experience has suggested that planning and delivery barriers between social and labour market services tended to be reproduced in the new Jobcenters (Dingeldey 2011: 70), and that the placement targets governing the activities of Jobcenter agents tended to create incentives to adopt a 'work first' approach, targeted at the most employable claimants (Petzold 2013: 66).

If, at the onset of the crisis, British and German minimum income protection systems tended to be structurally employment-centric, and have a tenuous connection to the provision of 'care', the opposite could be said of the systems in Italy, Poland and Sweden. Although the organisation of employment services is a relatively recently devolved competence in Italy and Poland, in both cases it has been devolved to a different level of government from municipal social assistance: specifically the country (Poland) or the province (Italy), and cooperation across these levels has been weak (Kozek et al. 2013: 48; Genova 2008). In Poland and Italy, minimum income protection is traditionally more closely associated with social services provision (another municipal responsibility) although in both countries, and in Italy in particular, these are notoriously under-developed. In Sweden the social assistance scheme is even more clearly part of social services, being governed at the national level by the Social Services Act and being under the responsibility of the Family and Social Services division of the Ministry of Health and Social Affairs, as well as being integrated professionally into the social work function. This distinguishes it quite clearly from labour market policy, which is the responsibility of the national public employment service under the direction of the Ministry of Employment. Although access to the public employment services in Sweden is in principle universal, in practice, social assistance claimants are reported to have had limited access to mainstream employment services, as Public Employment Services (PES) officials believe their distance from the labour market makes them unattractive to employers (Minas 2011: 203). Over time, the local-level response, at least in some municipalities, has been to develop local employment programmes, funded out of municipal taxes and targeted at employable social assistance recipients, thus creating a dual and partly competing set of national and local labour market policies (Angelin et al. 2013: 21).

In sum, the minimum income protection systems of the five countries analysed in this volume have not only been confronted with rather different socio-economic challenges in recent years, but they have also done so against the backdrop of highly diverse systems of pre-existing provision, of varying scale and scope and with distinctive structures of entitlement, governance arrangements and articulations with other fields of social policy. EU exhortations to produce common reform strategies

notwithstanding, these institutional and policy legacies are crucial, in combination with the varying social and fiscal fallout of the economic crisis, in understanding the extent and nature of recent national-level reform activities in relation to minimum income protection.

National Reform Agendas in Minimum Income Protection

The EU's active inclusion strategy has aimed to mobilise policy actors across the EU and at all levels of governance to work to bolster minimum income provisions and improve their coordination with other fields of social policy after, in many countries, some decades of neglect of this policy issue. For the countries analysed in this volume, however, at the crucial national level we can observe wide variations in both the extent and the focus of minimum income reform activity in recent years. The cases of the UK and Sweden offer the clearest contrast. If, in the former, the government has embarked on a major and highly ambitious structural reform of all working-age minimum income protection since 2010, while simultaneously implementing substantial cuts, in the latter, the issue of minimum income protection has been almost totally neglected in national policy during the same period. The cases of Germany, Italy and Poland lie in between these polar cases, with moderate degrees of reform activity both shaped and constrained by pre-existing policy structures and problems, as well as the differing effects of the economic crisis.

As discussed above, over time the UK has developed an extensive but extremely complex and categorically differentiated system of working-age minimum income protection, under full control of national government. Its complexity in particular has been the object of repeated criticism, often focusing on the existence of different labour market requirements for claimants of different minimum income benefits and especially with regard to the generation of work disincentives as a result of the different withdrawal rates of partly overlapping benefits with increasing incomes from employment. Shortly after its election to government in 2010, the Conservative-led coalition government announced radical plans to

replace all existing means-tested benefits for people of working age with a single new measure, called Universal Credit, payable to those meeting the income criteria, irrespective of their labour market status, and which would be withdrawn at a single rate in the case of rising income. This reform will merge the previously separate in-work and out-of-work minimum income systems, abolishing tax credits and transferring responsibility for in-work support from HMRC to the Department for Work and Pensions, while also extending job-search requirements of some kind to almost all recipients of minimum income protection, including many of those already in work. The underlying assumption is that with appropriate incentives and behavioural conditions, the vast majority of households with low work intensity will be able to move into employment, and eventually off benefits altogether. For the minority who cannot, the government's solution is the further marketisation of employment services, targeted at the long-term unemployed under the new Work Programme, also introduced in 2010.

While the objectives of these structural reforms command relatively widespread consensus in the UK (Clegg 2014), the disruptiveness of their (to date somewhat chaotic) implementation has been controversial. More controversial still, have been the other measures adopted in the 2012 Welfare Reform Act, alongside the introduction of Universal Credit. These measures all seek to restrict entitlement to working-age benefits, contributing to the UK government's single-minded deficit reduction policy. These measures included the tightening of sanctions for benefit claimants failing to meet job-search requirements, the creation of a benefit cap that establishes maximum weekly amounts that any individual or family can receive in social benefits, the introduction of an under-occupancy penalty—quickly dubbed the ‘bedroom tax’—that reduces the value of available housing benefits for those living in rented properties with one or more spare room, and the abolition of the Social Fund system of discretionary payments for exceptional needs. The latter has been replaced by a system of Local Welfare Assistance Funds, under which local authorities receive a non-earmarked budget from central government to design and deliver discretionary financial support for people facing extreme hardship. Other legislation adopted in 2013 also limited increases in working-age benefits, which are usually uprated in

line with inflation, to a maximum of 1 % for three consecutive years. These changes prompted demonstrations in some parts of the UK, the largest in Glasgow in March 2013.

This highly charged recent reform agenda reflects to a large extent the scale, complexity and political salience of the UK's system of working-age minimum income provision, which makes it a prime target both for national politicians seeking to carve out a reputation for reformism and—sometimes simultaneously, as in this case—for governments seeking to reduce public spending. The traditionally highly centralised nature of the UK system also gives national executives relatively free reign to implement ambitious changes, providing they command a sufficient Parliamentary majority. The other contributory factor has been the size of the UK's budget deficit, which has pushed fiscal consolidation to the top of the political agenda and, in the process, made less electorally popular expenditure programmes—of which minimum income benefits for people of working age are perhaps the archetype—highly vulnerable to retrenchment.

These structural conditions are the mirror image of those found in Sweden, where minimum income protection accounts for only a very small proportion of total social expenditure. The municipal funding and governance of this protection reduces both its visibility in national political debates and its amenability to national reform initiatives, given a strong tradition of municipal autonomy. Furthermore, as discussed above, while (long-term) unemployment and poverty increased to a similar extent in Sweden and the UK during the crisis, Sweden's budget deficit in 2009 was 15 times smaller, as a proportion of GDP, than that of the UK.

This can help explain why, in contrast to the UK, there has been very little national reform activity in relation to minimum income protection in Sweden in recent years. The 2013 budget bill did increase the possibilities for cumulating social assistance with labour income, in an effort to improve work incentives for minimum income recipients. But although it is widely acknowledged that those on minimum income benefits receive less effective employment support than others (see, e.g. OECD 2012: 19), national reform efforts have not really sought to remedy this, focusing instead on the larger contributory unemployment and sickness insurance schemes, where benefit levels have been reduced and eligibility criteria tightened. The Swedish municipalities, as represented by the

Swedish Association of Local Authorities and Regions, would like to see greater efforts to support the development of ‘one door’ policies for all the unemployed, including social assistance claimants, but have received no support for this in national government (Minas 2011: 209). Overall, there seems to be a ‘general political disinterest in issues related to social assistance in government circles’ (Angelin et al. 2013: 31).

Germany is another country in which there have been relatively few initiatives in the field of minimum income protection since the onset of the economic crisis. The reasons are in part similar to those in Sweden, in that Germany has been in a comparatively strong budgetary position and has enjoyed a ‘better’ economic crisis than many other European countries. However they also stem from the fact that Germany, with the adoption of the Hartz IV reforms and the introduction of ALG II, at the onset of the crisis, had only recently adopted a major structural reform of minimum income protection. Indeed, most of the reforms that have been implemented in recent years have been prompted by unresolved or problematic features of the Hartz IV legislation (Petzold 2013: 44). This is the case with the 2010 Act on the Development of Organising ALG II, which placed the joint municipal–federal Jobcenters on a legal footing, following a change to the German constitution, as well as 2011 Act on Defining Standard Rates for ALG II, also provoked by a decision of the Constitutional Court. A 2012 reform of labour market instruments was, for its part, based on evaluation of measures introduced in the wake of the Hartz IV, and proposed a certain number of changes in the calibration of job-support services for recipients of ALG II. Among these was partial decentralisation of decision-making competencies to Jobcenters, illustrating, as do other recent reforms, that the competence conflict over minimum income protection between the federal and municipal levels has not yet been definitively settled.

The Polish economy also fared relatively well during the economic crisis, with stable if unspectacular rates of economic growth and falling levels of total unemployment. However the Polish government has also found itself under pressure to reduce its budget deficit, which was above 7 % of GDP in both 2009 and 2010, within the framework of the EU’s excessive deficit procedure. The combination of a relatively buoyant labour market and strong downward pressure on public finances, as well

as the installation of a Conservative–Liberal coalition government following elections in 2007, helps explain why recent reform initiatives in relation to minimum income protection in Poland have focused on activation (Jessoula et al. 2014). Reforms in 2009 and 2011 reinforced the requirement for local social assistance offices and the public employment service to exchange information, in the latter case explicitly with a view to increasing the effectiveness of sanctions against minimum income claimants refusing offers of work or training. There have, however, been no organisational reforms to encourage 'thicker' forms of cooperation between these bodies and across different levels of government, and this cooperation continues to depend on local-level initiative and good personal contacts (Kozek et al. 2013: 74). Moreover, these efforts occur against a backdrop of declining resources: largely on the insistence of the Ministry of Finance, the thresholds for entitlement for minimum income protection were frozen for four years between 2006 and 2010, and the budget for active labour market policies (ALMP) cut by 50 % between 2010 and 2011 (Jessoula et al. 2014: 138).

Of these five countries, it is certainly in Italy that the pressure for reduction of public spending has been greatest in recent years. However, given the underdevelopment of the anti-poverty tier of the Italian welfare state, there are few savings to be realised by governments in changes to minimum income protection. Indeed, the pressure on Italian governments in relation to minimum income protection has arguably been more an expansionary one in recent years, given the massive social impacts of the economic crisis and the importance placed by international organisations on the development of effective anti-poverty measures (and unemployment benefits) to facilitate a broader structural reform agenda, including labour market deregulation (Saachi 2015). However, such efforts have been hampered not only by fiscal constraints and political reservations (Jessoula et al. 2014: 136–137), but also by competence conflict. Thus, a national initiative in 2010–2011 to define a new norm for means-testing—an 'essential level of service', and thus in principle a national competence—was struck down by the Constitutional Court because it had not been submitted for debate in the State–Regions conference, where it was subsequently blocked due to a regional veto (Madama et al. 2013: 40). Nonetheless, a number of new national initiatives in the minimum

income field—the Social Card and then the New Social Card—were introduced in Italy after the onset of the crisis. Examples include various iterations of the Social Card, introduced since 2008, which provide beneficiaries with tied financial assistance through a mechanism similar to US ‘food stamps’, and in their different forms have been delivered via nominated charities and/or linked to activities to promote beneficiaries’ social integration. While these measures were introduced only in pilot form and had highly restrictive eligibility conditions, reform efforts have however been amplified following the election of the centre-left Renzi government, which has started piloting a minimum income programme called Support for Active Inclusion (Sostegno per l’Inclusione Attiva), with the intention of generalising this nationally during 2015.

The self-conscious adoption of the language of active inclusion in these latest Italian reforms might be taken as evidence of a more general ‘Europeanisation’ of domestic policy-making in relation to poverty and minimum income protection. However, the case of Italy is highly atypical; its Eurozone membership and difficult budgetary position (and reliance on EU funding) makes it generally highly predisposed to demonstrate willingness to align with EU initiatives, while, at the same time, lacking any properly institutionalised policy legacy in the minimum income field. Elsewhere, recent agendas of minimum income protection reform—or non-reform—owe less to European influences at the national level than they do to national policy legacies as a form of path dependency and the different institutional opportunities and constraints they generate. Due to the highly diverse nature of existing systems of minimum income protection in Europe, as well as the very uneven effects of the economic crisis, the reality is of quite diverse national reform agendas in this policy field.

Conclusion

Particularly at the local level, action to combat poverty and social exclusion cannot be reduced to minimum income protection systems and associated public policies. As other contributions to this volume demonstrate, the role of a range of non-state actors, such as third-sector organ-

isations, charitable associations and community groups, is often crucial. Nonetheless, the structures of the formal welfare state that are targeted at poor people—minimum income benefits and associated services—are a key part of the landscape of local anti-poverty action, critical both in determining the level and type of support that poor people can reliably access and in structuring the local policy environment within which other actors intervene.

As this chapter has discussed, during the last decade in EU, minimum income protection has been at the centre of renewed supranational efforts to mobilise policy actors to combat poverty, particularly among people of working age. However the EU's initiative on active inclusion was adopted just as the extent of the economic and social fallout from the financial crisis was becoming evident, and has also been confronted with the wide diversity of pre-existing systems of minimum income protection across member states. More than any common vision of active inclusion, which in any case remains a vague and contested concept, it is the divergent policy legacies and differing socio-economic situations that best explain contemporary national agendas of minimum income protection reform.

The dynamics of local-level initiatives to combat poverty must be understood against the backdrop of these contrasting institutional and policy legacies and associated national reform contexts. On the one hand, these shape the type and nature of policy coordination problems and deficits on the ground; on the other hand, they determine the capacities and incentives for local political and policy actors to influence these. The highly centralised minimum income protection system of a country like the UK deprives local political actors of much formal responsibility in this area. Yet the same centralisation ensures that minimum income reform is always at the centre of national and therefore local policy debates, creating a strong stimulus for mobilisation around this issue by local civil society. By contrast, while local political actors in Sweden have real powers to shape minimum income protection, due to its traditional municipal anchoring, the issue of poverty is, perhaps as a result of this, far less salient and politicised. It is thus difficult to say a priori which institutional and policy environment would be more conducive to tackling the real, but rather different, coordination problems that characterise UK and Swedish anti-poverty policies.

Across all the other case studies analysed in this volume, there is a tradition of strong local involvement in minimum income protection, but local actors share this policy space with other governance levels, and the division of responsibility between central and sub-central levels often remains fluid and contested. In such cases an interesting question would be how far purposive policy action at the local level is shaped by these boundary disputes, which may entail incentives either for competitive interventionism or for 'buck-passing' across governance levels. In general, although effective action to combat poverty is always a local challenge, it is one that is crucially influenced by national policy structures and initiatives, which continue to vary widely across contemporary EU.

References

- Agostini, C., Sabato, S., & Jessoula, M. (2013). *The European arenas of active inclusion policies*. Report for the COPE project. http://cope-research.eu/wp-content/uploads/2013/05/The_European_Arenas_of_Active_Inclusion_Policies.pdf. Date assessed 17 June 2015.
- Angelin, A., Johansson, H., Koch, M., & Panican, A. (2013). *National report: Sweden*. Report for the COPE project. http://cope-research.eu/wp-content/uploads/2013/05/National_Report_Sweden.pdf. Date assessed 17 June 2015.
- Armstrong, K. (2010). *Governing social inclusion: Europeanization through policy coordination*. Oxford: Oxford University Press.
- Bahle, T., Hubl, V., & Pfeifer, M. (2011). *The last safety net: A handbook of minimum income protection in Europe*. Bristol: Policy Press.
- Clasen, J., Clegg, D., & Kvist, J. (2012). *European labour market policies in (the) crisis*. ETUI Working Papers, 2012.12.
- Clegg, D. (2014). Convergence from below? The reform of minimum income protection in France and the UK. *Journal of International and Comparative Social Policy*, 30(2), 147–164.
- Daly, M. (2010). Lisbon and beyond: The EU approach to combating poverty and social exclusion in the last decade. *Poverty and Social Exclusion PSE Working Papers*. Methods Series No. 3.
- Dingeldey, I. (2011). Fragmented governance continued: The German case. In R. van Berkel, W. de Graaf, & T. Sirovatka (Eds.), *The governance of active welfare states in Europe*. Basingstoke: Palgrave.

- Eardley, T., Bradshaw, J., Ditch, J., & Gough, I. (1996). *Social assistance in OECD countries*, Department of Social Security Research Report No. 46. London: HMSO.
- European Anti-Poverty Network. (2008, February 26). *Yes to active inclusion based on fundamental rights: The EAPN response to the commission's active inclusion recommendation*. Brussels: EAPN.
- European Commission. (2005, February 9). *Communication from the commission on the social agenda*. COM (2005) 33 final, Brussels.
- European Commission. (2006, February 8). *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: Concerning a consultation of action at EU level to promote active inclusion of people furthest from the labour market*. COM(2006)44 final, Brussels.
- European Commission. (2007, October 17). *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: Modernising social protection for greater social justice and economic cohesion: Taking forward the active inclusion of people furthest from the labour market*. COM (2007)620 final, Brussels.
- European Commission. (2008). *Commission recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market*. Recommendation 2008/867/EC.
- European Council. (1992). *Council recommendation of 24 June 1992 on common criteria concerning sufficient resources and social assistance in social protection systems*. Recommendation 92/441/EEC.
- European Council. (2008, December 17). *Council conclusions on common active inclusion principles to combat poverty more effectively*. 2916th Employment, Social Policy, Health and Consumer Affairs Council Meeting, Brussels.
- European Parliament. (2008, September 24). *Report on promoting social inclusion and combating poverty, including child poverty, in the EU*. European Parliament Committee on Employment and Social Affairs, A6-0364/2008.
- Frazer, H., & Marlier, E. (2009). *Minimum income schemes across EU member states: Synthesis report*. Report of the EU Network of National Independent Experts on Social Inclusion. Brussels: European Commission DG Employment, Social Affairs and Equal Opportunities.
- Genova, A. (2008). Integrated services in activation policies in Finland and Italy: A critical appraisal. *Social Policy and Society*, 7(3), 379–392.
- Goerne, A., & Clegg, D. (2013). *National report: The UK*. Report for the COPE project. http://cope-research.eu/wp-content/uploads/2013/08/National_Report_UK.pdf. Date accessed 17 June 2015.

- Immervoll, H., Jenkins, S., & Königs, S. (2015). *Are recipients of social assistance "benefit dependent"? Concepts, measurement and results for selected countries*, OECD Social, Employment and Migration Working Papers, No. 162. Paris: OECD.
- Jacobsson, K., & Johansson, H. (2009). The micro-politics of the open method of coordination. In M. Heidenreich & J. Zeitlin (Eds.), *Changing European employment and welfare regimes. The influence of the open method of coordination on national reforms*. London: Routledge.
- Jessoula, M., Kubisa, J., Madama, I., & Zielenska, M. (2014). Understanding convergence and divergence: old and new cleavages in the politics of minimum income schemes in Italy and Poland. *Journal of International and Comparative Social Policy*, 30(2), 128–146.
- Kozek, W., Zielenska, M., & Kubisa, J. (2013). *National report: Poland*. Report for the COPE project. http://cope-research.eu/wp-content/uploads/2013/05/National_Report_Poland.pdf. Date accessed 17 June 2015.
- Lødemel, I., & Moreira, A. (Eds.) (2014). *Activation or workfare? Governance and the neo-liberal convergence*. New York: Oxford University Press.
- Madama, I., Natili, M., & Jessoula, M. (2013). *National report: Italy*. Report for the COPE project. http://cope-research.eu/wp-content/uploads/2013/05/National_Report-Italy.pdf. Date accessed 17 June 2015.
- Marchal, S., Marx, I., & van Mechelen, N. (2014). The great wake-up call? Social citizenship and minimum income provisions in Europe in times of crisis. *Journal of Social Policy*, 43(2), 247–267.
- Marlier, E., Atkinson, A., Cantillon, B., & Nolan, B. (2007). *The EU and social inclusion: Facing the challenges*. Bristol: Policy Press.
- Minas, R. (2011). Decentralization and back to centralization: the Swedish case. In R. van Berkel, W. de Graaf, & T. Sirovatka (Eds.), *The governance of active welfare states in Europe*. Basingstoke: Palgrave.
- OECD. (2012). *OECD economic surveys: Sweden 2012*. Paris: OECD.
- Petzold, N. (2013). *National report: Germany*. Report for the COPE project. http://cope-research.eu/wp-content/uploads/2013/05/National_Report_Germany.pdf. Date accessed 17 June 2015.
- Saachi, S. (2015). Conditionality by other means: EU involvement in Italy's structural reforms in the sovereign debt crisis. *Comparative European Politics*, 13(1), 77–92.
- Vandenbroucke, F., Cantillon, B., van Mechelen, N., Goedemé, T., & van Lancker, A. (2014). The EU and minimum income protection: Clarifying the policy conundrum. In I. Marx & K. Nelson (Eds.), *Minimum income protection in flux*. Basingstoke: Palgrave Macmillan.

5

Strategies Against Poverty and Social Exclusion in a Corporatist–Conservative Local Welfare System: The Dortmund Consensus

Dorothee Spannagel

Introduction

The system of minimum income provision in Germany has faced landmark changes in the wake of the recent Hartz IV reforms. These reforms were implemented in order to make the social system more efficient and effective by reorganising various minimum income schemes (MIS) and the overarching institutional framework. Today Arbeitslosengeld II (ALG II) is the dominating non-contributory benefit scheme covering all needy households with at least one employable person. The Hartz IV reforms also strengthened the role of the local level in the German welfare state. Following the paradigm of ‘enabling and demanding’, there is now great emphasis on (re-)integrating unemployed beneficiaries into the labour market and the provision of benefits is closely tied to social, and especially labour market related services. These national ambitions are, however, dependent upon the actions taken at local level. The provision of benefits is still largely funded and regulated at national level. Yet, activation measures and all social services that have become a crucial part of the new MIS have to be implemented at local level (Künzel 2012). This

entails close coordination between frontline staff at Jobcenters, municipal authorities and local civil society organisations (CSO), the latter playing a crucial role in providing social and activation services.

This chapter aims to analyse how active inclusion policies, implemented in the wake of the Hartz IV reforms, are put into practice at local level. It explores a case study conducted in the city of Dortmund and is based on extensive document analysis that examines the local welfare system. In order to analyse the local setting in greater detail, ten semi-structured expert interviews with key political, administrative, social and economic actors were conducted. Here local anti-poverty policies are regarded as a social field (Fligstein and McAdam 2011).

The chapter is organised as follows: the first section explores the local welfare system in Dortmund and its structure within the German welfare state. The second analyses the role of the local level in the general architecture of German MIS. Next, the local governance arrangements that characterise the local welfare system are examined. The final section discusses to what extent our findings on the influence of the financial and economic crisis can be generalised and how the three dimensions of local anti-poverty policies described in Chap. 3 can be summarised (Johansson and Koch, Chap. 3 in this volume).

The Local Welfare System in a National Context

The German welfare state is an example of a corporatist–conservative welfare regime (Esping-Andersen 1990, 1999). The level of decommodification is medium with a high wage-related provision of benefits. Social stratification is pronounced and the social security system is primarily focused on preserving a given standard of living. German welfare policies emphasise the importance of the family for providing welfare and hence rely on the male breadwinner model. Another core feature is Bismarckian logic: compulsory, contribution based social insurance schemes form the core of social protection in Germany, combined with a general safety net of last resort for all German citizens. Thus, regular employment constitutes the main source when applying for social security benefits. The

principle of subsidiarity is also a key pillar in the German welfare state. This implies that central, higher-level institutions should only get involved if lower-level institutions cannot deal adequately with an issue (Kazepov 2008). This principle is important in a twofold manner. First, it is a core aspect of German federalism and its multi-level governance profile. The federal level explicitly commissions the local level, and even more so local CSO with regard to the delivery of social services (Dahme et al. 2005). Second, the principle of subsidiarity also contains an element of corporatism; employers, trade unions and the government jointly provide social security. A centralised federal governance model is closely intertwined with public authorities and CSO (Olk 1995). The delivery of services has historically been organised as a public–private partnership between public administration and CSO. Up to the present day, local CSO or local branches of national thereof provide the main bulk of such services. Most of these are ‘free welfare associations’, that is, non-profit organisations with an institutionalised public responsibility. The membership associations are: Caritas, part of the Catholic Church; Diakonie, the Protestant welfare association; the Workers’ Welfare Association (Arbeiterwohlfahrt), which has its origins in the workers’ movement, the Paritätischer Wohlfahrtsverband, a non-denominational social welfare association; the German Red Cross and the Central Welfare Office for Jews in Germany (Zentralwohlfahrtsstelle der Juden). Given the dominating role of the free welfare associations, other CSO have traditionally played a minor role in Germany.

Considering this general setting, how can we classify German MIS? Gough (2001) and Gough et al. (1997) label Germany as a ‘dual social assistance system’ with a strong focus on categorical assistance, supplemented by a general safety net of last resort. The model suggests below average numbers of social assistance recipients and low expenditures on this scheme. The MIS is highly centralised, especially with regard to the regulation and organisation of the monetary benefits; its level of generosity is average.

However, this picture applies to the period before the Hartz IV reforms as Germany deviated from its traditional corporatist–conservative path. This especially holds for the ‘activation turn’ (provision of benefits tied to labour market related services following the concept of ‘enabling and demanding’ in order to integrate unemployed into the labour market),

as well as for the shift from insurance-based wage-related social security benefits towards a tax-funded MIS: ALG II. This paradigmatic change has been widely debated among scholars. Bahle et al. (2011) analyse it as a shift from a general system with a residual character towards a categorical system. Due to the Hartz IV reforms, the German welfare state has moved in a liberal direction, in terms of less status-based security. ALG II covers the vast majority of all needy households with at least one employable person and follows a strict welfare-to-work approach that focuses on employability. However, apart from ALG II, the German MIS has two other categorical schemes and one general scheme for population groups not covered by ALG II. The former provide benefits for refugees and asylum seekers (*Asylbewerberleistungsgesetz*) and guarantees minimum needs-based provision for the elderly, as well as in the event of reduced earning capacity (*Grundsicherung im Alter und bei Erwerbsminderung*). Social assistance (*Sozialhilfe*), the general scheme, is still a residual safety net of last resort for households that are not covered by any of the schemes.

These features form the institutional framework for our local case study. What are the political and socio-economic structures that characterise the local welfare system in Dortmund? As briefly mentioned in the introduction (Johansson and Panican, Chap. 1 in this volume), Dortmund is the regional centre of the eastern part of the Ruhr area with roughly 580,000 inhabitants. Dortmund has a strong industrial tradition, dating back to the beginning of industrialisation in the nineteenth century. The ‘Dortmund triad’, consisting of the steel and coal mining industry and breweries, dominated the economic profile of the municipality for centuries. The economic structure has changed significantly due to structural transformation processes; the number of employees in industry dropped markedly from 127,000 to less than 38,000 from the 1960s to the 1990s. Today, Dortmund has lost about 90,000 jobs due to these developments (Prigge and Böhme 2013). The last coal mine was closed in 1987 (Irle and Röllinghoff 2008). Thus Dortmund has faced severe problems over the past 50 years; today, the city is in financial distress. It is highly indebted and the municipal budget is permanently close to being supervised by federal government. All these structural changes have had profound implications for the local welfare system.

The city of Dortmund has always been a stronghold of the Social Democratic Party (SPD), without doubt due to its industrial history. The structure of the labour market led to high percentages of blue-collar workers, traditional SPD voters. Every Lord Mayor of the city since the end of the Second World War has been a member of this party. The SPD won all local elections with an absolute majority up to 1989 (Bömer 2010).

Table 5.1 summarises the socio-economic situation in Dortmund compared to Germany in general. The most urgent social problems faced by Dortmund are long-term unemployment and poverty. Employment rates in Dortmund are up to eight percentage points lower than the national German rates and have ranged at about 65 % over the past years (Jobcenter Dortmund 2013). In addition, local unemployment rates are approximately twice as high as for the whole country and the city has one of the highest unemployment rates of the major cities in Germany (Prigge and Böhme 2013). Moreover, long-term unemployment is a key problem, since almost one out of two unemployed people has been in this situation for more than 12 months (Stadt Dortmund 2014). These local labour market figures directly affect the need for minimum income support: the numbers of people receiving ALG II is about two times higher than in Germany in general. Accordingly, local poverty rates are much higher than the rest of Germany.

Table 5.1 Socio-economic profile of Dortmund compared to Germany

Dimension	Dortmund	Germany
Employment rate (15–64 years, 2012)	64.8 ^a	72.8 ^a
Unemployment rate (of civilian labour force, 2014)	12.8 ^b	6.4 ^c
Long-term unemployment rate (longer than 11 months, persons aged 15–64, 2014)	5.2 ^b	4.4 ^c
ALG II recipients (persons living in needy households, % of the population below 65 years, 2014)	18.5 ^e	9.5 ^f
Poverty rate (percentage of households below 60 % threshold, 2013)	25.0 ^d	15.5 ^d

Source: All figures as percentage; ^aJobcenter Dortmund (2013, p. 4); ^bStadt Dortmund (2014); ^cBundesagentur für Arbeit (2015a), Data for long-term unemployment refer to percentage of ALGII-recipients; ^dStatistische Ämter des Bundes und der Länder (2015); ^eBundesagentur für Arbeit (2015c); ^fBundesagentur für Arbeit (2015b)

Given the status of the SPD and the city's problematic socio-economic background, social policy issues are high on the political agenda in Dortmund. They are a crucial part of the 'Dortmund consensus': a belief that joint action between political, administrative, economic and societal actors is needed in order to combat unemployment, poverty and social exclusion. This local consensus is based around a particular mix of actors involved in local anti-poverty policies.

The Federal Employment Agency (FEA), despite being a federal actor, is one of the main players in the local welfare system. The FEA crucially structures local actions by providing a nationally consistent approach to labour market integration (Petzold 2013). Performance targets and quasi-legal recommendations narrow the room for manoeuvre of local level actors with regard to employment services. Since Dortmund is a major city, it has its own local branch of the FEA, which is in charge of financial issues and services regarding unemployment insurance.

The most important municipal actor is the Social Welfare Department. This department is in charge of the three other MIS. Given the dominance of ALG II, only a few needy households are under the responsibility of the Social Welfare Department. Nevertheless, this agency plays a key role when it comes to combating poverty at local level. The department funds and coordinates many social and labour market services provided by local actors. Furthermore, it is responsible for some of the benefits that ALG II recipients are entitled to receive; this refers mainly to expenses for housing and heating.

In order to organise the delivery of all ALG II benefits and services at local level, the municipal administration and the FEA were merged into one institution: the Jobcenter, the third, and certainly most important actor, in the local welfare system. As such, the Jobcenters are very much under control of the FEA and their local branches. Accordingly, we find a close vertical cooperation between the central FEA and the respective local Jobcenter, based upon hierarchical coordination. The Jobcenter is designed as a one-stop-shop, bringing together the three pillars of the ALG II scheme: benefit transfer, job advice and job placement, as well as social services. Yet, while Jobcenters do provide benefit transfers and job placements, the delivery of social services is contracted out.

Anti-poverty Policies at Local Level in Germany

The situation in Dortmund of the merging of municipal and federal tasks in the Jobcenter is not the only way of organising and running Jobcenters. Within the framework of the Hartz IV reforms, 108 municipalities were given the full responsibility for organising all ALG II provision in authorised local authority agencies (zugelassene kommunale Träger) (Petzold 2013). Thus these municipalities have much more freedom when it comes to the organisation of minimum income schemes than in other municipalities. However, they still need to operate within the same structural framework, that is, the close integration of the three pillars of active inclusion. Even so, the degree of centralisation, and accordingly, the municipalities' ability to act, varies between these three pillars.

Minimum income benefits: all benefit-related issues are subject almost exclusively to federal regulation; this applies to means-testing and benefit levels. The German federal government and the FEA funds the majority of the ALG II benefits; it is only the costs for housing and heating that are partially borne by the municipality. The eligibility criteria for receiving ALG II benefits are also exclusively subject to national legislation and therefore are regulated in the Second Book of the Social Code (SGB II). This implies that municipalities have fairly limited financial obligations for minimum income provisions (Table 5.2).

The general pattern is that the financial responsibility of the municipalities is to provide two-thirds of the costs for housing and heating and certain one-off benefits. Furthermore, they are in charge of delivering social and childcare services. The share of ALG II transfers and services supplied by the municipalities is bound to the budget of the Social

Table 5.2 Distribution of responsibilities between Federal Employment Agency and municipalities regarding the delivery of ALG II transfers and services

Federal Employment Agency	Municipalities
Standard rates (ALG II, Sozialgeld ^a)	Housing and heating
Additional demands	Childcare
Contributions to social insurances	Social services
Employment services	One-off benefits

^aSocial assistance

Welfare Department. Taken together, the federally funded part of the ALG II benefits is more than three times larger than the costs borne by the municipality of Dortmund (Stadtkämmerei Dortmund 2012, 2013).

Employment services—ALG II recipients have privileged access to employment services. These services are at the discretion of the Jobcenter and are paid out of the job placement budget. All these activation measures are part of the individual integration agreement between the beneficiary and the case manager at the Jobcenter. The general paradigm is that all services that are conducive for labour-market integration are granted by the Jobcenter. Job counselling and placement are directly delivered by the Jobcenter. All other services, for example, social- or labour-market-related services, are contracted out to external providers. Therefore, compared to benefit-related issues, there is some scope for action at local level with regard to such services. Federal regulation decisively limits local discretion, nevertheless, frontline staff at Jobcenters have some discretionary powers, since the underlying rationale is that of tailor-made services. Local discretion also implies the involvement in and the coordination of external service providers.

Social services—social services are the third pillar of the German MIS and the area where municipalities have the greatest scope for action. The social services offered comprise a broad range of advice and support for provision of care. The municipality is in charge of designing and organising these services, yet most services are contracted out to external service providers that are often free welfare associations.

The Jobcenters have to implement the regulations and guidelines defined by the federal government and the FEA. Benchmarking processes are applied in order to supervise the Jobcenters: these are outcome-based market-oriented control structures (Künzel 2012). Similarly, the Jobcenters have to cooperate closely with all public and private actors involved at local level to secure the integration of benefits and services within the framework of federally regulated active-inclusion policies. This is demonstrated on the institutional level in the city of Dortmund by the multi-stakeholder board of the Jobcenter (Trägerversammlung). This board is chaired by the Lord Mayor of Dortmund and has six members: three are representatives of the FEA and the Jobcenter; three are representatives of the municipality. The board decides about issues regarding Jobcenter organisation and staff.

Activation measures, and especially social services, are another field where the Jobcenters have to rely on horizontal cooperation, as they are responsible for referring needy persons to external service providers and have to coordinate service delivery. The landscape of service providers is traditionally dominated by the free welfare associations whose involvement is institutionalised in partnership governance arrangements (Bode 2006). The free welfare associations deliver the majority of all social- and labour-market services in the German MIS. Their main fields of activity are: education and counselling for children and young people; family care; support for the elderly; support for mentally and physically impaired persons; healthcare; support for persons with special needs; employment services and vocational training; advice for migrants, asylum seekers and refugees; services for homeless people and emergency aid (Bauer 2005).

Private, for-profit organisations have traditionally been of minor importance in Germany. However, there has been a strong marketisation trend with regard to the governance of minimum income policies in recent years, fostered by the introduction of competition and tendering (Aurich et al. 2014). Service providers deliver services in two ways: either by the means of a voucher system or competitive outsourcing processes. It must be emphasised however that the current outsourcing logic is primarily based on awarding contracts rather than on competitive tendering (Aurich et al. 2014).

This marketisation trend has had profound significance for the principle of subsidiarity and the role played by CSO in local welfare systems. First and foremost, marketisation challenges established forms of cooperation and partnership arrangements between the Jobcenter and CSO. The greater use of outsourcing furthermore forces local CSO to act like for-profit businesses—a logic that contradicts their tradition as non-profit third-sector associations. The rising significance of for-profit organisations has challenged the free welfare associations' position as a privileged provider of services (Möhring-Hesse 2008). Outsourcing models have been supported and promoted by federal regulation, and these models increasingly challenge local welfare systems based on partnership models and networks built on trust and personal connections. Existing research, however, indicates that local actors continue to rely on their traditional networks and partnership arrangements with CSO, rather than opting for the new for-profit providers (Aurich et al. 2014).

Cooperation and Participatory Governance in Dortmund

The socio-economic situation in the city of Dortmund could be labelled problematic since the city suffers from high poverty rates, persistent unemployment and tight financial budgets. These factors, in combination with the strong centralisation of minimum income policies, could lead one to expect insufficient anti-poverty policies as a result. Astonishingly, we find the opposite. Dortmund has implemented ambitious and creative anti-poverty policies that are characterised by close partnership and participatory governance arrangements. These close cooperation structures, both formal and informal, as well as the great relevance accorded to anti-poverty policies in Dortmund, are quite unique in Germany. These policies are based upon on a strong local consensus on the definition of what the problems are and how they can best be tackled. The 'Dortmund consensus' (Dortmunder Konsens) (Neuendorff 1992) is the cornerstone of this close cooperation involving all relevant actors in the field of anti-poverty policies. It can be described as all actors pulling together in one direction (Stadt Dortmund Wirtschaftsförderung 2012). The consensus dates from the late 1990s when Lord Mayor Langemeyer (SPD) declared anti-poverty policies as a top-level matter for the city (Prigge and Böhme 2013). During his second term in office, Langemeyer put even more effort into combating poverty by implementing a Social City Programme (Programm Soziale Stadt), a general policy programme that has resulted in several local commissions consisting of a mix of actors, aiming to combat poverty and promote active inclusion. Our study explores the three main reasons for this local consensus and close cooperation.

First, these consensual patterns have roots in long-term structural changes to the economic landscape of the city of Dortmund. Ever since the late 1950s, when these changes first appeared, it has been obvious that they would bring about tremendous negative consequences and would lead to an enormous loss of jobs, which in turn, was expected to increase poverty and social exclusion.

Second, our interviewees report on the extensive and consistent political and public recognition of poverty-related issues in Dortmund.

The dominating topics are the high unemployment rates and the regional disparity of economic well-being across the city. Accordingly, debates on poverty in Dortmund have been rather stable over time. The fact that Lord Major Langemeyer decided in 1999 to make anti-poverty issues a matter for top-level decision-making has made resources, financial, human and administrative, available for active inclusion measures. A further landmark step was that the city council decided in 2005, in the wake of the Hartz IV reforms, to revise local social reporting in order to monitor the consequences of these reforms (Certa 2009).

Third, politics in Dortmund is characterised by the long-lasting social-democratic hegemony in the city itself and the federal state of North Rhine-Westphalia. Dortmund has been governed by the SPD since the end of the Second World War, either alone or in a coalition—a political setting that has proved to foster pro-poor policies.

How can we understand this consensual and cooperative spirit in analytical terms? Exploring Najam's model (Najam 2000; see also Chap. 3 in this volume), we could define this situation as somewhere between the modes of cooperation and complementarity. There is an extensive consensus among all involved actors on the negative impact of the high unemployment and high poverty rates. These topics tend to be uncontroversial in local politics; an interviewee from the municipal administration describes this consensual spirit as something unique:

There is a broad agreement across all stakeholders regarding the fundamental interpretation of the situation in this city. That is something unique you will not find elsewhere, a mutual understanding between the main actors (senior manager from the City of Dortmund Economic Development Agency, Dortmund, May 2013, own translation).

We also find a general local consensus regarding the main strategy for combating poverty and social exclusion, regardless of different opinions are about the details of how to combat poverty effectively. A manager from the municipal administration names the main controversial topics:

There are (...) differences. Everybody has his or her own perspective. For example, businesses would answer that the crucial aspect of combating

poverty is access to the labour market. (...) Furthermore, there are differences, for example, regarding publicly funded employment. There are certainly differences between the various actors, but all agree that we need a lot of imagination to reduce unemployment in Dortmund. (...) Depending on party political affiliation or on philosophy of life, people draw different conclusions. That is the way it is everywhere in life (...) that is hardly surprising (manager from the municipal administration, Dortmund, May 2013, own translation).

This quote seems to suggest that the shared consensus on how to deal with the problematic situation is stronger than any disagreement about controversial aspects. Therefore, one could state that modes of cooperation prevail here with regard to complementarity relations between local stakeholders, especially since all involved actors strongly agree that joint action is required to improve the socio-economic situation in Dortmund.

In addition, the local welfare system relies on intensive formal and informal coordination between all actors. These clear-cut coordination structures are a further aspect that is crucial in order to understand the policy setting in Dortmund. Close cooperation and coordination is evident in various local commissions active in combating poverty. These commissions are primarily formal, institutionalised coordination structures, which, however, constitute arenas for informal networks. The fact that all actors meet frequently in these commissions creates a long-term basis for intense discussions and debates. Knowing each other personally and meeting regularly promotes mutual trust and reciprocity that helps to establish close informal cooperation. Such modes of trust and cooperation form the core of the extensive partnership arrangements we find in the city of Dortmund, and clearly distinguishes them from market-driven or hierarchical structures. A manager at the Jobcenter stresses the positive role of these informal networks:

The relevant actors in this city know each other personally, especially on the operative level, not only on the strategic level (...). That is why there is certainly also informal cooperation, which sometimes does accelerate things beyond what the formal structures could do (senior manager at the local Jobcenter, Dortmund, May 2013, own translation).

The local commissions seem to entail a further important advantage. Close relations built on trust and mutual recognition appear to facilitate the implementation of ambitious new policies. Furthermore, the commissions provide a solid organisational and administrative basis for putting pro-poor policy decisions into practice. Put in a nutshell, we could describe label the setting in Dortmund as ‘governance through multi-agency commissions’. Three local commissions dominate the social policy field in Dortmund and therefore are the most important for this chapter.

The Social City Commission (Kommission Soziale Stadt) was established as a result of the report on the social situation in Dortmund, published by the municipality in 2007 (Sozialdezernat Dortmund 2007). The authors concluded that 13 city districts were in need of special attention due to negative social, demographic and economic circumstances. These districts were defined as local activity areas (Aktionsräume). The overarching goal was to transform them from disadvantaged city neighbourhoods into promising areas with a positive economic and social future. Following this aim, the local government implemented the Action Plan Social City, coordinated by the Social City Commission.

This commission consists of a broad range of political, social and economic and cultural stakeholders. Its main task is to coordinate all the Action Plan projects. Interestingly, the city arranged for extensive participatory arrangements before implementing the plan: more than 2000 people from the political arena, municipal administration and local civil society collected ideas for the Action Plan (Certa 2009)—a good example of how participatory governance structures are being put into practice in Dortmund.

It is noteworthy that Dortmund spent a great deal of money implementing the Action Plan (e.g. in 2012 about EUR 20 million euros for the 13 activity areas and additionally EUR 250,000 in project-related funds from the different departments of the municipal administration) (Prigge and Böhme 2013). Given the fact that the city is highly indebted, this is a significant sum of money. Our empirical investigations thus indicate that the Social City Commission holds a leading role in this particular local welfare system in terms of establishing modes of intensive cooperation and close coordination in local anti-poverty policies. Arguably, the commission could be described as a highly coordinated multi-agency partnership arrangement. Its members collaborate closely

in the tasks and goals of the commission by developing shared strategies and joint actions. Yet, given the great problem pressure caused by unemployment, the success of this commission seems to be very limited, since it cannot create new jobs.

A further commission, the Local Employment Strategy and Support Centre (Lokale Arbeitsmarktstrategie und Förderzentrum) has been set up. Against the background of high unemployment rates, in 2012, the Lord Mayor of Dortmund declared the aim of getting the unemployment rate below the 10 % threshold by 2015 (Ministerium für Arbeit, Integration und Soziales des Landes Nordrhein-Westfalen 2012). In order to achieve this ambitious goal, local government initiated a local employment strategy coordinated by the Social Welfare Department and the City of Dortmund Economic Development Agency (Wirtschaftsförderung Dortmund). This programme is governed by a project group, including representatives from the municipal administration, the Jobcenter and the FEA. We also find strong inter-agency cooperation in this area with the goal of bringing together all relevant labour market actors. The employment strategy follows a multi-dimensional approach that, among others, comprises of tailor-made qualifications for unemployed people as well as measures to create new jobs (Ministerium für Arbeit, Integration und Soziales des Landes Nordrhein-Westfalen 2012). As part of this employment strategy, Dortmund has established a Support Centre. This coordinates the relevant social- and labour-market related actors. It offers individual support for ALG II recipients facing multiple barriers to labour market (re-)integration (Dortmunder Bildungs-, Entwicklungs- und Qualifizierungsgesellschaft mbH 2014).

The final local commission, Committee on Poverty in Dortmund (Trägerkreis Armut in Dortmund) focuses directly on local poverty issues. In contrast to the aforementioned commissions, this consortium includes only non-governmental actors and CSO. It consists of representatives of the free welfare associations, the German Federation of Trade Unions, the Center for Unemployed (ALZ) and the Social Research Centre at the Technical University Dortmund (Prigge and Böhme 2013). Its members have agreed on the following mission statement: ‘To foster the opportunities for socially deprived groups to participate in society and to strengthen the obligation of the wealthy to share. Towards powerful alliances of

solidarity' (Trägerkreis Armut in Deutschland 2003: 3). One might expect a committee on poverty that excludes municipal representatives to be prevented from participating in official anti-poverty networks. This is not the case however. The local government worked with the Committee on Poverty to develop local social guidelines, which were later used as the basis for the concept Social City Dortmund (Kock 2010), a strategy that aimed at strengthening social cohesion in Dortmund (Sozialdezernat Dortmund 2007).

These local commissions thus constitute a close and diverse network of public and non-public actors, embracing local and central public agencies. The role the local Jobcenter plays in this social policy field is certainly characteristic for Dortmund's welfare system. It is highly integrated into the relevant commissions and is a vital part of local inter-agency cooperation. From a national perspective, it is actually rather unusual that the Jobcenter collaborates so closely and smoothly with the municipality. In general, Jobcenters tend not to be well-integrated into local municipalities. They tend to stand apart from these and are sometimes even blamed for any failure to reduce unemployment. A representative of the municipal government in Dortmund explained how closely the Jobcenter is integrated into the municipal structures there:

It has been a good solution in Dortmund that the Jobcenter has always been part of the municipality and that this is supported by the Federal Employment Agency. (...) That is good because this link not only exists on the higher level, but also between the executive management of the Jobcenter and the municipal council (politician in municipal government, Dortmund, May 2013, own translation).

These accounts of a local cooperative climate are further reflected in ambitions to promote coordination across policy sectors. A particular unit within the Jobcenter is specially designed to improve coordination between employment and social services. A representative of the Jobcenter describes this approach:

We have municipal employees in the Jobcenter, social workers, who carry out these tasks [organising social counselling] on behalf of the municipality.

(...) The social services (...) is almost next door (senior manager at the local Jobcenter, Dortmund, May 2013, own translation).

This implies that the municipal social counselling unit is part of the Jobcenter. It works as a first point of contact for needy persons. If long-term social service advice is needed, this is not provided by the staff in the Jobcenter; instead the Jobcenter helps people find adequate support via specialised services that are offered by free welfare associations, for example. This setting is interesting because such tasks do not belong to the duties of Jobcenters within the architecture of the German MIS. It is an example of how cooperation and partnership-based governance arrangements function in this particular local welfare system.

The discussion above has illustrated the extensive cooperative arrangements that exist between public agencies, yet there is also a coordinating unit that delivers social services. The Association of Social Employment Initiatives (Initiative Sozialgewerblicher Beschäftigungsinitiativen, ISB) is an umbrella organisation in which all major CSO participate. The joint goal of the ISB is to develop local advice provision, further education services, qualifications and employment. The association has a central position within the network of local actors and collaborates closely with the Jobcenter, the local branch of the FEA, the municipality, the Economic Development Agency as well as schools and enterprises. The important role of the ISB as a coordination unit is emphasised by a representative from the ISB:

I think, it is a pretty good deal for the Jobcenter and the Federal Employment Agency that they do not have to talk with each single provider [of social services] if they do not want to but instead can talk to the management [of the ISB] (senior manager at a local civil society organisation, Dortmund, June 2013, own translation).

Against this backdrop the local governance structures can be summarised as being based upon strong partnership arrangements and close formal and informal networks that facilitate comprehensive and creative strategies for combating poverty and fostering social inclusion. What boundaries do these partnership- and participatory-based models of

governance have? What actors are excluded from the local arena? Given the strong network-based structures, one might expect some kind of insider–outsider dynamics, for example, being difficult for new actors to enter local formal and informal networks, and the potential for the creation of local elites. However, none of our informants reported on any detrimental aspects. Even a representative of the ALZ, a local CSO that acts as an advocate for unemployed people, described the situation in Dortmund in very positive terms:

I cannot see any lines of conflict, not with regard to the content orientation [of the anti-poverty policies in Dortmund]. There are some minor conflicts regarding details but they are not really that important (senior manager at a local civil society organisation, Dortmund, May 2013, own translation).

Given the grassroots character of this association, one could perhaps expect more extensive criticism of official, municipal welfare policies.

What seems to emerge is a general local narrative that every public, municipal and societal actor is strongly involved in improving the situation in Dortmund. In addition, local stakeholders express criticism about the effectiveness of local strategies and policies for creating jobs with decent working conditions, since they tend not to be able to adequately tackle the main problem: that of high and persistent unemployment rates. However, one representative from a local service provider suggested there were local elitist structures:

Dortmund has always been SPD. And whoever wants to be somebody in this city has to have the right party card (senior manager at a local civil society organisation, Dortmund, May 2013, own translation).

This short quote suggests that actors that do not belong to an SPD-friendly environment are excluded from the local networks. Such mechanisms of exclusion could be interpreted as an obstacle to effective local anti-poverty policies. If new actors, especially those with different political opinions, are unable to enter the policy arena, this could be detrimental for designing new and creative policy solutions. Local networks, regardless of how close and participatory they might be, could thus simply be

stewing in their own juice. Yet, these considerations are only assumptions that are not based on the results of the interviews. Therefore, these should not blur the fact that the local welfare system and its governance structures are described in positive terms by most local stakeholders. As an illustration, local CSO are directly invited to join the networks and to participate in joint efforts to combat poverty and social exclusion in Dortmund and most decisions are made on the basis of partnership arrangements.

Conclusion

The German minimum income scheme is based to a great extent around vertical coordination, mainly through hierarchical modes of governance. The main actors are the FEA and its local branches, as well as with the municipal Social Welfare Departments and the local Jobcenters. The latter are one-stop-shops where all actors work together to guarantee the close integration of the three pillars of active inclusion. Decisions about the delivery of labour-market and social services, operated by local CSO, is mainly at local discretion.

These results suggest a highly centralised system of local welfare, in which local actors have limited scope for action, if any, and in which local political cultures and pressures have limited significance with regard to what actually takes place at local level. However, this theory does not hold true. In a centralised system of welfare provision, local cultures, norms and agency set-up play a significant role for the organisation and governance of local anti-poverty strategies and active inclusion policies.

First and foremost, local policies and governance arrangements are firmly embedded in the local problems that Dortmund has been facing for decades. The city still suffers from the economic and social consequences of the structural transformation of the labour market, mainly the enormous loss of blue-collar jobs. Poverty and unemployment rates are constantly higher than the national average and there is high and persistent long-term unemployment among a segment of the population. However, and despite tight budgets, the municipal government has implemented ambitious social policies. These local strategies also seem not to have been greatly affected by the recent economic and financial

crisis. This is partly because the German labour market in general was not hard-hit by the crisis and has been able to reduce its unemployment rates during recent years. However, there is probably a more important aspect that explains the limited influence of the current crisis. Dortmund is still suffering from its own financial and economic crisis that is far more detrimental, persistent and has more immediate consequences for the city.

The relevance of the local setting becomes even more apparent with regard to local actor set-ups and local governance arrangements. Our study illustrates close cooperation between a wide range of different actors, a mode of cooperation that both shapes local anti-poverty policies as well as the delivery of such policies (see Table 5.3 below for a summary of main features).

The local welfare system in the city of Dortmund is characterised by strong and coordinated interaction between public actors, mainly the Jobcenter and the Social Welfare Department, but non-public actors such as local CSO (above all, the free welfare associations) are also strongly involved. Such forms of institutionalised cooperation are a characteristic feature of the corporatist German model of welfare. This model is based on formally institutionalised modes of cooperation, regulated at federal

Table 5.3 Comparative dimensions of the local welfare system in Dortmund

Key aspects	Local features
Capacity of local governance in the areas of minimum income scheme	Weak, mainly restricted to social services; few financial capacities
Status of the poverty issue in local policies	High on political agenda; broad discourses
Structure and function of the local minimum income scheme	Strong federal regulation; small leeway on the local level
Coordination between minimum income scheme and other services	Strong integration of minimum income scheme, placement and, less so, of social services
Main role(s) for local civil society organisations in local strategies against poverty and social exclusion	Strong institutionalised involvement of welfare associations, mainly in the delivery of social services
Participatory governance arrangements with local civil society organisations	Dense formal networks
Partnership governance arrangements with local civil society organisations	Great consensus on poverty-related issues; dense formal and informal multi-agency cooperation

Source: Author own elaboration

level. Here free welfare associations play a crucial role in delivering services. Local strategies against poverty and social exclusion in Dortmund confirm and extend such model descriptions to a certain extent. With regard to local partnership arrangements, the situation in Dortmund turns out to be rather unique. We find close multi-agency, participatory governance arrangements that are institutionalised in local committees like the Social City Commission. Most important, these serve as a source of trust among all involved actors and foster a mutual understanding of both the core problems and the strategies for tackling them appropriately. These formal networks play a significant role in explaining comprehensive local anti-poverty approaches as they facilitate concrete joint actions, directed at tackling poverty and unemployment-related problems.

The partnership arrangements in the local welfare system are not only limited to formal and institutionalised forms of cooperation. Local actors are also brought together in close informal local networks. These partnership arrangements, the extensive use of local inclusive and participatory commissions and informal networks are a response to a particular local political culture, 'the Dortmund consensus' that goes beyond traditional political institutions.

In a Germany-wide comparison, the efforts Dortmund puts into combating poverty and social exclusion seem to be outstanding. Such close formal and informal horizontal cooperation at local level is not necessarily a result of the German MIS, *per se*. Such horizontal coordination is, of course, necessary to some extent in order to secure the close integration of all three strands of active inclusion. This mainly regards the cooperation of the Jobcenter, the municipal Social Welfare Department and local CSO. Such cooperation structures are normally rather weak. It is especially untypical for the implementation of the ALG II scheme at local level for the Jobcenter and the local branch of the FEA to be integrated so closely into the municipal efforts to combat poverty and social exclusion. These findings for Dortmund can certainly not be generalised for the rest of Germany. This reveals how important it is that analyses of local welfare systems always take the concrete political, social and economic situation at local level into account (Andreotti et al. 2012). The strong path dependency of anti-poverty policies at local level does not necessarily match the nationwide policies in all aspects. In the case of Dortmund, this special path dependency very much fosters pro-poor policies and comprehensive, cooperation-based active inclusion policies.

References

- Andreotti, A., Mingione, E., & Polizzi, E. (2012). Local welfare systems: A challenge for social cohesion. *Urban Studies*, 49(9), 1925–1940.
- Aurich, P., Zimmermann, K., Fuertes, V., & Graziano, P. R. (2014). Marketization and integrated activation policies. Germany, Italy and the United Kingdom compared. *Social Policy & Administration*, 2, 127–148.
- Bahle, T., Hubl, V., & Pfeifer, M. (2011). *The last safety net. A handbook of minimum income protection in Europe*. Chicago: Policy Press.
- Bauer, R. (2005). Freie Träger. In W. Thole (Ed.), *Grundriss der sozialen Arbeit. Ein einführendes Handbuch*. Wiesbaden: VS Verlag.
- Bode, I. (2006). Disorganized welfare mixes, voluntary agencies and new governance regimes in Western Europe. *Journal of European Social Policy*, 16(4), 346–359.
- Bömer, H. (2010). Politische Macht und Parteien in Dortmund von 1945–2009. In H. Bömer, E. Lürig, Y. Utku, & D. Zimmermann (Eds.), *Stadtentwicklung in Deutschland seit 1945. Von der Industrie- zur Dienstleistungs- und Wissenschaftsstadt*. Dortmund: IRPUD.
- Bundesagentur für Arbeit. (Ed.). (2015a). *Arbeitslose nach Regionen*. http://www.statistik.arbeitsagentur.de/Navigation/Statistik/Statistik-nach-Regionen/Politische-Gebietsstruktur-Nav.html?year_month=201412. Date accessed 9 April 2015.
- Bundesagentur für Arbeit. (Ed.). (2015b). *Arbeitsmarkt in Zahlen. Statistik der Grundsicherung für Arbeitssuchende*. <http://www.statistik.arbeitsagentur.de/Statistikdaten/Detail/Aktuell/iiiia7/eckwerte/eckwerte-d-0-xls.xls>. Date accessed 9 April 2015.
- Bundesagentur für Arbeit. (Ed.). (2015c). *Zeitreihe zu Anzahl der Bedarfsgemeinschaften und Leistungsempfänger nach SGB II—Deutschland mit Kreisen*. <http://www.statistik.arbeitsagentur.de/Statistikdaten/Detail/Aktuell/iiiia7/zr-kreise-bedarf-rev-k-0-zip>. Date accessed 9 April 2015.
- Certa, C. (2009). Aktionsplan Soziale Stadt. *Sozial Extra*, 8(9), 51–54.
- Dahme, H.-J., Kühnlein, G., Wohlfahrt, N., & Burmester, M. (2005). *Zwischen Wettbewerb und Subsidiarität. Wohlfahrtsverbände unterwegs in die Sozialwirtschaft*. Düsseldorf: Edition Sigma.
- Dortmunder Bildungs-, Entwicklungs- und Qualifizierungsgesellschaft mbH. (2014). *Förderzentrum Dortmund*. www.dobeq.de/ortogo_cms/projects/dobeq/index.php?id=foerderzentrum_dortmund. Date accessed 9 Apr 2015.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. London: Palgrave Macmillan.

- Esping-Andersen, G. (1999). *The social foundations of postindustrial economies*. Oxford: Oxford University Press.
- Fligstein, N., & McAdam, D. (2011). Toward a general theory of strategic action fields. *Sociological Theory*, 29(1), 1–26.
- Gough, I. (2001). Social assistance regimes: A cluster analysis. *Journal of European Social Policy*, 11, 165–170.
- Gough, I., Bradshaw, J., Ditch, J., Eardley, T., & Whitford, P. (1997). Social assistance in OECD countries. *Journal of European Social Policy*, 7, 17–43.
- Irle, C., & Röllinghoff, S. (2008). Dortmund—eine Stadt im Aufbruch. *Informationen Zur Raumentwicklung*, 9, 639–650.
- Jobcenter Dortmund. (2013). *Blitzlicht 02 2013*. Dortmund: Bundesagentur für Arbeit.
- Kazepov, Y. (2008). The subsidiarization of social policies: Actors, processes and impacts. *European Societies*, 10, 247–273.
- Kock, K. (2010). Prekäre Beschäftigung und Gewerkschaftsarbeit in Dortmund. In H. Bömer, E. Lürig, Y. Utku, & D. Zimmermann (Eds.), *Stadtentwicklung in Deutschland seit 1945. Von der Industrie- zur Dienstleistungs- und Wissenschaftsstadt*. Dortmund: IRPUD.
- Künzel, S. (2012). The local dimension of active inclusion policy. *Journal of European Social Policy*, 22(1), 4–16.
- Ministerium für Arbeit, Integration und Soziales des Landes Nordrhein-Westfalen. (2012). *Sozialbericht NRW 2012. Armuts- und Reichtumsbericht*. Düsseldorf: Mais.
- Möhring-Hesse, M. (2008). Verbetriebswirtschaftlichung und Verstaatlichung—Die Entwicklung der Sozialen Dienste und der Freien Wohlfahrtspflege. *Zeitschrift für Sozialreform*, 54(2), 141–160.
- Najam, A. (2000). The four C's of government third sector-government relations. *Nonprofit Management and Leadership*, 10(4), 375–396.
- Neuendorff, H. (1992). Entwicklungspotentiale und Entwicklungsblockaden im Ruhrgebiet. In B. Schäfers (Ed.), *Lebensverhältnisse und soziale Konflikte im neuen Europa: Verhandlungen des 26. Deutschen Soziologentages in Düsseldorf 1992*. Frankfurt: Campus.
- Olk, T. (1995). Zwischen Korporatismus und Pluralismus: Zur Zukunft der Freien Wohlfahrtspflege im bundesdeutschen Sozialstaat. In T. Rauschenbach, C. Sachße, & T. Olk (Eds.), *Von der Wertegemeinschaft zum Dienstleistungsunternehmen. Jugend- und Wohlfahrtsverbände im Umbruch*. Frankfurt am Main: Suhrkamp.
- Petzold, N. (2013). *National report Germany*. Deliverable 5.1 of the project Combating Poverty in Europe, Combating Poverty in Europe (COPE). http://cope-research.eu/wp-content/uploads/2014/05/COPE_WP4_National_Report_Germany.pdf. Date accessed 10 April 2015.

- Prigge, R., & Böhme, R. (2013). *Soziale Stadtpolitik in Dortmund, Bremen und Nürnberg. Soziale Spaltung, Armutsprävention und Chancengerechtigkeit als politische Herausforderungen*. Bremen: Kellner.
- Sozialdezernat Dortmund. (Ed.). (2007). *Bericht zur sozialen Lage in Dortmund*. Dortmund: Stadt Dortmund.
- Stadt Dortmund. (Ed.). (2014). *Arbeitslose*. http://www.dortmund.de/media/p/statistik_3/statistik/wirtschaft_1/06_10_Arbeitslose.pdf. Date accessed 9 April 2015.
- Stadt Dortmund Wirtschaftsförderung. (2012). *Wirtschaftsförderung setzt auf Europa und Kooperation [Press release] 26 July 2012*. Dortmund: Stadt Dortmund.
- Stadtkämmerei Dortmund. (Ed.). (2012). *Haushaltsplan für das Haushaltsjahr 2012*. Dortmund: Stadt Dortmund.
- Stadtkämmerei Dortmund. (Ed.). (2013). *Haushaltsplan für das Haushaltsjahr 2013*. Dortmund: Stadt Dortmund.
- Statistische Ämter des Bundes und der Länder. (Ed.). (2015). *Armutsgefährdungsquoten*. www.amtliche-sozialberichterstattung.de/A1armutsgefaehrdungsquoten.html. Date accessed 9 April 2015.
- Trägerkreis Armut in Deutschland. (Ed.). (2003). *Sozialpolitische Erklärung*. http://www.alz-dortmund.de/pdf/Sozialpolitische_Erkl%EA4rung.pdf. Date accessed 10 April 2015.

6

Anti-poverty Activities in a Liberal Welfare Model: Local Levers and Multi-level Tensions in Glasgow, UK

Hayley Bennett

Introduction

The UK is emblematic of a liberal welfare regime model (Arts and Gelissen 2002; Esping-Andersen 1990, 1999; Ferragina and Seeleib-Kaise 2011). This assessment is rarely disputed; UK policy-makers favour neoliberal policies that incorporate market mechanisms and private provision of goods and services. At the same time, social security and minimum income policies are highly centralised and primarily means-tested. From 2010 to 2015, the Conservative-led coalition government escalated the neoliberal agenda under the guise of unavoidable austerity (MacLeavy 2011), and the Conservative government elected in 2015 seems set to continue in the same vein. Conservative politicians posit that ‘generous’ minimum income policies cause extended experiences of poverty via welfare dependency and claim that ‘it is not enough ... to tackle poverty by income transfer. This tested the socialist view of welfare to destruction’ (Duncan Smith 2014). Through a discursive shift towards ideas of workfare and a reduction in the value and accessibility of social security benefits, working-age poverty is being reframed as the outcome of individual life choices.

With regards to income, the UK is the most unequal country in Europe and welfare state retrenchment is highly politicised. GDP per head in the poorest UK regions is lower than any region of France, Germany, Belgium, Holland, Luxembourg, Austria, Ireland, Sweden, Finland or Denmark (Inequality Briefing 2014). Regional inequality within the UK is also stark; an average household in the south-east of England has almost twice the amount of wealth of an average household in Scotland (The Equality Trust 2014). Most of the UK's poorest regions have experienced extensive post-industrial decline. As voting in Britain is heavily influenced by social class, these areas tend to have socialist industrial legacies and left-leaning political actors (Anderson and Heath 2002). The residents of these areas often elect non-Conservative Party representatives in both local and national elections and, as such, support for a liberal welfare model is not unanimous and often contested. In fact, the politics of local governance in the UK is 'marked by a history of adversarial relationships between the local and central states' (Duncan and Goodwin 1988, cited in Newman 2014: 3293). Many local governments (that are struggling to enact austerity cuts) are openly opposed to the Conservative Party's view of welfare provision (WLGA 2014; Dunleavy et al. 2011). Consequently, studies of the UK welfare state that focus predominately on national policies and activities may neglect important and complex multi-level relations.

This chapter explores how local actors engage in anti-poverty work in a UK city experiencing persistently high levels of poverty and deprivation. The city of Glasgow has been selected as a case study to explore central–local relations, due to its post-industrial heritage, its position within the devolved policy region of Scotland and its left-leaning political legacy. The city has undergone much economic restructuring since the decline of its main industries in the 1980s, yet it continues to have the highest inactive population of all major UK cities. There are also stubborn issues of inequality, poverty and deprivation (Bennett and Clegg 2013). As such, it offers an insight into localised welfare provision and post-industrial transformation in a liberal welfare state.

The chapter is based on qualitative research conducted in 2013, involving document analysis, service mapping and interviews with ten local actors, employed in a range of public and non-public-sector organisations in the city. The chapter begins with a brief outline of the political and admin-

istrative arrangement of key welfare services, before discussing the local aspects of welfare provision and the mix of local actors. Through examples of prominent local ideas, local strategies and local activation programmes, I reflect on whether the local welfare system is constrained by, complimentary to or works against the UK's centralised national welfare policies.

The Provision of Minimum Income and Welfare Services

With nearly 600,000 residents, the city of Glasgow is the largest city in Scotland. During the 1980s and 1990s, Glasgow experienced significant industrial decline, due to a contraction in shipbuilding and manufacturing that resulted in a major increase in unemployment (Adam et al. 2014). As a post-industrial city there are a range of structural and long-term labour market issues. Whereas cities such as Manchester are similar in regards to size and post-industrial character, labour-market problem pressures in Glasgow are more acute. For example, 23.3 % of the working age population in Glasgow are not in the labour market in comparison to only 19.6 % in Manchester.

Glasgow has two highly prominent labour market issues: unemployment and inactivity. The unemployment level peaked in 1992, when the numbers of individuals claiming unemployment benefit in the city reached nearly 50,000. While this figure has reduced over time, and there has been a concerted effort to increase employment levels in the city, issues around poverty and inequality remain and unemployment is higher than the UK average. The financial crisis impacted an already vulnerable labour market. The unemployment rate rose from 6.5 % in 2008 to approximately 12 % by 2012. This represents a rapid growth in unemployment, reflecting an increase from 18,400 to over 33,000 unemployed residents in less than 4 years.

Youth unemployment and youth inactivity rates have also risen, alongside an increase in long-term unemployment, and an increase in the number of individuals in receipt of low pay or reduced working hours (Bennett and Clegg 2013). Economic inactivity due to poor health is a noticeable feature of Glasgow's problem pressures. In 2012 approximately

32 % of the working age population in Glasgow were registered as economically inactive and received health-related benefits or were registered as full-time students (Bennett and Clegg 2013).

Multiple levels of government are involved in tackling labour market problems and structural challenges. As is the case throughout the UK, local politicians do not have access to the welfare state levers (such as social security or economic policies) to address local economic problems. However, in Glasgow there are also influential political cleavages between the local, devolved and national layers of government. Notably, Glasgow's residents predominately elect left-wing and Labour Party representation. Glasgow City Council (GCC) has historically been dominated by the Labour Party, although in recent years there has been competition for traditional Labour Party seats from the Scottish National Party (SNP) and in the most recent general election (2015) the SNP gained 56 out of 59 seats in Scotland. The Labour Party holds a large number of safe parliamentary seats and controls many local governments in post-industrial areas throughout the UK. Currently, this includes much of the north-east of England, the major cities of Manchester and Liverpool in the north-west of England, and large parts of central Scotland and South Wales (Coates and Lawler 2000).

UK minimum income policies are highly centralised. National policymakers couple social security payments with activation programmes that jobseekers access through Jobcentre Plus. The Department for Work and Pensions (DWP) controls, administers and finances the main working-age benefits – Jobseeker's Allowance and the Employment Support Allowance (a benefit that supports those with health-related issues)—through Jobcentre Plus. The centralised tax agency (HMRC) also administers a system of tax credits for low-income earners. There are approximately 199,000 recipients of DWP benefits in Glasgow, including 101,000 people of working age and a further 64,600 families in the city receiving tax credits (GWSF 2013: 1).

Jobcentre Plus employees operate in 17 local offices in Glasgow. Regional and local Jobcentre Plus managers also engage in local partnerships and discussions. However, local offices work to centrally prescribed targets and frontline employees have little autonomy and decision-making powers regarding benefit levels, the conditionality attached to

benefit receipt or the design of the employment support services they deliver. Instead, Jobcentre Plus employees administer and enforce centrally designed contracts between jobseekers and the state in order to regulate job-seeking behaviour. These contracts play a major role in the facilitation of conditionality and sanctioning processes for jobseekers throughout the UK (Wright 2012).

There are no local actors formally involved in the design and management of the organisational logics and activities of the DWP or Jobcentre Plus; these are firmly within the remit of the UK central government. Since 1997, 'Westminster' politicians, along with central figures in the DWP and the treasury, have responsibility for the design of 'welfare-to-work' programmes. The DWP procurement specialists use a competitive quasi-market system to select non-state delivery organisations that operate across the UK. These organisations (known as 'welfare-to-work' providers) operate via a target-based rewards system, depending on the number of referrals for persons who then cease to claim out-of-work benefits. Over time, the DWP has sought to reduce the costs associated with these contracting processes and, in response, has increased the size of contracts and areas that selected providers cover. Thus, large-scale commercial organisations, with little local expertise or connection to local public and non-public organisations, dominate the quasi-market (Bennett 2011).

In practice, after people have been unemployed for a centrally defined period of time, Jobcentre Plus employees direct these unemployed citizens to a contracted welfare-to-work provider. These jobseekers are often mandated to attend and risk the removal of benefits if they do not participate in the prescribed activities. Local actors have very little discretion and direct influence on the relationships between jobseekers and Jobcentre Plus, or the experience with welfare-to-work providers. Local actors' lack of influence has not always been a major problem. For a period during the late 1990s and 2000s, the Labour Party was in control of GCC, the Scottish Government and the UK government. Thus some areas of anti-poverty policy and activities were more closely aligned (Alcock 2010). However, due to the highly centralised approach to employment and benefit provision, policy-makers in central departments can terminate or initiate employment programmes relatively quickly. This has been most evident since 2010, when the incoming Conservative-led government initiated a

number of new employment programmes, increased the conditionality of social security provision and markedly altered the organisational logics and frontline delivery services in Jobcentre Plus offices (Daguerre and Etherington 2014). These changes, alongside multi-level political opposition, fractured the alignment of public policies and agendas.

Combating Poverty at Local Level

Central departments are responsible for the policy content and delivery mechanisms for most key areas of welfare state services. GCC, the local government, delivers a number of (broadly speaking) anti-poverty or welfare services. These include administering housing benefit, providing a small number of passported benefits (e.g. free school meals), and managing some discretionary payments for residents with specialist care needs. These activities often take place within nationally defined frameworks and, as it is the Scottish Government that defines local government budgets, these services operate within strict financial limits (Bennett and Clegg 2013). Without fiscal autonomy, GCC has little formal room for manoeuvre with regard to anti-poverty policies such as minimum income levels, the administration of social security payments and the associated activation programmes.

Despite the highly centralised nature of welfare provision, Glasgow has been the recipient of many national economic development initiatives targeting specific geographical areas of deprivation. There are a plethora of national and regional policies and funding sources (all of which change regularly over time) (Hills and Stewart 2005). For example, between 1997 and 2010, local actors accessed finance and resources through the previous Labour government's urban policies, local welfare initiatives and social inclusion agenda that targeted specific groups and/or neighbourhoods with high levels of disadvantage (Lupton et al. 2013). The presence of previous initiatives is an important aspect in the development of Glasgow's local welfare system, due to the influence on relationships, existence of many non-state organisations and the high profile nature of the work that they do.

The devolved Scottish Parliament also supports local economic development initiatives and provides funding for specific employment-support programmes. Health policy is a devolved function and as such, much local anti-poverty work in Glasgow is possible through Scottish health initiatives and funding (Audit Scotland 2012; Coalter et al. 2000). Similarly, as central Scotland has EU Objective 1 status, local actors create and deliver small-scale and Glasgow-specific initiatives using EU funding. Through a variety of government schemes, Glasgow has received government assistance for economic development, job creation and for active labour market policies continually since the 1980s. These agendas are also an important aspect of the local welfare system, since local actors are able to access a broad range of resources to deliver projects, or develop partnerships, which enable them to create local innovations and relationships. Consequently, locally led anti-poverty activities and programmes in Glasgow are multi-faceted, cut across numerous policy fields and are often difficult to map.

Civil Society Organisations

From our study it is evident that anti-poverty initiatives involve a diverse collection of actors, notably many different kinds of civil society or third-sector organisations (TSO). According to the Scottish Charity Register (OSCR 2015), approximately 32 % of all TSOs registered in Glasgow are engaged in, broadly speaking, anti-poverty activities, spending over £365 million in 2013/2014 alone. There are numerous types of organisations, ranging from very small, neighbourhood volunteer-led charities, to large public-service delivery TSOs with turnovers in excess of £10 million per annum. The composition of TSOs and the role they play in the local welfare system is somewhat complex as many operate at multiple scales or deliver a broad range of services supported by multiple funders. There are also many different types of activities, ranging from emergency provision of housing and food to formal public-service contracts. I crudely group Glasgow's third-sector organisations into four categories below and in Table 6.1.

Table 6.1 Four broad types of third-sector organisations in Glasgow

	Religious	Problem pressure	Social enterprises	Employment support focused
Description, number of organisations and expenditure	Churches (numerous denominations) 200+ organisations, Over £68 m	Local offices in areas of need, some national charities with local organisations, 60+, combined expenditure £43 m	Former public services contracted to 'new' organisations. Many multi-scalar (difficult to attribute expenditure)	Developed due to unemployment problems and funds for initiatives. 185+, combined expenditure of £127 m
Key actors	Roman Catholic archdiocese is largest religious charity expenditure of £26 m.	Glasgow Advice Service (£14 m) and Legal Services Agency (£17 m)	Housing Associations are largest with turnover of £2.3 m	Hugely different sizes and turnovers. Largest Jobs and Business Glasgow (£29 m)
Main activities	Emergency food and housing.	Money advice, legal aid, financial management, etc.	Housing, health services, social care, employment support	Employment support, CV prep, job coaching, some training, job creation programmes
Funding	Some government contracts, charitable donations.	Many receive local, regional, national state funding	Central, regional and local government contracts	EU funds, government funding, charitable sources

Source: Author's own, based on Scottish Charity Register data. Expenditure data is in sterling and for the accounting period 2013/2014

First, there are religious and faith-based organisations engaged in poverty alleviation work. The Roman Catholic archdiocese of Glasgow is the largest religious charity registered in the city, but there are also many active Protestant churches and charities working in particular neighbourhoods and at city level. A small number of minority-faith organisations are also involved in the delivery of services targeting distinctive minority-ethnic groups or religious backgrounds. Second, there are organisations that specifically seek to help residents experiencing poverty to access minimum income or improve financial literacy. Third, there are service delivery organisations (mainly social enterprises) that deliver marketised public services, arguably acting as, ‘instruments of privatisation’ (Anheier 2004: 4). Many of these organisations compete to secure contracts to deliver broad welfare services such as care homes, housing, health services and employment support. Finally some third-sector organisations in Glasgow focus on delivering employment-support initiatives and job creation schemes. Their existence is often directly aligned to previous government initiatives and European funding schemes. For example, between 2007 and 2013, the third sector in Glasgow received over £16 million from the European Social Fund for the delivery of additional employment and training programmes (Bennett and Clegg 2013).

A third-sector organisation’s activities may extend across more than one typology and we find that many in Glasgow are permanently in flux, having varied income streams, areas of activities, partners and competitors. The city is also home to many third-sector partnerships, umbrella groups and communities of action where organisations come together and discuss issues or future work areas. Such mechanisms contribute to and shape the local welfare system. It is highly unlikely that there is another city within the UK where socio-economic factors, multi-level public policy agendas and funding arrangement are combined in this way to create an identical environment and grouping of third-sector organisations.

A Complex and Multi-scalar Local Welfare System

Most local actors are engaged in activities that weave together disparate policy agendas. Partnerships and strategies that bring together a range of actors are therefore popular and our respondents perceive partnership

working as an important tool for addressing the multi-faceted causes (and outcomes) of poverty.

The challenge facing Glasgow's public, private and third-sector partners, particularly in the current context, is to ensure that Glasgow's unacceptable levels of poverty and inequality are addressed effectively. This will only be achieved by partners working together with those experiencing poverty, towards a shared vision (Glasgow City Council 2013c: 2).

However, the wide variation in organisational types and activities makes coordination complex. Both national and devolved governments support local coordination and have previously funded city-based programmes to encourage relationship building and networking. For example, under the former Labour government, Glasgow was the location of Social Inclusion Partnerships, Working for Communities programme, the Multiple Provider Employment Zone and a Health Action Zone. All of these initiatives involved partnerships, working to reduce poverty in the city, albeit through different policy streams. Glasgow was also one of 15 areas across the UK selected to take part in the DWP City Strategy Initiative (abolished in 2010) that sought to engage residents in training and work-related preparation and simultaneously rationalise the welfare to work landscape (Adam et al. 2014). Glasgow has also received much support for economic development partnerships. This includes a recent UK and Scottish government City Region initiative that incorporates economic development and labour market programmes in the Greater Glasgow area.

Partnerships that address issues of poverty are not limited to economic development or activation actors. The Community Planning Partnership (CPP) is currently the main multi-agency coordination strategy in the city. Through the local government in Scotland Act 2003, the Scottish Government legally requires all local governments to create a CPP and to coordinate the delivery of public services. In every CPP public agencies (police service, fire service, local government, National Health service (NHS)) must work with communities, businesses and third-sector organisations to organise the delivery of public services and create single outcome agreements. While the partnership format is a legal requirement (and thus not an organic or unique product of the local welfare system), according to Kenway et al. (2015) the Scottish Government's

2013 guidance for CPPs rarely mentions poverty and there is little pressure from the Scottish Government to compel local governments to prioritise tackling poverty. Despite this, much of the work of Glasgow's CPP focuses extensively on issues of poverty and deprivation. For example, Glasgow's CPP activities include establishing a Tackling Poverty Working Group comprising of CPP representatives and city residents who experience poverty, the production of a financial inclusion strategy to coordinate the city's financial advice services and a Tackling Poverty Together Framework to coordinate local activities. As such, whilst the partnership mechanism is enforced by the Scottish Government, the objectives and priorities reflect local pressures, politics and concerns.

Our interviewees perceive the CPP as a means to align strategies and philosophies and thus improve the delivery of anti-poverty services in the city, as one respondent states:

The Community Planning Partnership at its best is as the place where different partners interface with one another about how they can genuinely do things together... [it is] obviously a pretty seminal place to think about tackling poverty (Community Planning Partnership board member, 22 July 2013).

Many respondents claim that they participate in the CPP in order to address the city's problem pressures. Their participation is underpinned by a belief that the local system, even with limited policy-making and fiscal powers, can create 'levers' for anti-poverty work. As many of these actors have little influence on the social security system, there is a desire to use local organisations to alleviate poverty. Along with the creation of the aforementioned strategies and initiatives, this is also being achieved through influencing partners' organisational behaviour in terms of employment, recruitment and service provision (Glasgow City Council 2013c).

Many public sector organisations and political parties in Scotland and GCC are continuing with a relatively orthodox economic development and regeneration approach to tackling poverty. However, while disparate actors do seek to work together on anti-poverty strategies in the city, some civil society and political actors propose or support an 'alternative economic strategy' and criticise the economic development and

regeneration approach to poverty alleviation. It is, however, unlikely that the city can operate according to a different economic model within the current policy architecture of the UK welfare state, since local actors do not control social security policies and employment laws. As such, many of these actors' chief contributions is limited to driving the burgeoning anti-poverty debates and influencing established public actors to take up a more participatory approach to service design and governance.

In sum, while the CPP is a key part of the local welfare system and a key partnership mechanism it comprises an 'eclectic mix of public, private, voluntary and community agencies' (McGarvey 2011: 162). As such, negotiations and tensions exist regarding the design and administration of conflicting approaches to poverty alleviation. Nevertheless, the high profile given to anti-poverty strategies in the CPP stands in stark contrast to the dominant discourse of welfare contraction from the UK government. As outlined in detail in the following section, we find that all local actors, even those that may disagree at times around the table, are united in their opposition to the welfare reforms of the UK government and in their efforts to tackle poverty in the city.

Three Local Strategies That Contrast with Central Regulation

We find three contrasting strategies in the local welfare system: conflicting approaches to participation and actor involvement (like including citizens in service design), contradicting activities that intentionally go against the right-wing national welfare and social security policies and finally, competing activation and employment programmes that are knowingly running parallel to national welfare-to-work programmes.

Local Ideas: Participatory Approach (Conflicting)

Glasgow's location within the devolved Scottish context is hugely important. The Scottish Government seeks to reform public services through what they consider to be a distinctively 'Scottish approach' based on

bottom-up reforms, increased community involvement and the integration of services between the public, private and third sector to prevent social ills (such as poverty). The 2011 report by the Scottish Government's public service commission, (known as the Christie Commission) best exemplifies such views declaring a vision that public services 'are delivered in partnership, involving local communities, their democratic representatives and the third sector' in order to tackle social deprivation and so-called 'wicked issues' (Christie 2011: 81).

In this study we find that, partly encouraged by this socio-political context at the Scottish level, but also by the local desires to tackle persistent poverty problems, some third-sector organisations in Glasgow are increasingly demanding access to the local policy-making space and are able to exert influence over local strategies. Local civil society organisations that are highly active and engaged in participatory projects, are embedding (often innovative) ideas of participatory governance in local strategies. For example, in 2010 The Poverty Truth Commission organised a two-year project bringing together Scotland's civic leaders with local people who were experiencing poverty using the tag line, 'Nothing about us without us is for us'. It was designed and led by Faith in Scotland, a charity supported by the Church of Scotland and involved facilitating meetings between a range of organisations and individuals involved in anti-poverty work with residents who experience poverty to build communication, knowledge and empathy. Similarly, the Poverty Alliance, an issue-based third-sector organisation, designed a participatory project from 2010 (and repeated at the beginning of 2015) called 'Stick your labels' to explore issues of stigma and discrimination. It also involved people with direct experience of poverty working alongside state representatives and employees. As a result, local government and political actors who are locked out of the national debates and decision-making are able to use and support third-sector actors to develop welfare approaches that contrast from the national institutional logic.

Ideas of participatory governance are prominent in much of the anti-poverty debates in Glasgow. The Leader of GCC (and the local branch of the Scottish Labour Party) made a commitment to focus on anti-poverty activities involving a participatory approach. In 2013 GCC established a Poverty Leadership Panel, co-chaired by the Leader of the Council and

a person with direct experience of living in poverty. The panel comprises representatives from a range of public, private and third-sector organisations, acting as a 'clearing house' (Kenway et al. 2015: 26) by meeting to discuss anti-poverty initiatives in the city. This has, for example, included the production of appeals packs for citizens affected by national welfare reform policies and the employment of Tackling Poverty Assistants who 'talk to local people about their experiences and feed this into the Action Plan' (Glasgow City Council 2013a, b, c: 7). While the Poverty Leadership Panel echoes the participatory and democratic vision of the burgeoning Fairness Commission initiatives taking place in other large post-industrial cities (Bunyan and Diamond 2014), the centrality of Glasgow's panel to the work of the council, the strong presence of third-sector organisations and the extent to which the work of the panel goes beyond data collection to influence the activities of a range of actors ensures that this panel reflects Glasgow's local welfare values.

Local political and third-sector actors are also engaged in developing and promoting practical economic ideas in the locality. This includes a large campaign to encourage local employers to pay a living wage to employees in the city. Similarly, GCC officers and Scottish Government employees have adapted procurement policies to include community benefit clauses in public service contracts (Sacchetti et al. 2012). These local anti-poverty ideas conflict with the dominant policies at the national level by emphasising job creation and state involvement in the labour market. However, such efforts are not accompanied by regulatory powers and as such they are unable to substantially modify the Glasgow's labour market (particularly the issues of low pay and low demand). Instead, these ideas are somewhat limited to the discursive domain of anti-poverty activities.

Local Strategies: Income Maximisation (Contradicting)

Unable to implement and fund cash transfers, local actors (GCC, a range of third-sector organisations, units within the NHS and housing associations) provide welfare rights advice to support the take up of national entitlements. Such activities are part of a formal and long-term 'income maximisation' approach (Scott and Mooney 2009). Although some have

claimed that this policy ‘is no longer one which is practical, nor desirable’ (Adam et al. 2014: 30) we find that many actors within Glasgow continue to perform activities and work together to support individuals to receive benefits. For example, GCC financially supports a Welfare Rights and Money Advice Service and employs welfare rights officers to provide information. In 2013 this service supported over 4,000 residents in appeals processes and claims that annual representation at tribunals ‘generates or protects in the region of £7 million in benefits’ (Glasgow City Council 2013b, no pagination). Third-sector organisations, such as Citizens Advice Scotland and a number of local actors (as part of their recent efforts to work together), also provide income maximisation support including benefit entitlement information. Similarly, housing associations and NHS Greater Glasgow all direct services users towards financial management services, including social security advice.

We find three main reasons why local actors adopt an income maximisation approach and design services that conflict with the UK central government efforts to reduce access to social security payments. First, high poverty rates create major problems for local actors, particularly those delivering health and education services. If residents do not receive minimum income payments, (or, for example, are made homeless because they cannot pay rent) the work of health professionals and those employed in the delivery of other public services (such as childcare) are negatively affected. Costs may increase and service provision may become more problematic as service users and residents face harsher and more complex daily lives. Second, as the local authority is not directly responsible for funding social security payments, income maximisation activities assist individuals to receive their state entitlements without any major cost to local budgets. Finally, in a post-industrial labour market with high rates of unemployment and a shortage of employment opportunities, income maximisation is framed as a local economic issue. Many local actors (GCC but also the Scottish Government and many third-sector organisations) view benefit entitlements as financial input to the local economy (GCVS 2010; Rights Advice Scotland 2010). This view is a significant feature of the central–local relations in the UK system, within the context of struggling local economies.

In recent years, income maximisation and financial inclusion activities have been increasingly engaged in appealing against Job Centre Plus sanctioning decisions. Between October 2012 and June 2013, it administered nearly 124,000 sanctions on Jobseeker's Allowance claimants in Scotland, of which over 37,000 (30 %) were made in the Greater Glasgow area alone (DWP 2012). There is also an intense concern about UK central government reforms, as it is estimated that the far-reaching reforms to housing payments, unemployment benefit, incapacity benefits, child benefit and tax credits will take more than £1.6 billion per year out of the Scottish economy. Furthermore, data suggests that Glasgow will experience the biggest impact of welfare reform in Scotland; 12 wards figure prominently among the list of the most affected places in Scotland and the city will experience a decline in social security payments of £259 million per year (Beatty and Fothergill 2014).

National reforms therefore drastically affect the levels of financial support for individuals. These also affect the activities of local actors (mainly in social work, housing and financial inclusion teams) who are finding new ways to manage services and collaborate with the national systems. There is also an increase in demand for local activation schemes. GCC has introduced a number of organisational systems to understand the impact of welfare reform on its organisational activities and also on residents. Similarly, Glasgow Housing Association and civil society groups are concerned about the impact of welfare reform on individuals. Many organisations in Glasgow have actively lobbied against national UK reforms and are starting to support legal aid services and benefit appeals processes. In this illustration, we see the temporal nature of relationships and alignments; local relationships that may otherwise be fragmented or tension-laden are temporarily united in response to a competing and threatening ideological agenda from the UK government.

Local Programmes (Competing)

Despite the visibility of income maximisation work, we also find that many local actors are also engaged in activation and employment support initiatives that operate outside of the Department for Work and Pension's central activation programmes. In recent years some units within GCC and employment-focused third-sector organisations have sought to develop

local services to help individuals to move into the labour market. While these services often provide advice, training and work-related courses (such as CV preparation), NHS and health-focused actors are also developing innovative projects services, such as joining midwifery services up with employment advice (Bennett and Clegg 2013). Most local activation activities are funded via other public sector agencies (such as devolved government skills and training agency) or through specialist EU or charitable funds targeting specific groups (such as young people, or lone parents).

Third-sector organisations play a major role in local employment programmes. Over the last 15 years, GCC (along with other local actors) has created two employment-focused organisations: Glasgow Works and Jobs and Business Glasgow, offering a variety of activation services. Historically, both organisations focused on the provision of training and job placement, with an emphasis more recently on job matching and work experience with Glasgow employers. There is often a work first element to some of the provision, yet both agencies also engage in job creation programmes and temporary employment initiatives (such as a project providing young people with apprenticeships and a job guarantee scheme, Glasgow Guarantee). The scope and funding of their work is noteworthy: in 2012/2013 Jobs and Business Glasgow managed 48 projects and reported a total income of £30 million (Jobs and Business Glasgow 2013). The European Social Fund is a substantial source of income, providing over £15 million for Jobs and Business Glasgow's employment and activation initiatives (Bennett and Clegg 2013).

We find in this study that the existence of such activities reflects historical EU funding patterns and local political pressures to provide support to unemployed residents. Notably, recent reforms to Jobs and Business Glasgow have reduced the provision of 'enabling' services. Such local activities may be an outcome of 'austerity localism' (Featherstone et al. 2012) as local actors seek to replace and improve central activation services.

Deliberate Decoupling?

So far our discussions outline the importance of policies, actors and political agendas that operate outside of the city for framing and shaping the development of anti-poverty activities in Glasgow's local welfare

system. While there is a tendency to try and work with external agendas at certain times (e.g. by bidding for pilot project funding), there are also times when it appears that the local public and third-sector actors deliberately distance their work from that of competing agendas. For example, the UK Conservative-led coalition government introduced the aforementioned Work Programme in 2010, with the aim of amalgamating a number of existing programmes. This programme provided an opportunity to shift the payment model further towards a payment-by-results approach. Through a raft of changes, Department of Work and Pensions, policy-makers also increased the size and value of contracts and created a system that shifted the risk and decision-making role from the state to non-state actors in the market. These reforms led to a decrease in the involvement of local actors (and local Jobcentre Plus offices) in the procurement process and have reduced the participation of third-sector organisations in frontline delivery in Glasgow (Heins and Bennett 2015). Local actors have very little involvement in how the Work Programme is designed and who delivers it (unless they are formally subcontracted into the prime providers' supply chain). Whereas many public and third-sector local actors previously worked alongside delivery organisations involved in preceding welfare-to-work programmes, they perceive the Work Programme to be 'non-local' and operating outside of embedded local 'expert' strategies. The Work Programme is therefore detached from local employment programme activities.

Local employment programmes have not always been decoupled from national agendas and there are specific reasons why the Work Programme is not aligned with local activities. First, under the neoliberal premise that profit-making encourages efficiency savings, the Work Programme contracts are designed to allow each delivery organisation to make a profit. GCC, NHS and third-sector organisation respondents acknowledged that many local actors (themselves included) may be unable (or ethically unwilling) to use their scarce local resources to support national policies and private sector companies to make profits. Similarly, local political and anti-poverty actors have very little political incentive to support the effective delivery of the Work Programme: it is a cornerstone in the Conservative party agenda and (due to increased conditionality and workfare functions) is also the most market-oriented of all of the UK's welfare-to-work programmes to date. The competing political agendas

over welfare provision create multi-level tensions and divide service provision at city level. As one respondent states:

It is quite messy, the level of harmony between UK-Scottish-local-government policy is very low at the moment ... If you track it back over the years [it has been] high because when Glasgow Works started we had three Labour administrations and now you have a local Labour, a SNP Scottish and a Conservative-led coalition at the UK level. So there is little political communication between the three on these issues (Senior employee, public sector organisation, 29 July 2013).

Second, respondents emphasise technical and administrative rules that create subsequent delivery tensions with Work Programme providers. Largely this is because Work Programme providers cannot access the Scottish Government's employment-focused resources or GCC's EU-funded services. Interview respondents claim that the Scottish Government instructs local governments that EU funding cannot be used to supplement the Work Programme service users since the UK government pays commercial providers to cover all support requirements (Bennett and Clegg 2013). Consequently, Glasgow's jobseekers cannot receive support on a local employment programme while they are mandated onto the Work Programme. For these reasons, there are noticeable differences with regards to the design and purpose of local and national initiatives, as summarised in Table 6.2.

In practice, the mismatch between national and local activation approaches is highly visible. Local Jobcentre Plus offices and local actors who deliver (broadly speaking) welfare services, refer suitable residents to local employment provision. Once the individual becomes eligible for Work Programme provision, he/she is no longer eligible for local activation schemes or some financial support projects. Similarly, a long-term unemployed person may be able to (re-)access local activation provision once he/she is completed their mandated time on the Work Programme. Therefore, since 2010, separate activation services for people experiencing poverty in the city have existed. These services represent a semi-opposing tier of active labour-market activities (that are not accounted for in traditional studies of UK activation programmes) that are increasingly embedded into important anti-poverty city-strategies, while national welfare-to-work programmes are increasingly decoupled.

Table 6.2 Local versus national approaches to activation

Central liberal agenda since 2010 (DWP and Jobcentre Plus)		City-level response	Local actors
Over-arching political perspective and policy design	Sanctioning and benefit withdrawal	Appeal sanctions, fund legal support, inform residents of new processes	Citizens Advice Scotland, TSOs, GCC, NHS, housing associations, welfare rights network (+ Scottish government)
	Low financial levels of minimum income protection (to dissuade welfare dependency)	No top-up of state cash transfers but focus on benefit entitlement and 'income maximisation' strategies	
	Very limited human development and training	Local training programmes, some work-first & job search support	GCC, Glasgow Works, Jobs and Business Glasgow, large TSOs, Housing Associations, NHS (+ Scottish Government)
Delivery approach	Basic employment advice and job search functions (Work Programme)	Separate basic employment advice and job search functions (replicated for some people, also locally defined priority groups)	
	Low frontline discretion and automated technocratic processes in Jobcentre Plus	People focused case management programmes, social work integration for some residents	GCC, employment-focused TSOs, problem pressure organisations, TSOs for specialist groups, charities (+ Scottish government)
	Work first, short term	Long term training, education and support programmes, particularly TSO-led programmes	
	Target-based contracts with Work Programme providers	Predominately commissioned projects, some management by objectives	

Source: Author own elaboration

Conclusion

Central UK policies to combat poverty combine minimum income payments with activation services. Under the remit of the DWP, both of these welfare functions are centralised and allow little, if any, local differentiation and discretion for local actors. However, in Glasgow, we find that this national agenda exists alongside the activities of local actors, creating a complex system of local welfare and anti-poverty initiatives. There is a strong anti-poverty consensus among local actors and a commitment to develop partnership working, referral systems and cultural reform to meet the needs of those living in poverty in the city. GCC plays a major role in the local welfare system in terms of its priorities around economic development and the provision of public services and employment support. While there are some wider ideological tensions between the council and prevalent civil society groups with regard to economic development and inequality, there are efforts to work together to deliver local pragmatic responses to socio-economic difficulties. More recently these priorities include increasing participatory mechanisms and encouraging residents experiencing poverty to take part in local decision-making and strategic planning.

The local welfare system is constituted of a multifarious set of actors that negotiate, manage and create 'levers' to influence anti-poverty work in the city. Alongside reflective anti-poverty discussions, partnership working and resource-sharing are essential components in the local welfare system. By navigating the complex multi-level policy streams of national, regional and local governments, local actors develop local strategies to tackle poverty. Through these strategies, we see that local initiatives not only build upon UK central policy streams but, as discussed throughout this chapter, may contrast with national intentions. Discussed as three strategies (competing, conflicting and challenging), local actors are responding to national policies, creating advice and support services to those affected by welfare reforms and providing local activation programmes to support residents into work. At times, local activities are operating semi-autonomously to the central system. However, without access to the welfare state controls, these are the main levers through which local actors seek to tackle poverty.

In Glasgow there are a plethora of public, private and third-sector organisations. Many are multi-scalar in nature, working outside of the city; others are clearly demarcated as local branches of national institutions and many more are purely Glasgow-centric. Within the multi-level political context, there are difficulties aligning competing and (sometimes) hostile agendas regarding welfare provision and anti-poverty. As illustrated in the asynchronous design of the Work Programme, there are evident tensions between the competing policy agendas and the impact of the top-down nature of the UK's welfare-to-work system. For example, Work Programme providers are not involved in the CPP or the city-wide anti-poverty strategies. These organisations are clearly outside the local system, despite their position as the organisation (along with Jobcentre Plus) through which the formal systems of activation and benefit provision are joined for individuals in need of the UK social security safety net. A summary of the main features of the local welfare system, central governance arrangements and the role of third-sector actors are summarised in Table 6.3.

Glasgow's local welfare system includes many public and non-public organisations with long histories of anti-poverty initiatives, however the climate of austerity clearly provides the backdrop for some of the most recent anti-poverty initiatives. The 'austerity politics' of the UK Conservative-led coalition government (the Conservative Party was again in office after the 2015 general election) heavily influences the cooperation of different actors within the city and the Scottish Government's increasing emphasis on participatory mechanisms has arguably influenced the manner in which anti-poverty and anti-welfare reform agendas are developed and played out. The extent to which the local welfare system is unique is somewhat debatable. On the one hand, there are many large left-wing cities with similar economic legacies and problems (including welfare reform issues) that share a similar antagonism with national UK government (Newman 2014; Beatty and Fothergill 2014). Yet, on the other hand, there is a political context that is distinctively situated, that is, the increasing political tension between the Labour Party and the SNP in which the city of Glasgow has become a key battleground in local and national elections. Campaigns notably concentrate on issues of poverty, welfare and deprivation. If we add to this the historical development of numerous types of public and non-public actors, (including

Table 6.3 Comparative dimensions of the local welfare system in Glasgow

Key aspects	Local features
Capacity of local governments in the areas of minimum income scheme/social assistance	Limited financial capacity. Extensive administrative and professional capacity for welfare rights
Status of the poverty issue in local politics	Highly politicised, prominent issue
Structure and function of the local minimum income schemes/social assistance system	No local autonomy within national frames, yet parallel local sub-system systems for unemployment support
Coordination between minimum income schemes and other services	Extensive local activation services, dual levels of coordination; extensive coordination by local actors, decoupling with national activation programmes
Main role(s) for local TSOs in local strategies against poverty and social exclusion	Diverse and vast; mainly as a complement to public, increasingly used to replace public services, some provide emergency relief, very strong local mobilisation with regard to poverty issue
Participatory governance arrangements with local CSOs	Few and strong
Partnership governance arrangements with local CSOs	Numerous and strong

Source: Author own elaboration

their relationships, processes of engagement and funding arrangements) it becomes clear that there are few other cities within the UK where such factors combine within the local welfare system to produce the range and scope of anti-poverty activities we see in Glasgow.

References

- Adam, D., Atfield, G., Green, A., & Hughes, C. (2014). *Cities, growth and poverty. Evidence paper 3: Case studies*. London: The Work Foundation http://www.theworkfoundation.com/DownloadPublication/Report/353_JRF%20-%20Evidence%20paper%203%20-%20Case%20studies.pdf. Date accessed 20 Jan 2015.
- Alcock, P. (2010). Devolution or divergence? Third sector policy across the UK since 2000. In G. Lodge & K. Schmuecker (Eds.), *Devolution in practice: Public policy difference within the UK*. London: IPPR.

- Anderson, R., & Heath, A. (2002). Class matters: The persisting effects of contextual social class on individual voting in Britain 1964–1997. *European Sociological Review*, 18(2), 125–138.
- Anheier, H. K. (2004). *Civil society: Measurement and policy dialogue*. London: Earthscan.
- Arts, W., & Gelissen, J. (2002). Three worlds of welfare capitalism or more? A state-of-the-art report. *Journal of European Social Policy*, 12(2), 137–158.
- Audit Scotland (2012). *Health inequalities in Scotland*. http://www.audit-scotland.gov.uk/docs/health/2012/nr_121213_health_inequalities.pdf. Date accessed 20 Jan 2015.
- Beatty, C., & Fothergill, S. (2014). *The local impact of welfare reform*. Edinburgh: Scottish Parliament.
- Bennett, H. (2011, July 11–13). *Exploring social and market legitimacy in the UK welfare-to-work industry*. Conference paper at Critical Management Studies annual conference, Naples.
- Bennett, H. & Clegg, D. (2013). *The local arena for combating poverty. Local report: Glasgow, United Kingdom*. FP 7 project Combating Poverty in Europe (COPE). http://cope-research.eu/wp-content/uploads/2013/11/COPE_WP6_UK_Glasgow.pdf. Date accessed 7 June 2015.
- Bunyan, P., & Diamond, J. (2014). *Approaches to reducing poverty and inequality in the UK: A study of civil society initiatives and fairness commissions*. London: Webb Memorial Trust http://www.webbmemorialtrust.org.uk/download/publications_&_reports/CS-1452%20Civil%20Society%2036pp%20A4%5B1%5D.pdf. Date accessed 4 Apr 2015.
- Christie, C. (2011). *Commission on the future delivery of public services*. Edinburgh: Scottish Government.
- Coalter, F., Allison, M., & Taylor, J. (2000). *The role of sport in regenerating deprived areas*. Edinburgh: The Scottish Executive Central Research Unit <http://www.scotland.gov.uk/resource/doc/156589/0042061.pdf>. Date accessed 6 June 2015.
- Coates, D., & Lawler, P. (Eds.) (2000). *New labour in power*. Manchester: Manchester University Press.
- Daguerre, A., & Etherington, D. (2014). *Workfare in 21st century Britain: The erosion of rights to social assistance*. London: Middlesex University.
- Duncan Smith, I. (2014). *Speech on welfare reform*. <http://blogs.spectator.co.uk/coffeehouse/2014/01/ia-in-duncan-smiths-speech-on-welfare-reformfull-text/>. Date accessed 6 June 2015.
- Dunleavy, P., Rainford, P., & Tinkler, J. (2011). *Innovating out of austerity in local government: A SWOT analysis*. London: LSE PPG <http://eprints.lse.ac.uk/37742/1/>

- [Innovating_out_of_Austerity_in_Local_Government_%28LSERO%29.pdf](#), date accessed 21 January 2015.
- DWP. (2012). *United Kingdom: National Social Report*. London: Department for Work and Pensions.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. Cambridge: Polity Press.
- Esping-Andersen, G. (1999). *Social foundations of postindustrial economies*. Oxford: Oxford University Press.
- Featherstone, D., Ince, A., Mackinnon, D., Strauss, K., & Cumbers, A. (2012). Progressive localism and the construction of political alternatives. *Transactions of the Institute of British Geographers*, 37(2), 177–182.
- Ferragina, E., & Seeleib-Kaise, M. (2011). Thematic review: Welfare regime debate: past, present, futures? *Policy & Politics*, 39(4), 583–611.
- Glasgow City Council. (2013a). *Poverty leadership panel. Glasgow's plan for action*. Glasgow: Glasgow City Council.
- Glasgow City Council. (2013b). Welfare rights and debt advice. <http://www.glasgow.gov.uk/welfarerights>. Date accessed 18 Sept 2013.
- Glasgow City Council. (2013c). Glasgow's plan for action on poverty. <http://www.glasgow.gov.uk/index.aspx?articleid=10206>. Date accessed 18 Sept 2013.
- GCVS. (2010). *Impact of welfare reform on citizens of Glasgow*. http://www.gcv.s.org.uk/news_and_information/news/1451_impact_of_welfare_reform_on_citizens_of_glasgow. Date accessed 18 Sept 2013.
- GWSF. (2013). *Research report. Preparing for welfare reform housing associations and cooperatives in the city of Glasgow*. Glasgow and West of Scotland Forum of Housing Associations. <http://www.gwsf.org.uk/uploads/003feb13/glasgowreportfinalfeb13.pdf>. Date accessed 18 Sept 2013.
- Heins, E. & Bennett, H. (2015). Best of both worlds? A comparison of third sector providers in health care and welfare-to-work markets in Britain. *Social Policy and Administration*. Doi: 10.1111/spol.12126.
- Hills, J., & Stewart, K. (Eds.) (2005). *A more equal society? New labour, poverty, inequality and exclusion*. Bristol: The Policy Press.
- Inequality Briefing. (2014). The poorest regions of the UK are the poorest in Northern Europe. *Briefing*, 43. <http://inequalitybriefing.org/>. Date accessed 20 Aug 2014.
- Jobs and Business Glasgow (JBG). (2013). *Report and consolidated financial statements for the year ended 31 March 2013*. Glasgow: Jobs and Business Glasgow.
- Kenway, P., Bushe, S., Tinson, A., & Barry Born, T. (2015). *Monitoring poverty and social exclusion in Scotland 2015*. York: Joseph Rowntree Foundation.

- Lupton, R., Hills, J., Stewart, K., & Vizard, P. (2013). *Labour's social policy record: Policy, spending and outcomes 1997–2010. Research report 1. Social policy in cold climate*. London: LSE.
- MacLeavy, J. (2011). A “New politics” of austerity, workfare and gender? The UK coalition government's welfare reform proposals. *Cambridge Journal of Regions, Economy and Society*, 4(3), 355–367.
- McGarvey, N. (2011). Expectations, assumptions and realities: Scottish local government post devolution. *The British Journal of Politics & International Relations*, 14(1), 153–174.
- Newman, J. (2014). Landscapes of antagonism: Local governance, neoliberalism and austerity. *Urban Studies*, 51(15), 3290–3305.
- OSCR. (2015). *Scottish charity regulator*. <http://oscr.org.uk/>. Date accessed 15 June 2015.
- Rights Advice Scotland. (2010). *People, councils, the economy. An assessment of the impact of proposed changes to the UK benefits system on people, councils and the economy in Scotland*, <http://www.scottishpovertyforum.org.uk/ImpactReport.pdf>. Date accessed 18 Sept 2013.
- Sacchetti S., Campbell C. and Simmons R. (2012, June 20–22). *Community benefit clauses in public procurement: Considerations on the role of partnerships in Scotland*. In 14th world congress of Social Economics, Glasgow.
- Scott, G., & Mooney, G. (2009). Poverty and social Justice in the devolved Scotland: Neoliberalism meets social democracy? *Social Policy and Society*, 8(3), 379–389.
- The Equality Trust. (2014). The scale of economic inequality in the UK. UK income inequality. *Briefing report*. <http://www.equalitytrust.org.uk/about-inequality/scale-and-trends/scale-economic-inequality-uk>. Date accessed 20 Jan 2015.
- WLGA (Welsh Local Government Association). (2014). *WLGA calls for urgent debate on impacts of austerity*. [Press release] 8 Sept 2014. <http://www.wlga.gov.uk/media-centre-1-wlga-e-bulletins/wlga-calls-for-urgent-debate-on-impacts-of-austerity>. Date accessed 20 Jan 2015.
- Wright, S. (2012). Welfare-to-work, agency and personal responsibility'. *Journal of Social Policy*, 41, 309–328.

7

Strategies Against Poverty in a Social Democratic Local Welfare System: Still the Responsibility of Public Actors?

Alexandru Panican and Håkan Johansson

Introduction

For almost three decades notions like a Social Democratic welfare regime, a ‘Nordic’ or a ‘Scandinavian’ welfare model have been used to draw an often simplified picture of the Nordic and the Swedish welfare state (Erikson et al. 1987; Kautto et al. 2001; Kvist 1999). Such pictures have, to a large extent, been based on analyses of *national* social protection systems and rest on the profound ambition to secure broad and universal access to income maintenance and services within health, care and education and the idea that an extensive social protection system will ‘guarantee’ that social problems such as poverty are occasional and temporary incidents for individuals (Esping-Andersen 1990, 1999; Kautto et al. 2001; Kangas and Palme 2005). Poverty has rarely been of particular focus for politicians or major stakeholders and the *local* social assistance system has been a residual safety net of last resort, organised according to local circumstances and based on extensive means-testing and a high degree of professional discretion (Gough et al. 1997, 2001; Lödemel 1997; Johansson 2001;

Bergmark and Minas 2010; Marx and Nelson 2012). Despite this, we find extensive research on the administration of social assistance benefits at local level, the role of professionals and changing local social assistance policies (Angelin 2009; Minas 2005; Minas et al. 2014). However less attention has been paid into how local social assistance provision is coordinated with other public services at local level and even less to what role civil society actors play in a local welfare system with regard to this particular problem.

The aim of this chapter is to fill this research lacuna and analyse local public strategies for combating poverty as well as examining the organisation of the social assistance system. The chapter also seeks to address the horizontal coordination of the local social assistance system, in terms of how and to what extent it is coordinated with local activation services and what roles and functions local civil society organisations (CSOs) fulfil in providing the poor with financial support and services. Are CSOs involved in local deliberations and debates on these matters? Do they provide any extensive services for poor and socially excluded groups or is the local welfare system following the logic of the Social Democratic welfare state, that is, the state defines the problem and the local public welfare systems deliver the solutions? These questions seem even more pertinent considering that even though Sweden managed to overcome the challenges of the 2008 financial crisis fairly well, it has experienced increasing levels of income inequalities, rising levels of poverty and high levels of long-term unemployment, especially for young people (Panican 2014). These structural changes have put local welfare systems and local social assistance provision under extensive pressure and in many municipalities the costs for social assistance is mounting and the pressure on local politicians to act is rising accordingly. The case for empirical observations in this chapter is the city of Malmö, which in a national context stands out as particularly affected by extensive socio-economic problems, combined with a strong Social Democratic heritage.

The chapter proceeds as follows. The first section discusses the policy legacy of the city of Malmö and local strategies for combating poverty. The second section pays particular emphasis on the city's extensive problem pressure in terms of poverty levels, costs of social assistance provision and so on and how the city has sought to develop local activation services in

opposition to central-level steering. The third section explores the role of CSOs, mainly acting as providers of services, and their function in the local welfare system.

Combating Poverty Under Social Democratic Government

An analysis of a local welfare system needs to uncover the dynamics of the local political context, the local social-policy discourse that underpins policy reforms and the direct strategies deployed to combat poverty. Whereas Sweden rightfully is considered a Social Democratic welfare state, due to its long-lasting political history, Malmö is a city that continues to be a stronghold for the Social Democratic party. In many other larger cities, the political majority has shifted frequently between the Social Democratic Party and a Centre–Conservative coalition (Conservative Party, the Liberals, the Christian Democrats and the Centre Party). Since the introduction of political voting rights, the Social Democrats have always been in power in Malmö, with the exception of two election periods: 1985–1988 and 1991–1994.

The city has a long industrial heritage, yet over the last decades it has undergone an intensive period of transformation towards a knowledge- and service-oriented economy. Despite extensive efforts to overcome the challenges embedded in such transformation processes, Malmö has not recovered from the ‘decline of the industrial era’ and local labour-market participation is around 11–14 % lower than a national average. The city has also received a large inflow of migrants and is now very ethnically diverse: 40 % of its residents have a foreign background. Many of these have experienced extensive difficulties in entering the labour market and over the last decade the employment gap between foreign-born and Swedish-born residents has been as high as 30 % (Salonen 2012).

Local unemployment levels follow similar patterns to the country in general and other main cities in Sweden (see Table 7.1), yet the unemployment rate in the city of Malmö is constantly higher than in comparable cities in the Swedish welfare state and, above all, in comparison to Stockholm and the national average. According to Salonen (2012),

Table 7.1 Unemployment in the age group 15–74, three main cities and national average (2005–2014), as percentage of the labour force

Year	Malmö	Gothenburg	Stockholm	National average
2005	11.8	8.8	7.0	7.7
2006	10.4	8.5	6.0	7.0
2007	8.4	6.5	5.9	6.1
2008	9.4	6.7	5.2	6.2
2009	10.1	10	6.6	8.4
2010	9.6	10.2	6.8	8.6
2011	11.0	9.5	6.7	7.7
2012	12.2	9.5	7.0	7.8
2013	12.6	9.8	6.6	8.0
2014	13.2	9.9	7.1	7.7

Source: Statistics Sweden (2015)

Malmö emerges as one of the poorest cities in Sweden; as in 2008 almost 30 % of the 18 to 64 age group in the city live in relative poverty (defined as 60 % of national median income by the EU), whereas the national average was 13 %.

These socio-economic challenges are reflected in the local social-policy discourses and local social intervention programmes. Over recent decades, the city has taken pro-active approach to local programmes and projects aiming to combat poverty and social exclusion, and has also gained support from central governments in such endeavours. At the beginning of the new millennium, the city began the development of a programme called ‘Welfare for Everyone’ (Välfärd för alla), which ran until almost the end of the first decade of the 21st century. Its main goal was to increase employment levels, reduce the number of children leaving school without qualifications and to reduce the cost of social assistance (Malmö Stad 2003). To achieve this goal, the Malmö City Council decided to integrate the local social-assistance system into the activation provision run by the Public Employment Services (PES). Despite the fact that the PES are funded and regulated by central government, the local government managed to develop a ‘light’ one-stop-shop model in the local context. Instead of running separate administrations, some of the local social services and the local PES were integrated into a Work and Development Centre (Arbets- och Utvecklingscentrum), which, in practice, meant that social workers working side by side with the job

coaches. This should not be interpreted as a complete coadunation of these two agencies, since they remained formally separate and only minor sections were co-localised. Nonetheless the reorganisation sought to introduce greater work requirements and work tests into the social assistance system. This 'light' one-stop-shop model lasted until 2010, but local efforts were hampered by a strong centralisation trend, since central government increased regulation of the PES, also with regard to the type of activation projects being developed locally (Lundin 2012).

Recent intervention programmes take a much broader stance on the challenges facing the city. In 2010, Malmö City Council established a Commission for a Socially Sustainable Malmö and enrolled a large number of key experts and academics. This resulted in 31 academic reports and 200 proposals to improve local health inequalities and related topics (Isacsson 2012, 2013). The Commission made a strong statement in favour of public investments in people to realise their full human potential, especially with regard to childcare services. Investment in education and measures to encourage people to (re-)enter the labour market were also proposed. It appears that the Commission gained inspiration from debates on social investment or from the kind of active inclusion policies that have been promoted by the EU. The Commission also argued that it was important for Malmö to strengthen the relationship between economic growth and equality, to improve the quality of jobs and emphasised social security as a value in itself (Isacsson 2013). One of the proposals was to allocate extra funding to support families living on long-term social assistance by creating opportunities for them to support themselves; another proposal was to improve the efficiency and quality of schools. Current policies focus on a broad range of issues such as homelessness, learning and education, safe neighbourhoods, political participation for the inhabitants of the city as well as employment-related issues. Municipal agencies have introduced a great number of projects, but there is no concrete aim to reorganise the local social-assistance system.

Despite these extensive and innovative approaches to deal with local social problems, poverty is rarely treated as a political issue in itself in the local discourse or in local policy strategies. Interviews with stakeholders (from local administrative units, the PES and CSOs) state that 'poverty' is rarely used in local political debates. One senior official argued

that 'poverty is sometimes used, but poverty is a tricky word'. Other informants maintained that the term poverty is rarely used in local policy-making, and that several synonyms for poverty are used instead. One informant said that 'when we describe lower levels of living standards, we are actually talking about poverty'. Such responses might be interpreted as attempts to avoid the notion of poverty in local policy-making. In the formal documents guiding local social services, poverty (reduction) is not an explicit priority. The problems facing Malmö are primarily expressed in relation to other—related—problem areas such as homelessness, housing problems and social assistance costs. In our investigations we also noted that local politicians and officials tended to turn the issue of poverty into an administrative task of how to deal with the local social assistance system. This might be interpreted as a form of depoliticisation of the poverty issue in the local welfare system. In a rhetorical manner, one senior official elaborated on this:

[poverty] is a politically charged question with regard to discussions about relative and absolute poverty, which leads to two different approaches to poverty. Poverty is a matter of definition and you will find very different opinions about it. But the words poverty and poor are not used, or rather we talk about measures to help people establish themselves in the labour market and the governance and management of the social assistance system. It is all about long-term social assistance dependency... We work with long-term social assistance recipients, not poverty in itself (own translation).

Similar conclusions have been reached in other studies. Hjort (2012), for instance, maintained that leading politicians paid limited interest to the governance of the social assistance system, and were much more interested in the flow of recipients and social assistance provision costs. This tendency of avoiding discussing poverty as a political issue and instead treating it as an administrative problem has, however, been challenged by local CSOs who have claimed that local politicians have renounced their political obligations and given up the fight against poverty (Panican et al. 2013). However very few CSO representatives have become involved to any great extent. The work of the Malmö Commission, for example, mainly involved academics, officials and local politicians and was less

inclusive regarding civil society representatives. This suggests weak structures for participation (see below for further discussion), yet, just recently, the highest-level politicians invited local civil society representatives to discussions and negotiations about how to create a local contract, as a form of an agreement, or a code of conduct on the rights and responsibilities of local public agencies as well as local voluntary organisations (Johansson et al. 2013).

Local Problem Pressure and Local Active Inclusion Strategies

The social assistance system is the cornerstone of the strategy for combating poverty and social exclusion at local level and follows a particular logic as a complement to the various forms of income protection support regulated by central government. The scheme is primarily meant to be a safety net of last resort for citizens with temporary financial problems (Government Bill 1979/80:1, 1996/97:124, 2000/01:80); however, due to recent labour market developments, an increasing number of citizens have found themselves in a situation of long-term dependence on social assistance (Angelin et al. 2013). Some features characterise the local social assistance system, and will now be examined.

First, it relies on extensive local autonomy in relation to central government steering and regulation, and hence resembles the model of 'strong local autonomy, centrally framed' as explored by Kazepov (2010). It is the national parliament that decides on laws and central regulations and it is within such a legal and political institutional framework that local politicians act upon local problems and solutions. The Social Services Act (2001:453) takes the form of a framework law that clarifies general guidelines and requirements for eligibility but leaves a great deal of room for manoeuvre for local authorities in terms of decisions about social assistance, in accordance with the Swedish tradition of high local government autonomy. The strong emphasis on local autonomy implies that Sweden's 290 municipalities can vary extensively with regard to local aims and priorities in

their organisation of local welfare policies. The municipality and the local administrative authorities have the possibility and responsibility for shaping their own, more detailed, regulations. The actual decision-making is carried out at local level by street-level administrators, mostly social workers. Local autonomy, however, takes place within a national regulatory framework and local municipalities are expected to follow a national monetary standard for social assistance provision, based on price and consumer surveys carried out by the Swedish Consumer Agency. The national standard is hence the lowest level of support that citizens should receive, if considered eligible.

Second, local governments and local agencies have fairly high financial and administrative capacities for putting policies into action and the public agencies in charge of social assistance provision usually employ high numbers of professional staff (social workers). The Swedish model of social assistance provision also stands out from other European countries in that the local scheme is completely funded by local governments. Although central-level government assigns local governments the task of providing financial support, the costs of the scheme come completely out of local taxes.

Reflecting the advanced degree of decentralisation of the administration and delivery of social assistance, a large body of research has indicated the adverse effects of such a system of local provision. It is generally asserted that the assessment for eligibility, processing and the amount of cash benefits significantly depend on where in the country applicants apply, even more so before the introduction of the national standard (Byberg 2002; Hydén et al. 1995; Gustafsson et al. 1990). The ability to predict decisions is limited for the client; he or she is forced to rely on the social assistance official's discretionary power (Panican and Ulmestig 2016; Puide 2000; Minas 2005; Billquist 1999; Bergmark and Minas 2010). This provides the background as to why clients experiencing financial pressures and who are entitled to social assistance tend to avoid applying for benefits, since the process for granting social assistance is perceived as deeply arbitrary (Mood 2004; Gustafsson 2002).

Since the turn of the millennium, 4–5 % of Sweden's total population has received social assistance benefits, while the figure for Malmö has been two to three times higher. At the start of the millennium

Table 7.2 Selected social assistance (SA) indicators compared in per cent, 2013

	Claimants as part of population	of which long- term SA ^a	of which very long term SA ^b	Costs for SA per inhabitant ^c	Children in families with SA ^d	Young adults receiving SA ^e
Stockholm	3.2	45.3	31.3	1,091	5.3	4.6
Malmö	9.3	42.4	32.5	2,632	17.0	14.6
Gothenburg	7.0	47.3	31.6	2,221	10.9	9.3
Region of Skåne	5.1	39.6	26.1	1,360	9.0	9.0
National average	4.3	39.0	21.3	1,125	7.0	8.0

Source: National Board of Health and Welfare [2014](#)

^aAdults receiving social assistance 10–12 months last year, percentage of all social assistance claimants;

^bAdults receiving social assistance for at least 27 months during the last 3 years;

^cCosts for social assistance/inhabitant (SEK);

^dChildren in families receiving social assistance anytime during the year, percentage of all children in population;

^eYoung adults (18–24 years) receiving social assistance anytime during the year, percentage out of all young adults in population

approximately 15 % of the population in Malmö was receiving social assistance. Although local levels of social assistance claimants (and costs) have decreased, these remain at a much higher level compared to the national mean (Table 7.2). Malmö is one of the most poverty-stricken cities in Sweden (Salonen [2012](#)) and the situation deteriorated after the financial crisis in 2008; the number of households receiving social assistance has continued to rise substantially and the costs for social assistance in 2014 amounted to around 7 % of the city's total budget, or almost SEK 850,000,000 (EUR 95 million), a local record (Malmö Stad [2013](#)). The forecasts for 2015 indicate that costs will increase to nearly SEK 1 billion (Malmö Stad [2015](#)).

Compared to the other cases analysed in this volume, the social assistance system in Malmö is extensive in terms of percentage of population receiving support and in terms of costs faced by local government. One would consider that the strong local autonomy combined with such extensive problem pressure would encourage local politicians to opt for local strategies and organisational solutions that could be fairly radical

in the national context, or that much more directly oppose central-level steering, as we found in the context of Glasgow (see Chap. 6). However, our investigations do not support such an argument: Malmö City Council is pursuing regular policies under non-regular circumstances.

Firstly, Sweden has one of the strictest means-testing systems within the Organization for Economic Cooperation and Development (OECD) world (Saraceno 2002), according to which people must more or less have no personal financial resources to be eligible for social assistance. Although social assistance provision is, in principle, granted as a social right and local municipalities have a corresponding duty to cater for those living in the municipality, such a right is by no means unconditional. Instead, according to the Social Service Act (2001:453), all other financial means must be exhausted before the applicant can be deemed eligible (e.g. in terms of selling assets, demonstrating that the applicant has no savings in any bank) as well as proving that other members of the household cannot provide for the person in need. The applicant must also prove that he or she is available for work and make considerable efforts to enhance his or her employability by participating in recommended activation measures. This includes actively looking for a job and being prepared to accept any offered. Such norms and regulations have been codified in jurisprudence as well as in national regulations and our analyses suggest that Malmö City Council is doing neither more nor less when it comes to governing local means-testing.

Secondly, we find similar acceptance of national regulation when it comes to social assistance provision. The aforementioned national standard includes expenses for food, clothes and shoes, health, and so on. In 2014, the national standard for a single person was SEK 3880 per month (around EUR 430) and SEK 6360 per month for a couple (around EUR 707). This is far below the definition of relative poverty and individuals receiving social assistance are hence included in such an international calculation of relative poverty levels. We found that leading local politicians had little desire to react against central-level steering and develop a local standard. Malmö City Council has rarely deviated from national recommendations and standards and the minor amendments made have sought to provide citizens (primarily families) with some extra financial support.

Whereas these two aspects indicate that local policies follow central-level steering and regulations, a third aspect much more distinctively demarcates local strategies from other comparable local contexts. It is well known that Sweden has had a long tradition of public activation policies and hence differs from several other European countries (Hvinden and Johansson 2007). Such activation policies have primarily been managed and organised by central PES. The PES hence play an important part in the local welfare system, although this particular agency is regulated at central level. Over the last decade, however, local governments have reacted against such organisation. The argument put forward is that the local social assistance system has turned into a more or less permanent solution for people out-of-work, and that activation measures must be much more coordinated with the income protection system, and not solely with unemployment insurance. For this reason, over the last decade and a half, there has been a tendency for local governments to develop local activation projects and hence a two-tier system of activation support in the local welfare has been created (Johansson 2006; Thorén 2012). This has certainly been the case in Malmö. Table 7.3 illustrates the rate of unemployed people being activated by the PES in Malmö and compared with Gothenburg, Stockholm and the national average.

Table 7.3 Participants in activation programs in the age group 16–64 (participants as percentage of population, annual average 2003–2014)

Year	Malmö (%)	Gothenburg (%)	Stockholm (%)	National average (%)
2003	1.9	1.5	0.6	1.3
2004	2.1	1.7	0.8	1.5
2005	2.4	1.6	0.9	1.7
2006	2.1	1.7	1.0	1.7
2007	1.3	1.1	0.7	1.0
2008	1.5	1.3	0.7	1.2
2009	2.3	2.1	1.1	2.0
2010	3.4	3.1	1.7	3.0
2011	3.4	2.8	1.7	2.8
2012	4.0	2.8	1.8	3.0
2013	4.4	3.0	2.0	3.1
2014	4.6	2.8	1.9	2.9

Source: Public Employment Services (2015)

Thus Malmö has developed fully fledged local activation services, offering support to unemployed individuals. The unit is called Job Malmö (JobbMalmö) and was launched in 2011, constituting an internal unit for a large number of public initiatives and services to foster labour market integration. In 2013, the unit had about 260 employees, 3000 participants per year (about 1.3 % of the population) and a budget of SEK 173 million (EUR 20 million) (Malmö Handlingsplan 2013). Job Malmö focuses on groups such as unemployed young people (regardless of length of unemployment), jobless people with various forms of disability and long-term unemployed persons who have received social assistance for more than 2 years (Malmö Stad Budget 2013). This implies that Malmö City Council has developed a local tier of activation policies as a complement to the services offered by central PES.

Previous experiences of working together in the 'light' one-stop-shop model have not, however, enhanced cooperation between either municipal agencies (social services and Job Malmö) or local and central agencies (Job Malmö and PES). The social services unit (in charge of social assistance) is rarely involved in managing activation services in cooperation with Job Malmö. Our respondents explained that all municipal activation services are carried out under the auspices of Job Malmö, while social services only handle social assistance benefits. Each organisation has its own budget and commission and is located in a separate building. It is interesting to notice that keeping these units separate is seen as something positive according to some respondents. One official working at Malmö City Council's central administration stated that:

It is important for us to distinguish between local activation services and social assistance. Labour market initiatives must be free from connection to benefits. There is actually a link to benefits but these decisions are to be taken by the social services offices. The services offered by Job Malmö will be based solely on needs, quality and motivational work to improve individuals' employability (own translation).

The degree of coordination or cooperation is even weaker between Job Malmö and the PES. One senior civil servant working for the municipality said that the different agencies focused on different groups:

The municipality is working with those who are furthest from the labour market. The Public Employment Services are supposed to help people to get jobs. But we [the municipality] see that there are groups, such as the disabled and school leavers who are very far from the labour market and we believe that our municipality can do more than the Public Employment Services for these groups (own translation).

Another senior civil servant said that Job Malmö had a more personalised approach; representatives from Job Malmö maintained that 'the Public Employment Services sometimes treat individuals as numbers'. These differences seem to have restricted the possibilities for further cooperation; they are, however, perceived differently by the municipality and the PES. A senior manager representing Malmö City's central administration stated that 'Cooperation between local public authorities and the PES is a sensitive issue', while respondents representing the PES expressed general satisfaction regarding cooperation between the municipality and Job Malmö.

The Role of CSOs in the Local Welfare System

The major role played by public agencies in the local welfare system follows the logic of Social Democratic government. The situation is similar with regard to the involvement of local CSOs in the debates, design and delivery of services and support for poor and socially excluded groups in the city of Malmö. Voluntary organisations have played a role in the development of Swedish welfare policies but have not acted as a service provider to any great extent. Their main function has rather been towards an advocacy function: for members, beneficiaries and general objectives (Svedberg and Olsson 2010). In recent years, however, there has been a greater interest in involving non-public actors (for-profit as well as various forms of CSOs) in the production of welfare services (Johansson et al. 2011). This has partly been done by contracting out certain services (in open competitions between non-/for-profit organisations), changing funding structures for local non-profit organisations, for example, by linking public funding to certain projects and more powerful financial

evaluation instruments (Johansson et al. 2011). Recent research demonstrates that this has primarily implied a much more profound role for market-oriented actors in providing welfare services in the Swedish welfare state; this is especially evident in areas such as education (Hjort and Panican 2014; Bunar 2009), healthcare and elderly care (Norén 2003; Szebehely and Trygdegård 2007; Blomqvist 2004, 2005), active labour market policies, and drug abuse treatments (Hartmann 2011).

The role and function that CSOs hold in Malmö seem to reflect a classic Social Democratic welfare regime model. We find that the voluntary sector is extremely vibrant and an essential element of local politics. According to recent calculations, almost 600 local organisations received public support to run various activities for their members and for the general public. However most of these are active in fields such as sports and cultural activities and not in the fields of welfare services provision (Johansson et al. 2013). Within the particular area of local welfare services, very few organisations are active and rarely take on any major role as providers of social services. A local administrative unit (Social Resource Administration) provides some basic funding for the local organisations working in various fields such as disability, domestic violence against women, elder issues, ethnicity and integration. In 2012, 80 voluntary organisations received about SEK 16 million (EUR 1.9 million) in financial support, ensuring that these organisations managed to survive and fulfil a representative function. Our interviews also support the ideas that these local non-profit voluntary organisations should mainly fulfil a *complementary function* to public efforts to help people in vulnerable situations.

Despite a growing interest in engaging representatives of local CSOs in local deliberations and debates, our investigations demonstrate few examples of institutionalised modes of participation and involvement of CSOs in local deliberation and decision-making procedures on poverty-related matters. Malmö City Council has not developed any direct formal policy on how to relate to the local voluntary sector and such issues are rarely discussed by Malmö City Council. Just recently, however, recognition of the efforts made by local CSOs have been addressed by leading high-level politicians and initiatives have been made to install a so-called local agreement to foster more profound inclusion of CSOs

in local debates and deliberations (Johansson and Johansson 2012). As mentioned previously, this has not directly touched upon issues of poverty, but on more general government–voluntary sector issues and few local CSOs are directly aiming and/or claiming to represent the poor in local politics. This suggests fairly weak governance arrangements linking public and CSO efforts in the local welfare system. Moreover, the forms of institutionalised consultation that we find in the local welfare system rarely touch upon issues related to poverty and instead focus much more on the needs of other social groups (e.g. disabled people, retired people's organisations).

The ambitions to be involved, and also the barriers to participation, were reflected in interviews with local stakeholders. One informant stated that:

The voluntary sector is excluded; it is the public actors who make the decisions. ... Voluntary organisations that want to be able to participate in order to fight against poverty feel that the municipality has a far too complex system of rules. Voluntary actors' ability to fund such activities [in combating poverty] is equal to zero (own translation).

Another informant stated that this was due to Malmö City Council's long tradition of Social Democratic political leadership, and explained that the local political arena was permeated by the idea that 'a state' or 'the municipality' has the main competence and responsibility for addressing social problems.

Other informants noted that there was no active collaboration or any planning made by the local public agencies to cooperate with non-profit actors regarding poverty alleviation. This was of great concern to these actors as they also mentioned that there was a trend towards greater reliance on the voluntary sector in the local welfare system. One senior civil servant working at the municipality stated that it is 'the municipality that has the responsibility for managing the social assistance system but nowadays more and more clients are turning to the church for financial help'. We found that some local organisations developed administrative routines and practices for handling applications from people living in financial hardship (the Red Cross regards themselves more as a

rights-based organisation than a charity foundation). They run services that include direct financial support, counselling activities as well as social activities for people in need. Such activities hence fulfil the function of a type of emergency relief when public protection systems 'fail to deliver'. Previous research tends to confirm this trend and also that local authorities even direct clients to the local voluntary organisations to get support for certain needs that are not covered by local social assistance standards (Harju et al. 2009).

Conclusion

The values, ideals and structures underpinning a Social Democratic welfare state very much influences the strategies for fighting poverty in the city of Malmö and the active inclusion policies developed. International comparisons of local governments suggest that Scandinavian municipalities tend to have special attributes in terms of strong financial and administrative capacities, combined with extensive autonomy in relation to the central state. In a European comparative perspective, Swedish local governments' public expenditure is among the highest as proportion of total public expenditure. This also refers to the number of people employed, as percentage of total employment. Such general features very much reflect the structure of the local welfare system in the city of Malmö as it is shaped by a strong and dominating public pillar and public actors tend to dominate the debate and discussions on poverty and active inclusion, as well as the design and delivery of support and services. This conclusion will be discussed further below, and is summarised in Table 7.4.

The main public pillar of support is first and foremost a non-categorical social assistance scheme, which, in practice, is extensively means-tested. Although the ideal of a Social Democratic welfare state regime is to provide citizens with universal social protection, we find that a considerable part of the population receives means-tested social assistance for a long period of time and the costs for local social assistance provision are high in the national context. These costs are partly reflecting changes in the (national) system for social protection. Recent social protection reforms (e.g. tighter

Table 7.4 Comparative dimensions of the local welfare system in Malmö

Key aspects	Local features
Capacity of local governments in the areas of minimum income scheme/social assistance	Extensive financial, administrative and professional capacity
Status of the poverty issue in local politics	A delicate, yet depoliticised issue in local politics
Structure and function of the local minimum income scheme/social assistance system	Local autonomy within national frames, yet changing function towards unemployment support
Coordination between minimum income scheme and other services	Extensive local activation services, yet weak coordination
Main role(s) for local civil society organisations in local strategies against poverty	Mainly as a complement to public and step in as emergency relief, yet weak local mobilisation with regard to poverty issue
Participatory governance arrangements with local civil society organisations	Few and weak
Partnership governance arrangements with local civil society organisations	Few and weak

Source: Author own elaboration

eligibility tests, membership requirements in the unemployment insurance system) imply that the local social assistance system has partly become more than a temporary safety net of last resort, and has increasingly become an income support system for unemployed people who are not entitled to regular unemployment protection. Such decentralised risk coverage has caused extra pressure on the local social assistance system.

Despite growing costs and the local government's full funding responsibility for social assistance, there are no plans for developing more categorical schemes or schemes adjusted to local conditions. The kind of 'fragmentation' that we find in other local cases in this volume (see Chap. 8 on Turin), indirect 'hollowing out' of public responsibilities (see Chap. 9 on Radom) or opposition to central-level regulation and steering (see Chap. 6 on Glasgow) does not seem to influence local social assistance provision (although this might occur in the actual delivery of benefits). One might expect that the extensive problem pressure facing local decision-makers, combined with extensive local autonomy, would

have fostered a broader interest in local designs, local experimentation or developments of the local social assistance scheme and forms of means-testing, yet this does not seem to be the case. Local regulation and steering abides very much by national rules and regulations and although central-level regulation does allow for extensive local autonomy, it appears influential enough to set the tone for local social assistance support.

What further characterises the local welfare system and the local government's view on the social assistance system is its neglect of and disinterest in discussing social assistance and poverty as a combined issue. Despite the fact that Malmö is a—if not the most—poverty-stricken city in Sweden, this has not led to a more profound and inclusive debate on poverty. Leading officials and politicians tend to avoid discussing poverty per se and the extensive public intervention programmes and project activities rarely focus on poverty. To a large extent, poverty seems to have been turned into an administrative issue and a matter for social assistance support. This act of depoliticising poverty in local politics reflects the legacy of the local Social Democratic party and that there are no arenas for public debate nor any direct social mobilisation on these topics among local civil society actors.

The public pillar is also built upon on extensive activation policies and services. Central-level policies, regulation and services directly intervene in the local welfare system. Although local government accepts central-level intervention in the sphere of social assistance support, we find much more antagonism and indirect opposition with regard to the issue of activation services at local level. The PES offer extensive services to unemployed people, yet we find that such services are poorly coordinated with the extensive activation services also run by local government. The local public pillar not only includes social assistance support, but also a full list of activation services offered to unemployed persons, including social assistance recipients, run by the local government. These services have been developed as a direct reaction to central-level steering and services, since these are considered to be failing to cater for individuals' needs and are not designed according to local conditions.

The expansion of such local services (of significant size) is the most obvious example of how local government seeks to develop and expand its agenda against the central state and central activation services; we find no

or weak integration and coordination between the local public agencies. Whereas local problem pressure did not influence local decision-makers to change the design of the social assistance system or the general public responsibilities for people in need, it appears that such pressures have driven much more change in the local welfare system regarding activation services. However, the institutional separation between the centrally regulated activation services (run by the PES) and local municipal activation services and the provision of social assistance support has resulted in extensive difficulties for the actors involved, when it comes to an overall view of the actions and projects developed, thus illustrating a potential fragmentation within the local welfare system, although it is still mainly public agencies that are engaged.

What even further strengthens our conclusion with regard to the strong public pillar is the relative subordination of non-public efforts in the field of poverty and active inclusion. Representatives for public actors express a positive attitude towards working with CSOs and some of them even declared that it would be desirable for municipal agencies to demonstrate more openness towards voluntary organisations, yet we find few participatory arenas where such shared visions and ideas could be debated. There are also limited institutionalised partnership arrangements for directly engaging CSOs in the design and delivery of services. Local public agencies, at least partly, seem to be highly reluctant to involve them to any greater extent in social services provision. Whereas bringing in representatives of associations and organisations of local civil society could be seen as a potential way of dealing with some of the complex social and political problems faced by local governments, this does not seem to be the case in Malmö. It would be misleading to interpret this as a matter of mistrust and neglect, perhaps it would be better phrased as the strong public belief of not being dependent on other actors to solve the city's local problems. This reflects classic Social Democratic welfare state regime positions in which public agencies are the main actors to be involved in the deliberation, design and delivery of support and services to the population. Public services are seen as a guarantee for universal and equal access to services and benefits, and the best avenue to promote social inclusion and equality. The role for local CSO—according to this

general rationale and exemplified in the city of Malmö—is to provide for partial emergency support and to not be a partner in local policy developments.

This analysis concludes that a ‘local welfare systems approach’ (Andreotti et al. 2012) opens a range of other research questions and analytical themes that go beyond thinking of local welfare as a local welfare state. Yet our empirical investigations of this particular local welfare system points more in the direction of a strong public pillar in the local ‘fight against poverty’ and that the ‘local welfare state’ almost constitutes ‘the local welfare system’.

References

- Andreotti, A., Mingione, E., & Polizzi, E. (2012). Local welfare systems. A challenge for social cohesion. *Urban Studies*, 49(9), 1925–1940.
- Angelin, A. (2009). *Den dubbla vanmaktens logik: en studie om långvarig arbetslöshet och socialbidragstagande bland unga vuxna*. Lund: Socialhögskolan, Lunds universitet.
- Angelin, A., Johansson, H., Koch, M., & Panican, A. (2013). *The national arena for combating poverty national report: Sweden*. Lund: School of Social Work, Lund University.
- Bergmark, Å., & Minas, R. (2010). Actors and governance arrangements in the field of social assistance. In Y. Kazepov (Ed.), *Rescaling social policies – Towards multilevel governance in Europe*. Farnham: Ashgate.
- Billquist, L. (1999). *Rummet, mötet och ritualerna. En studie av socialbyråns klientarbetet och klientskapet*. Göteborg: Institutionen för socialt arbete.
- Blomqvist, P. (2004). The choice revolution: privatization of Swedish welfare services in the 1990s. *Social Policy & Administration*, 38(2), 139–155.
- Blomqvist, P. (2005). Privatiserad sjukvård: politisk lösning eller komplikation? *Socialvetenskaplig Tidskrift*, 12(2–3), 169–189.
- Bunar, N. (2009). *När marknaden kom till förorten*. Lund: Studentlitteratur.
- Byberg, I. (2002). *Kontroll eller handlingsfrihet? En studie av organiserings betydelse i socialbidragsarbetet*. Stockholm: Stockholms universitet.
- Erikson, R., Hansen, E. J., Ringen, S., & Uusitalo, H. (Eds.) (1987). *The Scandinavian model: Welfare states and welfare research*. New York: M. E. Sharpe.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. Cambridge: Polity Press.

- Esping-Andersen, G. (1999). *Social foundations of post-industrial economics*. Oxford: Oxford University Press.
- Gough, I. (2001). Social assistance regimes: a cluster analysis. *Journal of European Social Policy*, 11(2), 165–170.
- Gough, I., Bradshaw, J., Eardley, T., & Whiteford, P. (1997). Social assistance in OECD countries. *Journal of European Social Policy*, 7(1), 17–43.
- Government Bill. (1979/80). *Regeringens proposition om socialtjänsten 1979/80*: 1. Stockholm: Fritze.
- Government Bill. (1996/97). *Ändring i socialtjänstlagen 1996/97*: 124. Stockholm: Fritze.
- Government Bill. (2000/01). *Ny socialtjänstlag m.m. 2000/01*: 80. Stockholm: Fritze.
- Gustafsson, B. (2002). Assessing non-use of social assistance. *European Journal of Social Work*, 5, 149–158.
- Gustafsson, B., Hydén, L.-C., & Salonen, T. (1990). *Beslut om socialbidrag i storstäder*. Stockholm: Stockholms socialförvaltning.
- Handlingsplan, M. (2013). *Handlingsplan för ökad delaktighet och fler Malmöbor i arbete – mål och budget 2013*. Malmö: Malmö Stad.
- Harju, A. N., Montesino, N., & Hjort, T. (2009). *Utanför välfärdsstaten: om frivilligt socialt arbete och ekonomiskt utsatta barnfamiljer*. Växjö: Linneuniversitetet.
- Hartmann, L. (Ed.) (2011). *Konkurrensens konsekvenser – Vad händer med svensk välfärd?* Stockholm: SNS.
- Hjort, T. (2012). *Skälig levnadsnivå i Malmö – om handläggning och bedömning av socialbidragsärenden*. Malmö: Malmö Stad.
- Hjort, T., & Panican, A. (2014). Navigating the market of welfare services – The choice of upper secondary school in Sweden. *Nordic Journal of Social Research*, 5, 55–79.
- Hvinden, B., & Johansson, H. (2007). *Citizenship in the Nordic countries. Dynamics of choice, duties and participation in a changing Europe*. London: Routledge.
- Hydén, L.-C., Westermark, P. K., & Stenberg, S.-Å. (1995). *Att besluta om socialbidrag—en studie i 11 kommuner*. Stockholm: Centrum för utvärdering av socialt arbete.
- Isacsson, S.-O. (2012). *The commission for a socially sustainable Malmö – Interim report*. Malmö: Malmö Stad.
- Isacsson, S.-O. (2013). *Malmöns väg mot en hållbar framtid – hälsa, välfärd och rättvisa*. Malmö: Malmö Stad.
- Johansson, H. (2001). *I det sociala medborgarskapets skugga: rätten till socialbidrag under 1980- och 1990-talen*. Lund: Arkiv.

- Johansson, H. (2006). *Svensk aktiveringspolitik och aktivitetsgarantin i Nordisk belysning*. ESS Rapport. 2006: 3 Stockholm: Finansdepartementet.
- Johansson, H., & Johansson, M. (2012). From a 'Liberal' to a 'Social democratic' welfare state: The translation of the English Compact into a Swedish context. *Nonprofit Policy Forum*, 3(2). Doi: [10.1515/2154-3348.1057](https://doi.org/10.1515/2154-3348.1057)
- Johansson, H., Kassman, A., & Scaramuzzino, R. (2011). *Staten och det civila samhällets organisationer i ett föränderligt välfärdssambälle. Perspektiv på en överenskommelse*. Stockholm: Kansliet för överenskommelsen.
- Johansson, H., Arvidsson, M. and Scaramuzzino, R. (2013). *Cooperation between the City of Malmö and Civil Society organizations* (Unpublished manuscript). Lund: School of Social Work, Lund University.
- Kangas, O., & Palme, J. (Eds.) (2005). *Social policy and economic development in the Nordic countries*. Basingstoke: Palgrave Macmillan.
- Kautto, M., Fritzell, J., Hvinden, B., Kvist, J., & Uusitalo, H. (Eds.) (2001). *Nordic welfare states in the European context*. London: Routledge.
- Kazepov, K. (Ed.) (2010). *Rescaling social policies – Towards multilevel governance in Europe*. Farnham: Ashgate.
- Kvist, J. (1999). Welfare reform in the Nordic countries in the 1990s: Using fuzzy set theory to assess conformity to ideal types. *Journal of European Social Policy*, 9(3), 231–252.
- Lødemel, I. (1997). *The welfare paradox: Income maintenance and personal social services in Norway and Britain 1946–1966*. Oslo: Scandinavian University Press.
- Lundin, M. (2012). *Ner och upp – decentralisering och centralisering inom svensk arbetsmarknadspolitik 1995–2010*. Rapport. 2012:1. Uppsala: IFAU.
- Malmö Stad. (2003). *Handlingsplan 'Välfärd för alla – det dubbla åtagandet'*. Malmö: Malmö Stad.
- Malmö Stad. (2013). *Malmö Stad Budget 2013*. Malmö: Malmö Stad.
- Malmö Stad. (2015) *Malmö Stad Budget 2015*. http://redovisningar.malmo.se/budget_2015/assets/BUDGET-2015-SLUTLIG-rapporten.pdf. Date accessed 16 Mar 2015.
- Marx, I., & Nelson, K. (2012). *Minimum income protection in flux*. London: Palgrave Macmillan.
- Minas, R. (2005). Shifting the wheat from the chaff – the organization of telephone intake and the selection of social assistance inquirers in Sweden. *European Journal of Social Work*, 8(2), 145–164.
- Minas, R., Bäckman, O., & Korpi, T. (2014). Rescaling inequality? Welfare reform and local variation in social assistance payments. In K. Farnsworth,

- Z. Irving, & M. Fenger (Eds.), *Social policy review 26: Analysis and debate in social policy*. Bristol: Policy Press.
- Mood, C. (2004). Social influence effects on social assistance Reciprocity. *Acta Sociologica*, 47(3), 235–251.
- National Board of Health and Welfare. (2014). *Ekonomiskt bistånd årsstatistik 2013 – Belopp samt antal biståndsmottagare och antal biståndshushåll*. Stockholm: Socialstyrelsen.
- Norén, L. (2003). *Valfrihet till varje pris*. Göteborg: BAS.
- Panican, A. (Ed.) (2014). *Yrkesutbildning för morgondagens arbetsliv*. Stockholm: Dialogos.
- Panican, A., Johansson, H., Koch, M., & Angelin, A. (2013). *The local arena for combating poverty in Malmö, Sweden*. Oldenburg: University of Oldenburg, Jean Monnet Centre for Europeanisation and Transnational Regulations, Institute for Social Sciences.
- Panican, A., & Ulmestig, R. (2016). Social rights in the shadow of poor relief—social assistance in the universal Swedish welfare state. *Citizenship Studies*. DOI: 10.1080/13621025.2016.1139053.
- Public Employment Services (2015). *Tidigare statistik*. <http://www.arbetsformedlingen.se/Om-oss/Statistik-prognoser/Tidigare-statistik.html> Date accessed 16 March 2015
- Puide, A. (2000). *Socialbidrag i forskning och praktik*. Stockholm: Gothia.
- Salonen, T. (2012). *Befolkningsrörelser, försörjningsvillkor och bostadssegregation – en sociodynamisk analys av Malmö*. Malmö: Malmökommissionen.
- Saraceno, C. (Ed.) (2002). *Social assistance dynamics in Europe. National and local poverty regimes*. Bristol: Policy Press.
- Social Services Act. 2001. *Social Services Act 2001:453*. Sweden.
- Svedberg, L., & Olsson, L.-E. (2010). Civil society and welfare provision in Sweden – Is there such a thing? In A. Evers, & A. Zimmer (Eds.), *Third sector organizations facing turbulent environments: Sports, culture and social services in five European countries*. Baden-Baden: Nomos Verlag.
- Szebehely, M., & Trygdegård, G.-B. (2007). Omsorgstjänster för äldre och funktionshindrade – skilda villkor, skilda trender. *Socialvetenskaplig Tidskrift*, 14(2–3), 197–219.
- Thorén, K. (2012). *Kommunal arbetsmarknadspolitik – en kunskapsöversikt över åtgärder för arbetslösa socialbidragstagare* (Rapporter från riksdagen 2011/12:RFR 14, Arbetsmarknadsutskottet AU, Del 2). Riksdagstryckeriet: Stockholm.

8

Active Inclusion in a Southern European Local Welfare System: Combining Fragmentation and Public–Private Partnership in Turin

Franca Maino

Introduction

Reducing poverty and social exclusion are the main challenges for ensuring social cohesion in Europe. In this respect Italy is emblematic of a southern European welfare model where the lack of a minimum income scheme (MIS) is still one of its main traits, as Ferrera (2005, 2010) has pointed out. Many scholars (Sacchi and Bastagli 2005; Kazepov and Genova 2006; Madama 2013) have also emphasised the absence of any proper anti-poverty strategies and have focused the analysis on the failed attempts to introduce a national MIS over the last two decades. On the contrary, several studies have investigated the existence of several local programmes and measures to fight poverty and social exclusion. Given this scenario and, despite austerity measures and the ongoing lack of resources, social assistance has gained more salience in Italy in recent years and evidence of change is appearing both at national and subnational level. Building on this context, this chapter focuses on the dynamics of local-level policy intervention in the area of anti-poverty policies and active inclusion: local policies that specify the adequacy of minimum income benefits, the provision of employment services, as well as the

organisation of access to social services. To what extent have MIS functioned as a safety net of last resort and in what sense can 'active inclusion' policies provide protection from social exclusion at the local level?

In order to contribute to the debate on social inclusion we have selected the case of a large city in northern Italy, which has been highly challenged by the recent crisis and where poverty and anti-poverty local strategies have been at the centre of the political and social arena, demonstrating how—in a highly fragmented system—public–private partnerships and cooperation may contribute to the response to new social needs. Turin is a large industrial city characterised by a history of long-term unemployment rates, high poverty and social exclusion in a national context and in relation to the 2008 economic and financial crisis. From the 1990s onwards, Turin has undergone a process of renewal and from the mid-2000s has been characterised by social innovation in combating poverty.

The following chapter consists of six sections. The first section provides a description of the socio-economic and political situation. This section offers an overview of the institutional and political context and its main changes over the past two decades, describing also the orientation of the current local government regarding poverty as well as an overview of the local expenditure for social assistance and the local employment and unemployment patterns over the last 10 years. The governance and regulation of MIS will be analysed in the second and third sections, while the fourth will illustrate measures against poverty provided by third-sector organisations. The fifth section examines the local structure of activation policies and two innovative programmes implemented jointly by the local administration and third-sector organisations. In the conclusion, we will discuss the overall model of MIS and active inclusion measures, placed at the crossroads of a fragmented welfare system and of public–private partnerships, involving different stakeholders in providing financial support and delivering services. A list of interviewees can be found at the end of the chapter.

The Socio-Economic and Political Context

Turin is a major Italian city and the capital of the Piedmont region in northern Italy. It has a population of just over 908,000 inhabitants and a fairly high share of migrant population (15.6 %). The city is part of

a regional complex with a fairly high number of local municipalities (a total of 315 municipalities) and with nearly 2.3 million inhabitants. After the Second World War, the city became a major European crossroads for industry, commerce and trade and is still a major industrial centre in Italy, being part of the 'industrial triangle', along with Milan and Genoa. The socio-economic development of Turin is closely linked with the Fiat company: the most important automotive industry in Italy. The company is a symbol of Italy's miraculous economic boom during the post-war period and in especially Turin, which experienced among the highest growth rates of any Italian city. However, when the global oil shock hit the automotive industry in the early 1970s, this also had serious consequences for the city of Turin. During its golden years, Fiat employed approximately 140,000 people, yet at the beginning of the 1990s only 30,000 employees remained (Winkler 2007). During those years, two factors functioned as cushions to take off the edge of the industrial decline. Fiat was permitted to make systematic use of the public Cassa Integrazione Guadagni Straordinaria (Extraordinary Redundancy Fund) that provided generous benefits to dismissed workers, traditionally allocated in emergency situations. Moreover, a long and fairly slow period of restructuring gave local small and medium-sized enterprises time to plan for diversification into new international markets, which they did with impressive efficiency (Winkler 2007).

In the early 1990s, the situation started to change and a strategic recovery process took place, thanks to the approval of a new local electoral law, which introduced directly elected mayors and gave them extensive executive powers and resources. The strengthening of the role of mayors was accompanied by a series of laws on decentralisation, which devolved significant powers to local governments. Prior to this, Italian municipalities had been characterised by a complete lack of financial autonomy and were subjected by central government controls, making them both inefficient and unaccountable to the local electorate. Both reforms greatly contributed to the improvement of the organisational effectiveness of Italian city councils. In fact, the period between 1995 and 2006 is unanimously considered the 'golden age' of Turin (Belligni and Ravazzi 2013). In just over 10 years, the city embarked on a significant transformation of its economy, developing new sectors linked to the knowledge economy and

undertaking a urban regeneration programme based on a modernisation of its infrastructure. The priority was to address the city's fiscal crisis and to reduce debt and attract new funds. Due to the lack of available resources from national government and to the city's budget deficit, the ability to raise funds from non-governmental sources came to be especially important. Compagnia di San Paolo (CdSP) and CRT Foundation—Turin's two most important bank foundations—became major sponsors of the city's recovery effort. This was possible because in 1990 new legislation on bank foundations was approved and the Italian bank foundations were reformed between 1990 and 1998; they became an important actor promoting urban development. The reform of bank foundations also established that foundation funds may only be used for not-for-profit activities. In Turin, bank foundations contribute around EUR 300 million per year, matching combined municipal and regional annual spending on large-scale regeneration projects (Winkler 2007; interviews nos. 1, 5, 7).

The process of renovation that started in the 1990s was also possible thanks to a group of intellectuals who belonged to the reformist wing of the left; since the 1980s, they have developed a collective reflection on the difficulties of the city. They also outlined ideas and an agenda for the modernisation of politics and local economy, leading to a vigorous public debate in the political and business arena. A coalition of centre-left parties, supported by a new alignment of political and social forces governed the city for 20 years under the leadership of three mayors: Castellani, Chiamparino and Fassino. The attempt was to lead Turin 'towards more advanced social and territorial balance, making the city able to compete with other European cities' (interview no. 6; see also interviews nos. 3, 10, own translation).

The 2008 crisis exacerbated difficulties already present and the economic situation has rapidly deteriorated, with grievous consequences for the labour market (Maino and Zamboni 2013). The financial difficulties faced by the city have been even further complicated by the reduction in transfers from national and regional government, for example, national funds for social policies were cut by 86.3 % between 2009 and 2012 (Istat 2013a). In 2010 Turin's debts were estimated at around EUR 3.6 billion (corresponding to EUR 4.023 per capita in real value, the highest level in Italy), mainly due to previous investments in public infrastructure.

This strained economic situation led to a more restrictive fiscal policy and, given the ambition of reducing public debt, the municipal government decided first, to cut general expenditure, through cost reduction of public employees; second, to implement an administrative reorganisation and revision of procurement contracts; third, to increase revenues by the introduction of municipal property tax (IMU) and to raise municipal fees; fourth, to sell off public property and shares of municipal corporations, and, at the same time, to reduce welfare and social services as little as possible, due to their importance for households.

In spite of these actions, the ongoing crisis has accelerated the growth rate of unemployment and the situation is particularly bad for the Turin metropolitan area. The decrease in central state and regional transfers to the municipality of Turin (-33 % in real value) has influenced an overall decrease in social spending between 2008 and 2012 (-16 % in real value) (Turin Department of Social Services Database). Local unemployment levels have recently approached those of many southern Italian industrial districts. In the province of Turin, unemployment is hitting women the hardest (10.8 % in 2012, compared to 8.6 % of the northern regions of Italy and 8 % for the city of Milan) as well as young people (33.9 % in 2012, compared to 26.6 % of northern area of Italy and 28.7 % in Milan). In addition, Turin has one of the highest level of young people not in education, employment and training ('NEETs') (Istat Database). The main intervention adopted to address working-time reduction was a temporary wage replacement called Cassa Integrazione Guadagni (Extraordinary Redundancy Fund), which, even before the start of the crisis in 2008, was much higher than in other provinces. In 1 year (from 2011 to 2012), wage replacement hours per capita in Turin reached the highest value among Italian provinces (on average 340 h per year per worker).

Similar trends are observable regarding poverty levels (cf. Istat Database). In 2012, a total of 677,000 households were living in absolute poverty in the northern Italian regions (estimated at approximately 5.5 % of all households). This amounted to a total of 1.73 million people (or 6.4 % of the resident population). With regard to the region of Piedmont, we find slightly higher levels of poverty as 7.3 % of all households were living in relative poverty in 2012, compared with 5.9 % in 2011. Since

2008 the poverty rate in Piedmont has been consistently higher than other northern regions, such as Lombardy and Emilia Romagna (Istat Database).

Especially after the 2008 economic crisis, Turin started to develop many projects, aiming at improving quality of life for its citizens and dealing with housing, education of children, care of the elderly, integration of first- and second-generation non-EU immigrants and providing training-linked employment prospects, as we will illustrate in the following paragraphs. The needs of families and the new poor are being addressed as a priority. Turin—and its local politicians and administrative staff, together with third-sector organisations—has invested extensive political effort in combating poverty, social exclusion and inequality. The city has been very active in running projects and programmes aiming to counterbalance social problems. What is characteristic of local government institutions in Turin is their willingness to negotiate solutions directly with all other public and private actors already active around specific issues. The city has also promoted a new local approach in its integration policies, by activating, coordinating and supporting specific initiatives in various neighbourhoods through the empowerment of people and associations. As pointed out by the Turin Deputy Mayor: ‘the main characteristic of the work carried out by Turin is the close connection between urban renovation and integration’ (interview no. 4; see also interviews nos. 1, 7, 8).

Local Fragmentation and Minimum Income Schemes

Italy has a three-tiered structure of government: state, regions and municipalities. The municipal tier is made up of a fragmented universe of over 8000 municipalities, including about one hundred larger cities that also act as principal towns of the province. Municipalities play a crucial role in the provision of a number of public services such as social assistance, local police, street cleaning and maintenance, public transportation systems, water services, waste management and environmental protection.

Municipal services were traditionally funded via central government lump-sum grants. In the mid-1990s, two important reforms (direct election of mayor in a plurality vote system, see Law 81/1993 and the introduction of a municipal tax on residential and business property) gave local municipalities a stronger mandate and resources to act. These reforms were combined with a series of laws on decentralisation, primarily the 1990 Municipal Authority Act and the 1997 Bassanini Laws, which devolved significant powers to local governments. These reforms have been very important for fostering the devolution process and today Italy could be viewed as strongly decentralised, due to the many responsibilities given to the local governments and to their high political autonomy. Nevertheless the state maintains a central role because of its control over a wide part of resources and its legal power. Prior to these changes, Italian municipalities had been characterised by a complete lack of financial autonomy and had been subjected to central government controls, making them both inefficient and unaccountable to the electorate.

Policies targeted at people in a situation of economic and social need are primarily the responsibility of regional and local authorities in the Italian welfare state. The organisation of minimum income support in Italy is characterised by the lack of a framework law at national level. This left regions and municipalities in a legislative vacuum for more than 20 years and the absence of a binding national framework regulating social assistance has allowed wide institutional fragmentation as well as variation at local level (Madama et al. 2013, 2014). Moreover, regional and municipal social assistance contributions and services tended in fact to be discretionary, uncertain in their delivery and heavily 'nationalised' by budgetary constraints (Negri and Saraceno 1996; Fargion 1997). In this respect, it is worth noting that the payment of benefit depended (and still depends) on the availability of financial resources within local budgets. It is therefore possible that if the need for financial support is higher due to a particularly negative economic cycle, municipalities could have no resources to finance any interventions.

The revision of the Italian Constitution in 2001 entailed a new role for municipalities, which became, according to the principle of subsidiar-

ity, the main actors of social policies within a context in which regions have gained legislative power (and in some areas also exclusive competence) over most policy areas (e.g. health, education and means-tested income maintenance, social assistance). Moreover, a national framework law on social assistance and social services was approved only in 2000 (Law 328) and through the new framework law, the state now has the responsibility for defining 'essential levels of provision' and for structuring social policies by providing guidelines to regions and municipalities. The involvement of civil society and third-sector organisations also represents one of the main innovative aspects of Law 328 of 2000. Despite these legal changes, the provision of benefits to combat poverty are still very fragmented throughout Italy; this is illustrated in Table 8.1, which demonstrates the different schemes and benefits in practice in the city of Turin. In fact, there is a plurality of entities and institutions involved in social assistance policies and anti-poverty measures, which complicates access for citizens. Moreover, there is the issue of coordination between the different levels of government and the coordination mechanism is very complex and can lead to delays and slowdowns in terms of provision of monetary benefits and services.

The first category of benefits analysed in the table includes national and regional measures against poverty implemented at local level, such as family policies and housing policies. The second category of economic assistance measures are locally designed and implemented by the administration of Turin. The third category includes different residual measures, such as fee reductions for public services and local tax reductions (e.g. municipal property tax, municipal income tax). These could include a bonus for electricity, gas and water payments. Households in difficult economic situations may also apply to the Turin tax office for a fee reduction for waste disposal services.

The table reveals a complex and fragmented system of minimum income support at local level, for example, regarding the policy area, requirements criteria, financing conditions and institutional levels involved (Maino and Zamboni 2013). If we pay greater attention to the second category of measures, their aim is to ensure a minimum income for households and promote people's social and economic autonomy through coordination with active labour market policies. These are

designed and implemented at local level and financed by municipal funds. In 2012 the municipality spent around EUR 5.8 million on these schemes, at a growth rate of 15 % over the previous year. Minimum Income (Reddito di mantenimento) for people not able to work is the most important scheme for economic assistance provided by the Turin Department Social Services Database, which distributed about EUR 2.1 million to 1214 persons in 2012, an increase of 12 % compared to 2008. This aims to ensure a standard of adequate living for people not able to work, who are over 65 or under 18, are sick or infirm, are disabled persons or pregnant.

The second most important scheme is Social Insertion Income (Reddito di inserimento sociale) for people able to work, which distributed EUR 1.75 million to 1934 persons in 2012, the highest increase since 2008 (52 %). This aims to facilitate social inclusion and aid people able to work in finding employment, thus helping them to achieve economic independence. People who are able to work and whose family income is lower than that of Social Insertion Income are eligible for apply it; this amount equals the difference between the theoretical amount calculated for each member and the income earned by the household. In order to encourage household activation, the monthly labour income earned while receiving Social Insertion Income is calculated at 70 % during the first 6 months and 85 % during the next six. In addition, monetary incentives linked to job placement projects—activated with public resources by public or private organisations to benefit vulnerable groups and the long-term employed—are excluded from the calculation of the economic measure, as well as any monetary incentives up to EUR 200 per month received during training and job orientation projects that are promoted by public institutions and run by private companies.

Both Italian citizens and foreigners resident in Turin who have a very low income can apply to both schemes. All measures are paid to the family if its total revenues (also including donations, income from temporary jobs and subsidies granted by the state or other public bodies) received at the time of application and during the period of payment of grant are below a certain amount. The maximum duration is 12 months for Minimum Income and 6 months for Social Insertion

Table 8.1 Division of responsibility between levels of government on measures to fight poverty in Turin

Type of measures	Scheme/ programmes	Determination of access criteria	Responsible of financing	Amount definition	Where to apply	Responsible for control of requirements for payment
National and regional measures against poverty implemented at local level	Maternity allowance/family allowance for at least three minor children	National law	National law	National law	Tax Advice Centre (CAF)	Tax Advice Centre (CAF) National Security for Social Security (INPS)
	Economic contribution for at least four children	Regional decre	National law and regional decre	Regional decre	Municipality	Municipality
	New Social Card	National law	National law	National law	Municipality	Municipality
	Fund for rent support	National law and regional decre	National law and Regional decre	Regional decre	Municipality	Municipality
Economic assistance designed and implemented by city of Turin	Regional social fund	Regional decre	National law and regional decre	National law and regional decre	Territorial Agency for the House (ATC)	Territorial Agency for the House (ATC) National law and municipality
	Reddito di mantenimento	Municipality	Municipality	Municipality	Municipality	Municipality
	Reddito di inserimento sociale	Municipality	Municipality	Municipality	Municipality	Municipality
	Economic grants for housing Economic grants for specific needs	Municipality	Municipality	Municipality	Municipality	Municipality

Fee and tax reductions	Bonus for electricity/ bonus for gas	National law	Regulatory authority	Regulatory authority	Tax Advice Centre (CAF)	Tax Advice Centre (CAF)	Energy/gas company
	Bonus for water	Regulatory authority	Regulatory authority	Regulatory authority	Water supplier	Water supplier	Water supplier
	Fee reduction for local waste service—TARSU	Municipality	Municipality	Municipality	Municipality	Municipality	Municipality (waste company in the case of TARSU)
	Tax refund for municipal property tax—IMU						
	Municipal income tax exemption—IRPEF						

Source: Author elaboration

Income. In the case of renewal, social services must check the recipient's access requirements for benefits again. Municipal economic assistance is intended to integrate any measures for combating poverty provided by other public entities.

In general we can sum up the main characteristics of the economic assistance schemes in Turin as follows. Nearly half of the measures are configured as discretionary schemes offered by the local administration, and therefore may be subjected to reductions due to budget constraints. The majority of measures are targeted at residents belonging to a certain category, while others are more universal benefits provided for all. Means-testing is used in all schemes to determine whether households are eligible for economic assistance or not. Local MIS in Turin opted for more demanding means-testing, which takes all household revenues and car ownership at the moment of application into consideration; this is also ascertained via home visits. In addition Social Insertion Income is distinguished by favourable calculations for income earned during the period of economic assistance to avoid the poverty trap and to encourage recipients to find work. In general the financial threshold applied to financial assistance schemes is extremely heterogeneous, making the overall system quite complex, and also complicating access for recipients. Social Insertion Income and the New Social Card (NSC) are the only conditional schemes that depend upon beneficiary activation (e.g. looking for a job, attending training courses or individual projects that have been developed by the social services on the basis of the specific needs of the beneficiary). Access is also complicated by the fact that applicants must send their requests to different public offices; households must be competent and informed about what they can ask for and where, yet poor and disadvantaged people do not always have access to these skills.

Figures 8.1 and 8.2 show the development of these local schemes and the number of people in receipt of local MIS provided by the city of Turin. Reflecting the localised nature of minimum income provision in the Italian welfare state, there are no comparable data available for other cities. This is due to the fact that each city has its own set of local minimum income measures and these are decided at local level in connection with the resources available and the anti-poverty policies implemented at municipal level. Therefore, it is not possible to say where Turin should be

placed within the national context since this is beyond the scope of this analysis, which focuses on a single case study. However, it is likely that Turin has a higher number of recipients compared to other cities, since it has a higher level of welfare expenditure and a broad range of MIS (Maino and Zamboni 2013; RGR 2014).

The low percentage of the population on minimum income support in Turin (only 0.34 % as shown in Fig. 8.2) and the low number of people receiving local financial support (Fig. 8.1) is due to the fact that the city of Turin provides MIS that are a safety net of last resort and also that the city has introduced very tight access criteria for receiving local minimum income benefits. In fact, citizens excluded from public MIS generally turn to the network of third-sector organisations (e.g. Ufficio Pio, and charities as Caritas and the Saint Vincent Association).

The economic crisis that started in 2008 resulted in an overall increase in the number of recipients of financial assistance and welfare costs grew by over 20 % between 2009 and 2012. However, it is necessary to take into consideration the fact that access criteria are very strict in Turin, which partly explains the relative low number of recipients. Due to the reduction of regional and state funding (decreased by 27 % in real value from 2008 to 2012), the Turin City Council approved new legislation in 2012 to increase the minimum age for application for Minimum Income

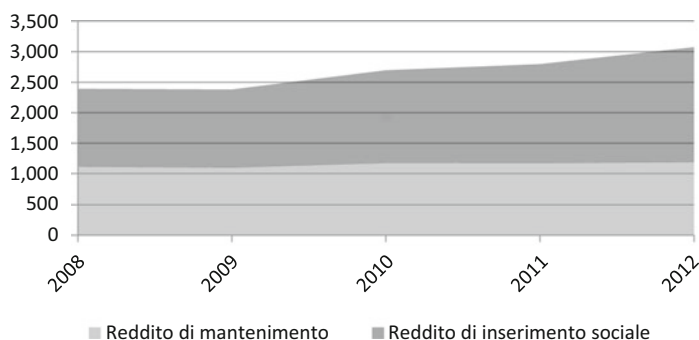


Fig. 8.1 Number of persons receiving local minimum income from the city of Turin (Source: City of Turin, Department of Social Services Database Note that the figure only includes Minimum Income (Reddito di mantenimento) and Social Insertion Income (Reddito di inserimento sociale))

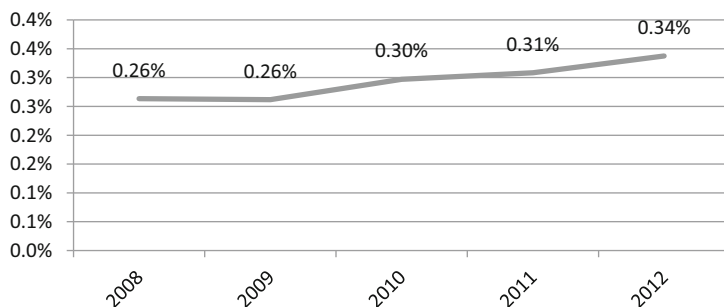


Fig. 8.2 Percentage of persons on local minimum income as part of the local population in the city of Turin
(Source: City of Turin, Department of Social Services Database Note that the figure only includes Minimum Income (Reddito di mantenimento) and Social Insertion Income (Reddito di inserimento sociale))

from 60 to 65 to limit financial assistance for people able to work and to reduce automatic updates of financial assistance amounts according to availability of financial resources. Given that access criteria for public economic assistance have become even more restrictive, when an household does not receive support from the municipality it may apply to third-sector organisations, which generally operate with more flexible intervention styles.

National Interventions into Local Provision: The New Social Card

One of the most significant changes in the regulation and provision of minimum income support in the context of Italy is the introduction of the NSC, which introduced innovations in fighting poverty at local level (Madama et al. 2013). The NSC was introduced in 2012 as an experimental national programme for households experiencing financial hardship economic conditions. It covers 12 cities with more than 250,000 inhabitants, Turin being one of the selected municipalities. Local policy-makers have welcomed the NSC, mainly for two reasons: 'it integrates existing policies against poverty with more financial resources; it promotes an

active involvement of municipalities and third-sector organisations in selecting recipients and developing individual activation projects' [interview no. 4; see also interviews nos. 2, 7].

National funding is allocated locally according to absolute poverty indicators measured by Istat, the National Institute of Statistics, which amounts to approximately EUR 3.8 million for Turin (almost as much as the city spends on local schemes). Basic requirements for the NSC are established by the Ministry of Labour and Social Policy. The NSC consists of a pre-paid electronic card, whose monthly amount depends on the number of household members (from EUR 231 for a family of two people up to EUR 404 for a family of five or more). The amount paid by the NSC is considered equivalent to income: therefore if a household is eligible also for any other financial assistance schemes, it will receive only the amount required to reach the income threshold set by the municipality.

Municipalities are responsible for collecting applications, checking priority conditions and selecting recipients; payment is made by a national agency (INPS, the National Institute of Social Security). Recent data from December 2014 shows that there have been 3000 applications for assistance and 1955 of these were considered eligible by the local authorities (Agostini 2015). Moreover, as the Deputy Mayor and Councillor for Social Assistance stated, 'the city of Turin launched a public call for application in order to allow the widest participation of recipients and decided to involve third-sector organisations in all the implementation phases, inviting them to participate in the Board on Poverty Coordination, inaugurated in 2011' (interview no. 4). The Board on Poverty Coordination has proved to be very relevant. It originated in a conference on local welfare promoted and organised by the city of Turin in 2011, in which a public discussion between public and non-profit organisations was facilitated in order to promote much more active coordination in anti-poverty interventions and measures. A 'strategic rethink' of welfare, based on the idea of sharing values and experiences between all the different local stakeholders emerged from the conference.

The municipality has provided half of households included in the programme with an individual, customised project for re-employment and active inclusion while the other half received 'only' the economic benefit. These projects were designed by social and labour services in partnership

with third-sector organisations. They also imply monitoring and providing active involvement for all household members in the following activities: frequent contacts and meetings with social project managers, active job searches, training courses, attendance and commitment to school for children, actions towards maintaining proper living conditions at home. Failure to adhere to these activation projects, or conduct that is incompatible with their goals, will lead to exclusion from the financial assistance offered by the municipality. We can say that the consequence has been an 'efficient' non take-up and a strong investment on monitoring.

In Turin almost all of the funds devoted to the NSC have been used so far. Its success is linked to the presence of a well-established network. From the very beginning of the process, this network was involved in the planning and implementation of interventions to combat poverty. The presence of this network was also fundamental during application collection. The work done in this phase by local actors enabled the inclusion of families who were not already social welfare beneficiaries. Furthermore, the role of the network has been crucial in the programming of the customised projects, which requires cooperation between local actors. In this framework, the experimentation of the NSC provided two more opportunities: the strengthening of the existing public–private network for combating poverty and reaching new target users.

Support and Services Provided by Third-Sector Organisations

As in many Italian cities, local third-sector organisations play an important role in the city of Turin, both by establishing forms of cooperation with public authorities and institutions and by providing interventions and services in an autonomous way.

The bank foundation CdSP and its instrumental body Ufficio Pio are some of the main protagonists in the area of welfare, funding and implementing programmes for combating poverty and preventing social exclusion. From the beginning of the 2000s, the profound transformation of the social and economic context and, above all, the progressive decrease in resources over the last few years, has modified the role of the CdSP

within the local welfare system, opening up possibilities for establishing new ways and tools of dealing with public institutions and other third-sector organisations (such as Caritas and the Saint Vincent Association). From its role as a foundation that allocates funds, the CdSP has gradually taken on a more dynamic role, collaborating more with public institutions and, in many cases, taking on an operative function. The CdSP has increasingly sought to support and create opportunities for improvement for people and families in need via various local projects. Many projects are experimental and have been set within the framework of a formal agreement between the city of Turin, CdSP and Ufficio Pio, which delineates the development of actions for the benefit of people in conditions of social vulnerability, aiming to bring them back to social, economic and work autonomy, and to support the development of programmes in the fields of social policy, education, urban regeneration, the creation of shared spaces and work integration. In addition, this agreement encourages the different departments to work together in order to reach greater coordination with regard to the priorities for action.

A second element that has played a significant role is the Joint Board on Poverty Coordination, which has been strongly supported by the municipality of Turin and Ufficio Pio, where local institutions and non-profit organisations can cooperate and work with people at risk of poverty. The Joint Board was established in 2011 in order to share information, coordinate public and private actions, avoid duplication of benefits and the double provision of the same benefit and identify innovative solutions. It provides 'a privileged context in which public and private actors can better understand how to help those in need by joining forces, competencies and funds' [interview no. 4]. Social needs are analysed during regular meetings where actors have the opportunity to get a clearer idea about existing problems and to implement the most appropriate actions. The results of this collaboration are evident both from a management point of view and in terms of concrete actions experienced on the ground, such as sharing a catalogue of measures against poverty, identification of vulnerable recipients for the new regional social fund and actual implementation of the New Social Card.

Two initiatives of Ufficio Pio deserve our attention: the Welcome Orientation Support (Accoglienza Orientamento Sostegno, AOS) project

and the Il Trapezio project. The overall scope of AOS is to support people and families who are in serious financial difficulties—about 3600 in 2012—via financial contributions and/or other forms of aid and assistance, aiming to enable people to express their own needs. Moreover, the AOS project is designed as the node of the network system of integrated social services in the city of Turin. With regard to Il Trapezio, the director of Ufficio Pio stated ‘Il Trapezio is a project that started in 2008 and after 3 years as a pilot initiative was then refunded and approved as one of the most relevant projects implemented by Ufficio Pio, becoming a keystone among the welfare area programmes. This project has developed innovative solutions, thanks to the involvement of a network of partners’ (interview no. 5). The target of the project is precisely ‘vulnerable’ people who are in a critical situation due to a destabilising event, increasingly this has been caused by the recent severe financial crisis. These are people who still have human and professional resources but who need financial support to recover.

The CdSP directs consistent and significant focus on social interventions. This is evident from the progressive increase in the budget awarded to social policies in relation to the total resources employed in institutional activities. Moreover in order to promote a new type of welfare approach, CdSP has developed social innovation projects during the last 10 years that provide appropriate responses to specific needs and promote collaboration and partnership between public and private stakeholders. Thanks to this ‘cooperative approach on several occasions it has been possible to overcome some of the rigidity typical of public bodies and institutions, allowing solutions to emerge’ [interview no. 9]. CdSP has played a dynamic and crucial role and possesses a range of knowledge, relationships and resources without which it would be difficult to conceive of an articulated system like that described here for Turin.

Active Inclusion Measures for Combating Poverty

A major disparity between employment policies and social services characterises the Italian welfare system. While social services are mostly regulated and provided at regional and local level, employment policies are

regulated at national level and unemployment protection is based mostly on compensatory benefits and is delivered via a complex and fragmented system. The general contribution-based scheme covers less than 10 % of the unemployed. Recently (December 2014) it was replaced by a new universal unemployment social benefit scheme (NASpI, Nuova Assicurazione Sociale per l'Impiego) for those who have involuntarily lost their job.

From 1997 to 2003, a decentralisation process increased the role of regional employment agencies and was accompanied by targeted activation programmes, which tried to overcome the passive labour market policies in Italy (Graziano 2012). Most of the activation measures were funded by the European Social Fund (ESF) and were implemented at regional level. Given the lack of an adequate national framework, this led to huge regional disparities and to a long delay in the diffusion and implementation of activation measures in the field of social policy.

Within this general context it is possible to identify activation programmes that originated in the local welfare system; for the sake of illustration, we have selected two of these, in which, in addition to the local public administration, other stakeholders are very much involved and committed to funding and delivering new services.

'Mutual solidarity and accessory work', introduced in 2010, can be considered an example of a positive public-private partnership as it can count on the effective collaboration of the city of Turin via the Department of Labour policies, the INPS Piedmont Regional Office and CdSP, which provided significant funding. The aim of the project is to involve citizens affected by the crisis in paid activities promoted by non-profit organisations working in the area of 'care of the community', through the use of vouchers (with a nominal value of EUR 10) for the so called "ancillary work", an activity which is not ascribable to work contracts as it is carried out sporadically. This has the goal of subsidising the income of households in difficulty, reinforcing a sense of belonging to the local community and making labour resources available in order to provide further services to the community. Recipients can receive up to EUR 3000 after tax each year. This is not counted in the calculation of income (for personal income tax and the Equivalent Financial Position Indicator [Indicatore della situazione economica equivalente, ISEE]), allowing recipients to continue receiving unemployment benefits and redundancy pay.

The programme was introduced in the city of Turin and then extended in the municipalities of the province that have a population of over 20,000 inhabitants. It is funded by CdSP, from which the city receives an average of EUR 1.4 million each year. This measure is also supported by Caritas and other Catholic associations and the local church. The Saint Vincent Association has also begun to use vouchers in addition to monetary aid and food for needy people. The vouchers are not just monetary transfer; they promote the activation and social inclusion of the recipients. Thus this programme makes a step away from providing exclusively 'passive' measures of social assistance, a characteristic of the Italian welfare system in which beneficiaries stand very few chances to exit poverty and social exclusion because of the lack of 'activation' policies.

'Occupational Mobility Training' is a programme aimed at providing support, training, and job replacement for workers in difficulty and also organises training programmes and the activation of internships in companies. People looking for work in the Equivalent Financial Position Indicator income range of no higher than EUR 25,000 are the target audience. The unemployed persons must be registered in the lists of available workers at the Employment Centre. The project has the following objectives: to improve the coordination of labour demand and supply, to create a community of companies interested in meeting their needs for training and job placements and to demonstrate the added value that comes from establishing networks based on the principle of subsidiarity. The programme has been active since September 2010 and interventions have been carried out in the province of Turin. It was promoted by CdSP and run in partnership with Compagnia delle Opere del Piemonte, Fondazione Don Mario Operti and Ufficio Pio. Between 2010 and 2013, over 2000 businesses were contacted and more than 400 have been involved in the project.

Concerning activation measures, we note that private, non-profit organisations as well as public institutions work together and are very much involved. CdSP is especially committed to fostering social innovation projects and programmes by integrating actions that respond more effectively to people's needs and also to activation. A multitude of public and private stakeholders have participated in the programmes, all of them providing knowledge, experience, professionalism and human and finan-

cial resources [interview no. 9]. Moreover, CdSP not only takes on the role of funder, it also promotes, coordinates and facilitates connections between different stakeholders, making innovative experimental projects and measures possible.

Discussion and Conclusion

Today the conditions under which municipalities and local authorities find themselves—due to the economic crisis, which is turning into a phase of austerity—are serious and definitely not encouraging. The protection of new needs remains, too often, a request that is ignored by institutions. Cuts in funding, and the parallel increase in requests for assistance from citizens, could be the final blow to the entire local social system. The difficulty of programming social interventions and measures, due to both economic and political uncertainty, may compromise innovation processes for which stability and ability are crucial elements. However, in such a scenario, rather than retreat, many municipalities have embarked on the path of renewal and regeneration and Turin is one of these. This implies interventions that focus primarily on social protection due to the new forms of poverty in an attempt to maintain social equilibrium and a high level of welfare, as well as collaboration with all actors. The ‘solution’ for the local welfare system seems to be the creation of a welfare system incorporating social policies that is able to exploit public resources—with more efficient use of these—as well as private ones, while being aware of the fact that most of the resources available are no longer managed by the city directly, but instead are fragmented, heterogeneous and involve private third-sector organisations and citizens. Foundations, with their own resources, internal planning and strong local roots, are increasingly taking a leadership role in social innovation, as we have seen with reference to CdSP and its instrumental body, Ufficio Pio. A welfare mix where the local authority does not disappear but changes from being a producer of services to the promoter of a network able to retain the social rights of citizens, as well as maintaining the function of strategic planning, contrasting the widespread feeling of uncertainty through the direct involvement of all community actors in the provision of welfare. In many cases,

these are experiments or pilot projects and thus it is difficult to say how effective they are and if they can be institutionalised into a new mode of governance. However the mere fact that attempts at innovation are being made had a huge significance in a system—such as the Italian one—that remained the same for decades, unable to change.

This chapter demonstrates that, despite the fact that Italy is still characterised by the absence of a national MIS as a universal safety net, at local level, several financial assistance programmes exist, even if in a fragmented way. The analysis points out that some of these take the form of national/regional measures, implemented at local level, which are configured as an unconditional right, while others are discretionary measures designed and funded with a higher degree of freedom at local level. The main features of the local welfare system can be summarised in Table 8.2 and with relation to main concluding remarks.

Concerning the capacity of local governance in the area of MIS, financial assistance schemes in Turin are well developed and more generous, compared with other large Italian cities. A robust public intervention of minimum income protection is the distinguishing trait of Turin, which contrasts with the Italian case, characterised by the absence of a national MIS as well as by a less robust protection system at local level. As we have demonstrated, the amount provided by the two MIS is not negligible and financial assistance expenditure, in spite of the crisis, has increased in recent years. The overall policy sector has also experienced some innovation: some social programmes have been reformed (e.g. the fund for rent support, Minimum Income and Social Insertion Income) and others were introduced very recently such as the New Social Card.

These elements also provide evidence of the great import of poverty in the political agenda, especially after the recent crisis, and of the extensive political efforts at combating poverty exhibited by the local government and the city council. The public commitment of the Turin administration in terms of measures and benefits to combat poverty has grown in terms of the innovation of the initiatives supported, as well as in terms of spending on financial assistance (despite the difficult financial situation of the last 5 years, Turin has increased its effort towards welfare policies, contrary to the previous period, from the end of the 1990s and mid-2000s). This was partly due to a long lasting and strong tradition

of centre-left parties dominating the city, especially from 1993 onwards when local electoral reform was passed and to the role played by the three centre-left mayors (Castellani, Chiamparino and Fassino) from 1993 up to now; they tell us a story of continuity in policy-making and in the implementation of anti-poverty policies.

Besides this robust public intervention, Turin is also characterised by a peculiar welfare mix that sees the involvement of different and numerous

Table 8.2 Comparative dimensions of the local welfare system in Turin

Key aspects	Local features
Capacity of local governance in the areas of minimum income schemes	Robust public intervention Financial assistance schemes well developed and quite generous Consistent capacity of local governance in running programmes aiming to prevent social exclusion
Status of the poverty issue in local policies	High on political agenda, especially after the 2008 crisis Extensive political effort in combating poverty
Structure and function of the local minimum income scheme	Absence of a national minimum income scheme Problem of coordination between the different levels of government Mix of national, regional and local schemes/programmes that led to a highly fragmented system
Coordination between minimum income scheme and other services	Increasing coordination between minimum income scheme and other active inclusion measures
Main role(s) for local third-sector organisations in local strategies against poverty and social exclusion	Strong involvement in funding and delivering social services Third-sector organisations serving as a complement to public intervention
Participatory governance arrangements with local third-sector organisations	Presence of many formal and informal networks
Partnership governance arrangements with local third-sector organisations	Wide consensus on the relevance of poverty related issues Increasing multi-stakeholder cooperation Recent consolidation of tools and momentum of coordination

Source: Author elaboration

stakeholders as well as the recent consolidation of the tools and momentum of coordination among public institutions and non-profit organisations and social actors. In fact, from this analysis, a characteristic trait of social policy in Turin is the strong collaboration and connection between local actors such as public institutions, private actors and non-profit organisations (especially bank foundations).

Bank foundations can be considered, in times of ‘permanent austerity’, as a ‘second welfare’ pillar (Ferrera and Maino 2014; Maino 2013), and co-producers (Ostrom 1996) of social policies and services (Vaillancourt 2009). In assessing how the municipality bank foundations supply integration, the three models of government–non-profit organisation relations proposed by Young (2000) are essential: the supplementary, the complementary and the adversarial models. In the supplementary model, non-profit organisations fulfil the demand for public goods that the government does not supply; private supply is additional to the public, and the government and non-profit organisations operate separately. This model is rooted in the role of the non-profit sector with respect to the failure of government to provide services. In the complementary model, non-profit organisations and government are engaged in a ‘contract relationship’ (Salamon 2005), and the former help to carry out the provision of public services, largely financed by the government itself. In the adversarial model, non-profits and government influence each other’s behaviour: non-profit organisations exert their advocacy role by prodding the government to make changes in public policy, while the government attempts to regulate non-profit organisations.

Turin exhibits the traits of the complementary model as is clearly exemplified by the role played by the bank foundation, CdSP and its instrumental body, Ufficio Pio. Coordination strategy between CdSP and Ufficio Pio in order to combat poverty is based on a division of roles and responsibilities. While initiatives in direct support of individuals and families—even in the form of complex and manifold projects—are assigned to latter, the relationship between the bank foundation and the end recipients is mediated by third-sector organisations and institutions, thus resulting in ‘grant-making activities’ and the coordination of social innovation projects promoted directly by CdSP.

The latest strategies adopted by CdSP are in fact very much oriented towards combating social vulnerability and the risk of impoverishment via preventive actions to avoid the social and financial costs poverty entails. To counter the phenomenon of social fragility, CdSP has especially focused on two interrelated issues—work and home—which are the two key levers for initiating the process of personal autonomy. As we have seen in the previous paragraphs, these initiatives include, on the one hand, actions to combat the unemployment crisis through supporting the income of workers in difficulty (Mutual Solidarity and Accessory Work) and, on the other, actions of active labour market policy (Occupational Mobility Training). On top of these, the housing programme seeks to provide innovative solutions to the needs of the many living in a temporary situation of social and financial vulnerability.

The cooperation between Turin City Council, CdSP and Ufficio Pio for the development and qualification of welfare actions is formalised through an agreement, by virtue of which the three institutions work together to support the development of programmes in the fields of social inclusion. Furthermore the constitution of the Joint Board on Poverty Coordination must be considered, as this is where local institutions and several non-profit organisations cooperate and deal with people at risk of poverty. Both instruments can be considered part of a success story and an example of how social innovation is a matter of joining forces, competencies and funds and also of public–private forms of strong collaboration and partnership that lead to a more participatory kind of governance. The results of this collaboration are evident both from a management point of view and in terms of concrete actions, such as the sharing of a catalogue of measures against poverty, the identification of vulnerable recipients and the implementation of the different measures to prevent social exclusion. Of course, attached to this local activism there is also the risk that the proliferation of initiatives scattered in different territories and initiated by a plurality of diverse actors can give rise to an incomplete and messy configuration, unable to foster, enhance and bring about the necessary complementarities and synergies between social protection sphere. For this reason it should be very important to invest time and resources on monitoring and policy evaluation and on this respect bank foundations should be more proactive and committed.

Coming to a final conclusion, although the local welfare system in Turin is characterised by quite a long tradition of cooperation between public and non-public organisations, the crisis and the following phase of austerity provide the backdrop of the implementation of social innovation measures and of new initiatives to combat social exclusion. The efforts Turin puts in promoting active inclusion for vulnerable people seems very consistent and of a great relevance not only for the city itself but also in comparison to other Italian cities and provinces. Although the results cannot be generalised, they do illustrate how the local welfare system is changing and moving towards a process of renewal, where protection against social risks cannot be left entirely to the public sector and where it is necessary to expand social protection alongside the public welfare to create a new welfare mix based on strong partnerships between public and non-public actors and institutions, and of the empowerment of recipients in anti-poverty programmes.

References

- Agostini, C. (2015). Sperimentazione Nuova Carta Acquisti: il caso di Torino. *Percorsi di secondo welfare*, <http://www.secondowelfare.it/enti-locali/la-sperimentazione-della-nuova-carta-acquisti-il-caso-di-torino.html>. Accessed 2 Feb 2015.
- Belligni, S., & Ravazzi, S. (2013). *La politica e la città. Regime urbano e classe dirigente a Torino*. Bologna: Il Mulino.
- Fargion, V. (1997). *Geografia della cittadinanza sociale in Italia*. Bologna: Il Mulino.
- Ferrera, M. (2005). *Welfare state reform in Southern Europe: Fighting poverty and social exclusion in Italy, Spain, Portugal and Greece*. London: Routledge.
- Ferrera, M. (2010). The South European countries. In F. G. Castles, S. Leibfried, J. Lewis, H. Obinger, & C. Pierson (Eds.), *The Oxford handbook of the welfare state* (pp. 616–629). Oxford: Oxford University Press.
- Ferrera, M., & Maino, F. (2014). *Social innovation beyond the state. Italy's second welfare in a European perspective*. 2WEL Working Paper, No. 2/2014. <http://secondowelfare.it/working-paper/social-innovation-beyond-the-state-italys-secondo-welfare-in-a-european-perspective.html>. Accessed 2 Feb 2015.

- Graziano, P. R. (2012). Converging worlds of activation? Activation policies and governance in Europe and the role of the EU. *International Journal of Sociology and Social Policy*, 32, 312–326.
- Istat. (2013a). *Gli interventi e i servizi sociali dei comuni singoli e associate*. Roma: Istat.
- Kazepov, Y., & Genova, A. (2006). From government fragmentation to local governance: Welfare reforms and lost opportunities in Italy. In P. Henman & M. Fenner (Eds.), *Administering welfare reform: International transformations in welfare governance* (pp. 233–255). Bristol: Policy Press.
- Madama, I. (2013). Beyond continuity? Italian social assistance policies between institutional opportunities and agency. *International Journal of Social Welfare*, 20(4), 58–68.
- Madama, I., Natili, M., & Jessoula, M. (2013). *National report: Italy*. Work Package 5. Combating Poverty in Europe (COPE).
- Madama, I., Natili, M., & Jessoula, M. (2014). *Minimum income: The Italian trajectory. One, no one and one hundred thousand minimum income schemes*. LPF Working Paper, No. 1/2014. http://www.centroeinaudi.it/images/abook_file/WP-LPF_1_2014_Madama-Jessoula-Natili.pdf. Accessed 10 June 2015.
- Maino, F. (2013). Tra nuovi bisogni e vincoli di bilancio: Protagonisti, risorse, innovazione sociale. In F. Maino & M. Ferrera (Eds.), *Primo rapporto sul secondo welfare in Italia 2013* (pp. 17–46). Torino: Centro di Ricerca e Documentazione Luigi Einaudi.
- Maino, F., & Zamboni, M. (2013). *Local report: The case of Turin, Italy*. Final report of work package 6—The Local Arena for Combating Poverty (COPE). http://cope-research.eu/?page_id=377. Accessed 10 June 2015.
- Negri, N., & Saraceno, C. (1996). *Le politiche contro la povertà in Italia*. Bologna: Il Mulino.
- Ostrom, E. (1996). Crossing the great divide: Coproduction, synergy and development. *World Development*, 24(6), 1073–1087.
- RGR. (2014). *Semi di fiducia 2014. Quindicesimo rapporto Giorgio Rota su Torino*. Torino: Centro Einaudi.
- Sacchi, S., & Bastagli, F. (2005). Striving uphill but stopping halfway. In M. Ferrera (Ed.), *Welfare state reform in Southern Europe: Fighting poverty and social exclusion in Italy, Spain, Portugal and Greece*. London: Routledge.
- Salamon, L. M. (2005). *Partners in public services*. Baltimore: Johns Hopkins University Press.

- Vaillancourt, Y. (2009). Social economy in the co-construction of public policy. *Annals of Public and Cooperative Economics*, 80(2), 275–313.
- Winkler, A. (2007). *Torino. City report*. CASE Report 41. London: Centre for Analysis of Social Exclusion.
- Young, D. R. (2000). Alternative models of government-nonprofit sector relations: Theoretical and international perspectives. *Nonprofit and Voluntary Sector Quarterly*, 29(1), 149–172.

Interviewee List^a

	Position	Date
1	Manager, Department of labour, City of Turin	15 May 2013
2	Manager, Department of social services, City of Turin	29 May 2013
3	Former manager, Department of social services, City of Turin	7 June 2013
4	Deputy mayor and Councillor for social assistance, City of Turin	17 July 2013
5	Director Ufficio Pio, Compagnia di San Paolo Head of Department of social services, Ufficio Pio Referent for Housing Projects (Social Vulnerability Area), Ufficio Pio	17 July 2013
6	Former secretary of CISL Trade Union, Turin	18 July 2013
7	President of the Council committee for social assistance (Democratic Party, centre-left)	21 July 2013
8	Deputy president of the Council committee for social assistance (Northern League, centre-right)	21 July 2013
9	Social Policy Area, Compagnia di San Paolo	16 September 2013
10	Professor and expert on anti-poverty policies	25 September 2013

^aFor a complete list of key actors and informants interviewed in the case of Turin, see Maino and Zamboni (2013)

9

Poland's Active Inclusion Model—Still in Transition? The Case of Public Agencies' Tensions and Emerging Role of Civil Society Organisations in Radom

Julia Kubisa and Justyna Zielińska

Introduction

Since the Polish welfare system is seen as 'post-socialist' and 'in transition' (Kazepov 2010), it is useful to investigate the directions of the transition at local level, in the city of Radom. The city flourished during the industrial era and was then heavily hit by Poland's economic transition in the 1990s. Radom has its own temporal crisis dimension; where the crisis milestones are different from the national level, as the local crisis seems to be more chronic. The unemployment rate and the rate of people in poverty significantly exceed national averages. Radom is an example of a local welfare system experiencing vertical and horizontal tensions between different public agencies dealing with poverty and unemployment, within the mixed framework of transition, where the state, local and European levels interact and intervene at the level of management, delivery and planning (Kazepov and Barberis 2012).

Struggling with real post-industrial problems, city authorities are trying to alleviate poverty by offering incentives for the activation of civil society organisations (CSOs), which is interesting in the light of the phenomenon

of ‘NGO-isation’. Since the withdrawal of the welfare state in the 1990s and 2000s, the responsibility in Poland for areas of social policy has become more and more the domain of CSOs and charities, which is known as ‘NGO-isation’, recognised in countries in transition, with a developing third sector and enormous social problems (Roy 2008; Sadura 2008). NGO-isation refers to a situation where organisations are active in the field of solving social problems, but at the same time, take the responsibility away from the state. They seem to put pressure on the state by highlighting social problems that need to be dealt with, but the contrary can also be the case: that they serve as a weaker substitute for the state. Instead of social movements provoking social change, professional organisations are created to solve social problems. The state transfers responsibility for social issues to them. As Jacobsson and Saxonberg note (2013), civil society in post-communist Europe is dominated by small, formalised, bureaucratised, professionalised cadre-staffed organisations that have learned to play ‘the funding game’ of writing applications and meeting the criteria of accountability to donors. They are less interested and able to develop channels of participation for members and volunteers. The CSOs become professionals in their field of expertise, regardless of the fact that much of their time is spent competing for scarce financing.

The chapter thus has a twofold purpose. First we aim to analyse forms of coordination between public agencies, looking at the vertical relations between national and local level, and at the horizontal relations between different public local agencies—municipality, Municipal Social Assistance Organisation (MSAO) and Public Employment Services (PES)—in order to answer questions about their relations and practices, with regard to the goal of combating poverty. Using the ‘mixed frame in transition’ approach (Barberis et al. 2010) and ‘the nested quality of local anti-poverty work’ (Ferrera 2005), we will demonstrate how these act in this particular environment and what kind of problems this configuration of public agencies can bring.

The second aim of the chapter is the analysis of relations between local public agencies and CSOs, within the framework of Najam’s Four C’s model of third-sector–government relations (Najam 2000; see also Chap. 3 in this volume). We ask if the vast development of the third sector in Radom results in cooperative or rather complementary relations with the local government and if ‘NGO-isation’ is actually taking place. We

discuss the roles of CSOs and their relations with public institutions, along with their capacity for influencing city policy on fighting poverty in order to answer the following questions: What are the consequences of the arrangements implemented in Radom for the local welfare system? Do they contribute to greater participation of the citizens in municipal activity? Or do CSOs play mostly a complementary role, replacing some of the social assistance obligations with a cheaper option, without any significant influence on municipal policy?

The chapter explores ten semi-structured interviews conducted in 2013 with key stakeholders in the city of Radom, that is: representatives of City Hall, the Municipal Social Assistance Organisation, local PES, politicians representing leading political parties and the political opposition. In addition, representatives from various CSOs were interviewed, two CSOs (Radom Food Bank, Good Spirit Foundation) and one charity organisation (Caritas of Radom Diocese) as well as a representative from the trade union NSZZ Solidarność. The chapter is also based upon communication with a Roma association, and the observation of a meeting with the leader of NSZZ Solidarność organised in Radom, along with research and official documents analysis.

Changes and Legacies in the Polish Welfare State

The Polish welfare state is often portrayed as a post-communist welfare state regime (Golinowska et al. 2009; Aidukaite 2009, 2011). Although there are differences, it could be said that Central and Eastern European (CEE) countries create a unique welfare state model. Aidukaite lists attributes of post-communist welfare state regime: supremacy of the social insurance system, high coverage, but relatively low benefit levels and identification of the social security systems with the Soviet past, plus weak civil society, weak trade unions and globalisation (e.g. the impact of transnational institutions on transformation models in post-communist countries) (Aidukaite 2011: 217). Golinowska notes other characteristics: the return to the Bimarckian social insurance system established before the Second World War, defending the remnants of the socialist

welfare state, that is: access to old age pensions, disability payments and health protection; then rapid and deep reforms during transformation, problems with the labour market and unemployment, labour migrations, high educational aspiration, weakness of non-governmental organisations and generally quite low social control (Golinowska et al. 2009: 29).

Poland, like several other CEE countries, was not very prepared for the economic transition of the early 1990s. Rapid privatisation and deregulation of the labour market led to mass dismissals and reductions in public expenditure. Welfare state reforms further intensified the general trajectory of increasing privatisation in the Polish welfare state; this materialised in the insufficient supply of public services, greater reliance on the family and on market solutions, cuts in benefits and stricter eligibility criteria—the privatisation of profits and the ‘publicisation’ of costs, in other words the state’s flight from accountability (Marody et al. 2007). The extensive move towards privatisation did not, however, create many new jobs. On the contrary, it resulted in increasing levels of unemployment and lack of occupational activity among large parts of the working-age population.

The Polish welfare state still rests on its socialist and early transformation heritage. This is visible in the legacy of the ‘sectorial state’ and the reactive approach towards social policy. It lacks one central actor to take overall responsibility for shaping domestic social policies, in terms of regulating, administering and financing social policies and services. Instead welfare arrangements are designed at different scales and places (e.g. different ministries) and coordination among them is limited. Reactive policy is a reaction to extensive social problems (e.g. unemployment) at the beginning of 1990s, aiming to allay these problems temporarily and superficially (Kozek et al. 2013a).

Reforming Minimum Income Support

The national system of combating poverty in Poland is strongly divided between the political and administrative levels. The main responsibilities are shared between the central level and three subnational levels (voivodeships, poviats and gminas). Voivodeship is the highest-level administrative subdivision of Poland (there are 16 voivodeships in Poland), poviats and

gmina are lower in the administrative subdivision. Local governments of poviats and gminas perform the most important implementing functions.

Although several governmental functions are decentralised to regional and local authorities, policy planning, decision-making and general supervision are kept at central level. The local level gained in significance as gminas and poviats shouldered a greater administrative responsibility over social policy and labour market policies. This system of shared responsibilities has been operating for more than two decades and has caused lack of coordination. This is partly due to the classic organisational and political factors, but also due to the lack of municipality capacity. Local governments have too many tasks in comparison to their financial resources (Kozek et al. 2013a; Hardy 2010).

The political and administrative tools for minimum income support aim to promote an active attitude among recipients, and the focus is on workfare and work tests for social assistance recipients, in terms of increased spending on active labour market policies, a general adjustment of the benefits to the labour market and stronger incentives for minimum income support recipients to seek employment (Wóycicka 2009; Sztandar-Sztanderska 2014). The system follows similar processes in other EU welfare states as stronger emphasis is laid upon workfare and activation as a requirement for social assistance (Moreira and Lødemel 2014).

The Polish system for minimum income support (a means-tested safety net of last resort) for people experiencing poverty is based on social assistance benefits and a system of family benefits (Wóycicka 2009). The minimum income support that individuals receive is dependent on the income of their households. The Social Assistance Act established a legal income threshold (statutory poverty) that qualifies for financial assistance which social workers, according to our empirical material, strictly follow in their assessments (although they are aware that there are many cases of persons with incomes slightly above the threshold who can not obtain support). However, the statutory poverty line is far below the level of the relative poverty line (which means 50 % of average wage) (GUS 2014) and is almost the same as the absolute poverty line: that is, the income necessary to survive biologically. In 2013 the legal income threshold that qualified for social assistance support amounted to EUR 129.72 (PLN 542) per month for a one-person household and EUR 436.56

(PLN 1824) per month for a four-person household (two adults and two children up to 14 years old) (GUS 2014). The absolute poverty line amounted to almost the same amount: EUR 129.70 (PLN 541.91) in a one-person household and EUR 442.99 (PLN 1850.84) in a four-person household (two adults and one child aged 4–6 and the second child aged 13–15) (Kurowski 2014). Arguably, the combination of the legal income threshold and low benefit levels have resulted in a system that per se does not protect against poverty.

Although the Polish government claimed that Poland was a ‘green island’ during the crisis, at the same time, it pointed out the necessity of cuts—including limiting social spending. The level of minimum income protection was not increased during the economic crisis (Marchal et al. 2011). On the contrary, Poland is one of the few countries in the EU where there is no automatic indexation procedure in relation to the statutory poverty line, although there is no completely discretionary indexation, as in Ireland or Bulgaria, for example (Marchal et al. 2014: 248). However, the Polish government did not index the statutory poverty line from 2009 to 2012. This meant that fewer poverty-stricken people were entitled to receive benefits (fewer than before the crisis—13.6 % recipients in 2007 and about 11 % recipients between 2009 and 2013) (Czapiński and Panek 2014: 66–70). The unemployment rate increased in Poland during the economic crisis and many unemployed people in Poland did not receive benefits due to the strict entitlement criteria. Instead, they became recipients of social assistance (Marchal et al. 2011).

Furthermore, local authorities have extensive room for manoeuvre as well as discretionary powers. Local authorities have the responsibility to cater for individuals who are completely unable to work due to disability and have a right to receive a permanent allowance. Those who apply for social assistance benefits from local authorities need to fulfil at least one criterion from a list of conditions, as stated in the Social Assistance Act (Kozek et al. 2014). These include being unemployed, homeless, disabled, in need of maternity leave protection or living in families with more than two children. Individuals who fulfil one or several of these conditions might be eligible for a temporary allowance, which is the main social assistance benefit. The actual decision and the period for obtaining the benefit depends on the individual social worker's decision (which

may be influenced by the Municipal Social Assistance Organisation general recommendations yet the social workers do not need to strictly obey these guidelines). This also applies to people who do not fulfil any of the regulated legitimate causes for receiving temporary benefits. Such concerns are left to the discretion of the professional social worker. In Radom, unemployment is the most common category for benefit recipients (76 % in 2013), followed by disability (33 % in 2013) (MSAO Radom 2014). Recipients applying for social assistance need to undergo a series of means tests.

In addition to means-tested benefits, local authorities also grant family allowances for every underage child living in a household, based on the level of income in the household. Family benefits are based on the threshold for social intervention, which is calculated with reference to the real expenditure of families, placed within the second quintile of income distribution that is closer to the social minimum (Kozek et al. 2013a). These family allowances have some resemblance to child benefits in other EU countries, yet in Poland they are designated for the most poverty-stricken people. Although the amount is slightly higher than that of general social assistance, they do not protect against poverty.

Challenges to the Local Welfare System

Local authorities and institutions implement and administrate social and labour market policies. Local governments have been relatively independent from the central government in shaping social policy, but they are usually limited by state financing in the area of labour market policy and social assistance, especially if local government incomes are low (Kozek et al. 2013a).

The local welfare system studied in this chapter is Radom, a post-industrial city in central Poland. The close location of Radom to Warsaw, the capital of Poland, creates additional tensions. Warsaw has developed rapidly in recent years and most of the funds, as well as the important institutions and innovative solutions, are located there. This tends to create both opportunities as well as challenges for cities and municipalities in other parts of the region. The representative from City Hall

mentioned that Radom could not apply for financial support from EU grants for poor regions because the city was located in Mazovia, one of the richest voivodeships in Poland. At the same time, the geographical proximity to Warsaw turned out to be an alternative for a high number of inhabitants of Radom, as a labour market located nearby.

Radom's economy is based on small and medium-sized private enterprises in the service sector. However they do not create as many jobs as the industrial sector previously did. It was very difficult for many workers to re-enter the labour market and this group constitutes the majority of the long-term unemployed. Thus the unemployment situation in the city of Radom is far worse than on average in Poland. In recent years the level of unemployment has been almost twice as high as the national average (in 2014, the national unemployment rate was estimated at 12 %, whereas in Radom it was approximately 21 %) (GUS 2015; PES in Radom 2015). The unemployment rate for Radomski powiat (the city and surrounding towns and villages) is much higher than for the city itself (almost 30 % in 2014).

In Radom, 9128 households received support from the Municipal Social Assistance Organisation in 2013. This constituted 18,853 people, almost 10 % of the population of Radom (basically the same as national average). The main reason was unemployment. The number of claimants has decreased successively since 2006—from 2007 to 2012 the number went down by 2046 persons, which was a result of the freezing of the income threshold mentioned above (Kozek et al. 2013b). Although the financial crisis did not have a direct influence, it affected the state budget and the resources dedicated to minimum income schemes. The Municipal Social Assistance Organisation had to refuse or postpone distribution of benefits, even to families who were entitled.

Local Political Context and Poverty Debates

Political competition in Poland is mostly played out within the centre-right camp. In 2007, the conservative-liberal Civic Platform Party (PO) formed a coalition government with the smaller Polish People's Party (PSL) after overcoming the more conservative Law and Justice Party (PiS), which turned into a powerful opposition. Political competition

between the two right-wing parties resulted in new cleavages (Bertoa 2012). The PO constructs an identity as the party of modernisation, very open to ideas of privatisation and deregulation but with a certain social awareness, whereas the identity of the PiS is more traditional, focused on the past and history of Polish independence social movements, for example, the strikes in Radom, and the demand for care for vulnerable social groups (even though the PiS government from 2005 to 2007 did not introduce any new policies for combating poverty). The conflict and competition between those two parties shape the Polish political scene.

In Radom, the political cleavages are of a different order. Radom is the only city in Poland where PiS forms a local government. Power in the city is divided between the authority of the starosta (head of the poviats) and the mayor of the city. The starosta and the majority of the poviats council come from the PSL coalition (a member of ruling coalition at national level) and local committees, whereas the mayor represents the PiS. The situation of opposing political parties—the PO at national level and the PiS at local level—creates many tensions that strengthen the obstacles linked to the institutional relations between the national and local level of public administration. The relation between the city ruled by the PiS and the poviats ruled by the PSL hangs on a very delicate balance, and is prone to conflicts. There have been concerns that the PO would exclude Radom from the national investment programmes for political reasons. This sense of danger leads to a greater mobilisation of municipal resources and greater activity on the part of the local authorities. It is commonly believed that low labour costs and high economic activity are the factors that attract external investors. Interestingly, the PiS does not refer much to the history of the Radom worker protests, although the party usually relies a great deal on such references. The party activity is focused on modernisation, understood as investments into infrastructure and the creation of economic zones, which used to be associated with the style of the PO.

Such patterns of political dispute colour the local debate on poverty. Poverty does not occupy a major place in the political agenda and is generally absent in the city's main strategic documents. Local strategic discussions circulate around a division of tasks between city authorities, focusing primarily on the problems of families and children in difficult situations, whereas the poviats is concentrating its efforts on active labour

market policies, in line with the higher administrative level strategies. Most of interviewees diagnose the problem of poverty as primarily structural, connected directly to the situation in the labour market and identify the causes of poverty as the effects of high unemployment. Therefore the fight against unemployment is interpreted as the best form of poverty alleviation. By developing better conditions for entrepreneurship, the level of poverty would be indirectly reduced. The municipal authorities and representatives of public agencies combating poverty—MSAO and PES—share the view.

Work is a crucial element for getting people out of poverty. No support or social assistance will give that. As a city we can give some tax credits for employers. We try hard to expand the industrial cluster. (City Hall representative, 11 June 2013 at City Hall, own translation).

We should eliminate the shadow economy and introduce the line tax ... we should offer employers some relief otherwise (...) some people will be employed illegally (MSAO representative, 11 June 2013 at MSAO, own translation).

No one in the world has come up with a better way to combat unemployment than via economic growth. Only economic growth generates jobs and scientists have calculated that only the economic growth above 5 % of GDP will increase the number of jobs. (PES representative, interview 18 June 2013 at PES, own translation).

Radom pays great attention to promoting local entrepreneurship and investing in local infrastructure. In 2013, City Hall allocated support to the long-term unemployed by offering them a grant (EUR 10,000) to set up a business as well as supportive monthly grants (Kozek et al. 2013b).

However, identifying poverty with unemployment and implementing a strategy based on attracting investors poses a kind of paradox in the context of combating poverty. Local authorities do not seem to notice that attracting potential employers 'at any price' constitutes a risk regarding the quality of jobs (e.g. low wages, flexible contracts and working conditions). Despite that local stakeholders agree that local wages are low and that many of the employees with very low wages are experiencing less social security than the unemployed (in cases when they worked on a

civic contract of mandate instead of a contract of employment, which are not covered by labour law and do not provide entitlement to sick leave or pension insurance), we find little local discussion on the problem of the 'working poor'.

Yes, it is possible to be "working poor" in Radom. I think it is a cruel kind of poverty, because the people who are unemployed and covered by social assistance are better off than those who work for minimum wage (City Hall representative, 11 June 2013 at City Hall, own translation).

This creates a particular paradox due to the structure of the local labour market. It is generally believed that lack of employment causes poverty. However, the jobs offered tend to be of such poor quality that employment in itself is no guarantee of overcoming poverty. Most of respondents do not view this situation as a paradox but rather as a 'sad reality'. They comment on the difficult situation of low-paid workers but, at the same time, do not challenge the conditions offered by employers.

The local authorities pressed for the creation of jobs in the Radom Industrial Cluster, without taking into account the possibility of poor-quality jobs, which are those usually offered in the special economic zones in Poland, despite the vast tax reductions for employers (Maciejewska 2012). Thus it can be assumed that the creation of jobs will decrease the problem of unemployment but not necessarily the problem of poverty in the city.

Tensions Among Public Agencies at Local Level

Radom is one of 66 sub-regions in Poland, which means that the city has a status of an urban gmina and carries out the tasks of the powiat as well. The transfer of tasks from national level to local level (decentralisation) has been combined with limited autonomy for local authorities to actually influence decisions. This is even further hampered by local governments' lack of funds. However, the problems of public agencies are not only on the vertical axis between national and local level; the complex status of the city that combines powiat and gmina has resulted in both

political as well as organisational tensions between local actors. Political party divisions and tensions influence performance of both of the authority of the starosta (head of the powiat) and the mayor of the city. This political competition has a direct negative influence on the cooperation between two main public actors regarding poverty, social exclusion and active inclusion policies at local level, that is, between the PES and the Municipal Social Assistance Organisation (Kozek et al. 2013b).

The complex status of the city creates tensions between public agencies responsible for combating poverty and social exclusion at local level, regarding the division of responsibilities between the PES and the Municipal Social Assistance Organisation (MSAO). The PES holds the main responsibilities for activating unemployed people in the labour market: employment consultancy, job-seeking support, vocational training, apprenticeships and so on. The PES is centrally financed, administered and regulated, but acts at local level and in relation to other local actors. The local PES in Radom is the largest in terms of the number of employees within the Mazovian region. In interviews, the PES was generally portrayed as a strong and independent actor. The PES operates at powiat level and is subordinated to the starosta. This implies that the municipality, either in terms of leading politicians or civil servants, could have an opinion on the activities of the PES, but have no real influence in shaping it.

The main priorities for the MSAO partly overlapped and partly differed from those of the PES. In general, the MSAO follows the Social Assistance Act, and is subordinated to the Mayor of Radom. Although the local level holds the main responsibility for administering social assistance benefits, the central state provides extensive funding for such local support. In Radom this estimated to approximately 72 % state funding, combined with 28 % local government funding. The MSAO deals with various local social problems, mostly combating poverty and offering financial and social services, and in-kind support. Local social services cover a range of topics such as filling the gaps in the limited family policy offered on national level, limits in the pedagogical and social functions of schools, problems with healthcare system and housing policy (Kozek et al. 2013a).

Despite differences in local priorities and formal mandate, the public agencies are interlinked, as most of the unemployed people in Radom

are not eligible to receive unemployment benefit from the PES due to strict legal requirements. According to the PES, 82 % of the unemployed do not receive insurance-based unemployment benefit, and are instead covered by the local social assistance services, causing an overload for the MSAO. Social workers are heavily overburdened—one social worker takes care of 100 families (Kozek et al. 2013b). The overlap of responsibilities, combined with the political conflict between the gmina and powiat can be interpreted as reasons for the opposition between the MSAO and the PES.

Financial issues and the choice of activation instruments for the long-term unemployed are the basis for the tension between the PES and the municipal authorities. Although the PES is formally subordinated to the powiat and relies on funding from central government, the municipal government manages some of the funding for the PES. This mechanism is based on the idea that municipal governments would add extra money to the central funds (Act on Promotion of Employment 2004). However, in case of Radom this has unexpected effects, as the municipality uses some of this funding to run activation support themselves. Several respondents maintain that such local actions had to be implemented to meet the special needs of the city, and that the PES activation services are inefficient since the PES develops measures for the entire region and not only for Radom. One of the most interesting examples of this tension occurred when the city of Radom tried to create a city PES, an ambition that was rejected by the ministry of labour and social policy (Kozek et al. 2013b).

Local authorities have some freedom in shaping policies that are not regulated by higher levels and in adjusting them to meet local needs; local activation policies are certainly an example thereof. The Municipal Social Assistance Organisation also has some opportunities for setting local standards with regard to income thresholds in the case of warm meals and food provision, at the level of 150 % of the threshold for social assistance benefits. Despite these possibilities, local public agencies are overall bound by the institutional arrangements at national level. The local welfare system in Radom is overloaded and has insufficient financial resources. The main responsibility for financing social assistance falls on the state, but generally, relations with the national level often are based

on a cost-avoidance strategy. As a consequence, the process of planning and implementation at local level is hindered (Kozek et al. 2013b).

The Role of NGOs' in the Local Welfare System

Radom plays an interesting role in modern Polish political history, due to its history of worker protests. In 1976, workers organised massive protests against the communist government and were brutally punished. Those events were the beginning of cooperation between workers and intellectuals and dissidents, which eventually resulted in the forming of *Solidarność* in 1980, the first independent trade union and social movement against the communist party. The social insurrection and its severe conclusion are still present in the social memory of the city. Nevertheless, the workers' protests clearly belong to the past. Currently the level of social capital is low and Radom is not known for any kind of broader worker activity or social movements.

Local city officials acknowledge the need to develop stronger social bonds in local communities and to integrate local society; they see the third sector as a solution. It is a reflection of a general trend that developed in Poland along with the economic and political transition in the 1990s—to activate local communities by channelling their activity into third-sector organisations that can influence in a stronger civic society. Instead of decisions being made by public institutions, people could decide on their own about their social environment, since they see the problems from the bottom-up perspective. Interestingly, the incentives to strengthen the activity of the third sector did not translate into any social movements that could present wider proposals about the shape of economy or social relations. Instead, most of the CSOs focus on their relatively limited fields and their activity can be described as filling up the holes in the welfare state, which generally mirrors the situation in Poland.

Nevertheless, almost 400 organisations are registered and more than a dozen of these have special legal status (the ability to receive 1 % of the local tax), which means that their activity is widely recognised by citizens. There are large and highly institutionalised actors that play a significant part in the local anti-poverty work, like *Caritas Diecezji Radomskiej*—

linked to the Catholic Church—which provides assistance to the homeless, the disabled, large families, victims of domestic violence, care and therapeutic services for families. It runs shelters for the homeless, a canteen with free warm meals and also distributed food, clothing, medicines and household equipment. Considering the magnitude and scope of its activities, it operates in a complementary fashion with local public agencies. Many of its activities are organised in cooperation with City Hall and the MSAO. The activity of Caritas Diecezji Radomskiej is recognised by local authorities as a kind of relief organisation, such a large organisation has the means and opportunities to be active in fields where the municipality faces difficulties of a financial and legal nature.

Every year we announce the tender for free warm meals and the canteens run by Caritas and other two Catholic orders participate in the tender. The city covers 50 % of the costs and the rest is covered by the organisations. (...) They do a fantastic job there (City Hall representative, 11 June 2013 at City Hall, own translation).

The activity of Catholic NGOs and charities could be characterised as prevalent—the Catholic orders (St Pallotti and St Bernardin) and Caritas Diecezji Radomskiej run all three canteens in the city providing warm meals for free (partial public financing). Nevertheless, there are other major actors with a different organisational basis. One of the most prominent is the Radom Food Bank that distributes food. This particular actor illustrates the nested quality of local anti-poverty work, as it is largely funded by the EU and PEAD—European Union food distribution programme for the most deprived persons of the community, and also by local donations from local farmers and producers. Unlike smaller charity organisations, the Radom Food Bank works with 100 other local NGOs—which act as intermediaries—to support the families in poverty with food provision and warm meals. Reflecting the view that poverty is far more than a matter of financial shortcomings, these families receive 60 kg of food per year in cases when their income is less than EUR 200 per month per capita. Communication with key representatives demonstrates that working-poor families benefit from the programme along with Municipal Social Assistance Organisation clients (as long as

they were verified with regard to income threshold). This support covers 32,000 families in Radom city and in the large area around Radom, even beyond the poviat's borders.

We participate in the tenders announced by the City Hall but there are always some budget restraints and we get less in the end. Nevertheless, we try to bring them [the City Hall] into cooperation instead of a one-directional movement of finances. And we achieve more and more of that. They become aware of poverty and that poverty is alleviated by food. And they are satisfied that they offer us support (Radom Food Bank representative, 13 August 2013 at Radom Food Bank, own translation).

The extensive number of local actors, together with the key role played by a few large organisations, certainly encourages local public authorities to build support structures to strengthen (as well to benefit from) their capacity to counteract poverty in the city. Both the City Hall and the MSAO establish institutional arrangements in order to facilitate the creation and activities of the third sector. This is created both in the form of MSAO's own project called the Centre for Local Activity (CLA), which promotes voluntary work, and in the form of the Centre for Non-Governmental Organisations, run by the municipal authorities.

The Centre for Local Activity aims to integrate local communities into district centres. The main task of the CLA is building local partnership and institutional networking by integrating cooperation between different partners: government administration, local government administration, CSOs, for-profit organisations, churches and local citizens. Each project centre focuses on local social problems and looks for solutions via local social dialogue and consultations that aim to integrate the local community. The members of the CLA agree on local goals—sports activities for children and youth, cultural events and support for the people experiencing poverty. The MSAO sees it as an opportunity to present social work as a form of social inclusion and integrity, and not only as the distribution of financial support. The MSAO also organises the volunteers' club Friends, with about 102 volunteers—50 % of these were unemployed, often long-term unemployed. The volunteers help children with lessons, take care of disabled children, provide support in contact with municipal or tax administration and organise informal meetings.

City Hall also undertakes several activities in order to activate local community and build participatory arrangements with local CSOs: a consultation unit for cooperation between local government and CSOs, the poviats social council for disabled persons and the gmina sport council where CSOs actors can have a voice in municipal strategies. Moreover, the consultation unit acts as a formal body for consultations between the public and CSOs representatives. The sharing of the budget and setting priorities for activities to counteract poverty are conducted in the social consultations with CSOs and charities. According to City Hall and MSAO representatives, the CSOs present social problems at local level and discuss how to adjust expenditure from the local budget to meet local needs. However none mention any broader debates proposed by CSOs with regard to general strategies for combatting poverty in Radom.

In 2013 City Hall agreed that part of the municipal budget would be debated and discussed by the citizens of Radom and PLN 3 million (EUR 710, 900) was earmarked for goals proposed by citizens. Interestingly, the ideas presented by the citizens did not refer to social assistance. The City Hall founded a centre for non-governmental organisations to integrate their activities and enable them to exchange experiences and plans. According to a municipal official the CSOs are satisfied with cooperation within the centre.

One of our ideas was the centre for non-governmental organisations. And it is amazing; people come here to say “it was crucial for us to be here in the centre”. It is a kind of incubator for civil society organisations. This is where people come, the citizens, the initiative groups who get technical and substantive support. Today those communities work together; they apply for external funds, and we teach them how to do it. Then they get the funding and the money comes to the city as well. We, as the gmina, offer financing for the activities for children from families in poverty and the civil society organisations apply for the tenders and organise the activities. (...) As a local government institution, the law limits us. Often we cannot help directly and here is a place for civil society organisations—we offer financing and they organise canteens, holidays for children, school books, and so on (City Hall representative, 11 June 2013 at City Hall, own translation).

Although none of the major CSOs were created due to the centre, the smaller ones who cater for people in poverty admit that the centre has proven to be useful.

There is a centre for non-governmental organisations and when in doubt, when we need some legal advice, we go there (representative of a local civil society organisation that provides warm meals, 14 August 2013 at the civil society organisation office, own translation).

The activity of centre for non-governmental organisations and other forms of relations between local government, public agencies and CSOs has increased in recent years. The CSOs participated in training financed by EU funds and developed their capacity and networks. On the basis of newly established contacts, they planned ahead for new projects that included more than one organisation and therefore extended the scope of activity. PEAD, the European food bank programme was introduced and enabled the development of the Radom Food Bank and other CSOs that focused on the delivery of warm meals and food provision. It also provides the opportunity to extend support to people who were experiencing poverty but were not able to obtain benefits due to the very low-income thresholds required. Therefore the times of ongoing crisis had another temporal meaning in the case of Radom, as it was the time of development of activity of CSOs focused on counteracting poverty.

Conclusion: The Emerging New Local Welfare System

The local welfare system can be characterised as a mixed frame in transition, albeit with some traits of a centrally framed model, as it inherited many of its features from the national level. The national welfare system suffers from a lack of coordination, over-departmentalisation and the need for emergency activities (Kozek et al. 2013a). The local welfare system is linked to institutional arrangements at national level and, at the same time, does not have much freedom to carry out individual activities, since the public institutions are strongly regulated by law and their

activity is limited to executive functions. However, the local level constantly attempts to intervene, using various possible means—including EU funds and CSO activities.

There are also tensions on the horizontal axis of the local welfare system. The overlaying conflict on politics and policies between the Municipal Social Assistance Organisation, City Hall and the PES is, to a certain extent, fuelled by the institutional problems of coordination at national level. Nevertheless, the local conflict prevents a common strategy against poverty being built that is carried out by all public institutions. Some of the main features of the local welfare system are summarised in Table 9.1.

The study has demonstrated a structural shift in the local welfare system, a greater reliance on local CSOs to cater for the needs of poor and socially excluded groups. The emerging shape of new local welfare system was based on two assumptions—shared by all sides: local authorities, representatives of public institutions and CSOs. The first states that the public social assistance system should transfer as much as possible of its responsibilities to

Table 9.1 Comparative dimensions of the local welfare system in Radom

Key aspects	Local features
Capacity of local governments in the areas of minimum income schemes/social assistance	Weak financial, administrative, but strong professional capacity
Status of the poverty issue in local politics	Poverty not seen as crucial problem in political agenda; poverty identified with unemployment
Structure and function of the local minimum income schemes/social assistance system	Limited local autonomy along with overload of tasks; 'emergency' system, for the most poverty-stricken people
Coordination between minimum income schemes and other services	Weak coordination
Main role(s) for local civil society organisations in local strategies against poverty and social exclusion	Mainly complementary to public—'filling the gaps'
Participatory governance arrangements with local civil society organisations	Large network of civil society organisations
Partnership governance arrangements with local civil society organisations	Contractual model, relatively strong position of Catholic civil society organisations and charities

Source: Author elaboration

various CSOs, since the founders of CSOs started these organisations due to personal experiences. Thus they are 'life experts', with a better awareness and understanding of social problems as experienced from a bottom-up perspective. There are no questions nor doubts about any potential limitations of 'life expertise'. The second assumption is the interpretation of the causes of the inefficiency of the Municipal Social Assistance Organisation. Here, the public institution representatives pointed out the work overload, limited financing and lack of space for more tailored decisions and activities. From the CSOs' point of view, the public institutions were threatened by routine, lack of passion, innovation and lack of understanding of social problems—which neatly sums up to the standard set of arguments about the malfunctioning of bureaucracy. Clearly, both sides saw the public institution as unfit for carrying the responsibility of counteracting poverty on its own. The city authorities saw CSOs as a way of activating the local community, which could help in building up social capital and general trust in the city. Therefore the third sector, free of some of the institutional barriers and legal limitations that enable CSO to employ on more flexible, temporary and low cost contracts, is seen as the solution for overcoming the restrictions in the public sector.

Considering public agencies' institutional heritage from national level, it can be assumed that for them the easiest path of cooperation with CSOs would be a complementary arrangement. Therefore CSOs, praised for being experts in the field of social problems, become contractors and not participants who could actively shape local strategies against poverty. They build their capacity to unburden the Municipal Social Assistance Organisation but it is the public sector institutions that set the goals and define the needs of the city.

Both sides share some kind of precariousness, although in different spheres. Public institutions have no influence on the stream of finances from the national level or their workload, whereas CSOs experience more precarious employment and the impossibility of any long-term planning. Contracting out services to CSOs is cheaper than financing them within the MSAO budget. The lower costs are a result of voluntary work and temporary, unstable contracts in projects conducted by CSOs, whereas the Municipal Social Assistance Organisation, as an employer, offers stable employment with full social security benefits. Closer cooperation

and incentives in the capacity building of the third sector may also serve as a solution for the financial constraints of public sector, but it is difficult to predict if the precariousness can be overcome.

Nevertheless, although the city authorities aim to rebuild social trust in the local community and create a local civic society, the current pattern seems to lead more in the direction of NGO-isation. The CSOs fill the gaps in the local welfare system and their expertise is usually limited to very specific areas. They act more as subcontractors than as representatives of social movements. Their funding is very much dependant on the municipal budget and they compete for grants, sometimes against each other. Although they act to improve the situation of people experiencing poverty, they usually do not offer any means of participation for people experiencing poverty. Interestingly, the only civic society organisations that are based on membership and mobilisation—trade unions—are not regarded as a partner in the common fight against poverty along with the public institutions, despite their knowledge of the working poor.

Although municipal authorities and the Municipal Social Assistance Organisation use participatory rhetoric and provide instruments for the capacity building of newly formed CSOs, it seems that the actual model of civil society organisations' activity is more complementary and contractual according to Najam's (2000) framework, even though organisations like the Radom Food Bank try to make the relation more mutual and closer to cooperation and partnership. Although the representatives of CSOs participate in consultations, they play the 'funding game', adjusting their goals to suit the local government agenda. Therefore the capacity building serves more to lighten the overloaded Municipal Social Assistance Organisation than to build a more engaged local community.

References

- Act on Promotion of Employment. (2004). (Ustawa z dnia 12 marca 2004 r. o pomocy społecznej), sap.sejm.gov.pl/DetailsServlet?id=WDU20040640593. Accessed 18 Jun 2014.
- Aidukaite, J. (2009). Old welfare state theories and new welfare regimes in Eastern Europe: Challenges and implications. *Communist and Post-Communist Studies*, 42, 23–39.

- Aidukaite, J. (2011). Welfare reforms and socio-economic trends in the 10 new EU member states of Central and Eastern Europe. *Communist and Post-Communist Studies*, 44, 211–219.
- Barberis, E., Sabatinelli, S., & Bieri, A. (2010). Social assistance models in Europe. In Y. Kazepov, (Ed.) *Rescaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate Publishing.
- Bertoa, F. C. (2012). Party systems and cleavage structures revisited: A sociological explanation of party system institutionalization in East Central Europe. *Party Politics*, 14, 2012.
- Czapiński, J., & Panek, T. (Eds.) (2014). *Diagnoza społeczna 2013. Warunki i jakość życia Polaków*. Warsaw: Centrum Rozwoju Zasobów Ludzkich.
- Ferrera, M. (2005). *The boundaries of welfare: European integration and the new spatial politics of social protection*. Oxford: Oxford University Press.
- Golinowska, S., Hengstenberg, P., & Żukowski, M. (Eds.) (2009). *Diversity and commonality in European social policies: The forging of a European social model*. Warsaw: Wydawnictwo Naukowe Scholar, Friedrich-Ebert-Stiftung.
- GUS (Główny Urząd Statystyczny). (2014). *Polska 1989–2014*. Warsaw: Zakład Wydawnictw Statystycznych.
- GUS (Główny Urząd Statystyczny). (2015). *Stopa bezrobocia w latach 1990–2015*.
- Hardy, J. (2010). *Nowy polski kapitalizm*. Warsaw: Instytut Wydawniczy Książka i Prasa.
- Jacobsson, K., & Saxonberg, S. (Eds.) (2013). *Beyond NGO-ization. The development of social movements in Central and Eastern Europe*. Farnham: Ashgate Publishing.
- Kazepov, Y. (Ed.) (2010). *Rescaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate Publishing.
- Kazepov, Y., & Barberis, E. (2012). Social assistance governance in Europe. Towards a multilevel perspective. In I. Marx & K. Nelson (Eds.), *Minimum income protection in flux*. Basingstoke: Palgrave Macmillan.
- Kozek, W., Kubisa J., & Zielińska, M. (2013a). *The national arena of combating poverty. National report: Poland*. Deliverable 5.4. 7 PR Combating Poverty in Europe: Re-organising Active Inclusion Through Participatory and Integrated Modes of Multilevel Governance (COPE).
- Kozek, W., Kubisa, J., & Zielińska, M. (2013b). *The local arena of combating poverty. Local report: Radom, Poland*. 7 PR Combating Poverty in Europe: Re-organising Active Inclusion Through Participatory and Integrated Modes of Multilevel Governance (COPE).
- Kozek, W., Kubisa, J., Zielińska, M., & Zielińska J. (2014). *The impact of welfare interventions on life-courses of deprived groups. Local report: Radom, Poland*.

- 7 PR Combating Poverty in Europe: Re-organising Active Inclusion through Participatory and Integrated Modes of Multilevel Governance (COPE).
- Kurowski, P. (2014). *Poziom i struktura zmodyfikowanego minimum egzystencji w 2013 r.* Warsaw: IPiSS.
- Maciejewska, M. (2012). Exhausted bodies and precious products: Women's work in a special economic zone for the electronic industry in Poland. *Work Organisation Labour and Globalisation*, 6(2), 94–112.
- Marchal, S., Marx, I., & Van Mechelen, N. (2011). *Do Europe's minimum income schemes provide adequate shelter against the economic crisis and how, if at all, have governments responded?* IZA discussion paper no. 6264. Bonn: Institute for the Study of Labor.
- Marchal, S., Marx, I., & Van Mechelen, N. (2014). The great wake-up call? Social citizenship and minimum income provisions in Europe in times of crisis. *Journal of Social Policy*, 43(2), 247–267.
- Marody, M., Mandes, S., & Kochanowicz, J. (2007). *Kulturowe aspekty transformacji ekonomicznej.* Warsaw: Instytut Spraw Publicznych.
- Moreira, A., & Lødemel, I. (2014). *Activation or workfare? Governance and neo-liberal convergence.* Oxford: Oxford University Press.
- MŚAO Radom (Miejski Ośrodek Pomocy Społecznej w Radomiu). (2014). Sprawozdanie z działalności MOPS w Radomiu za rok 2013 wraz z potrzebami w zakresie pomocy społecznej. http://www.mops.radom.pl/index.php?option=com_docman&task=cat_view&gid=29&Itemid=52. Accessed 17 Jun 15.
- Najam, A. (2000). The four C's of government third sector-government relations. *Nonprofit Management and Leadership*, 10(4), 375–396.
- PES in Radom (Powiatowy Urząd Pracy w Radomiu). (2015). Informacje o stanie i strukturze bezrobocia w PUP Radom—rok 2014. <http://www.pupradom.pl/?id=331>. Accessed 6 Apr 2015.
- Roy, A. (2008). *Calcutta requiem: Gender and the politics of poverty.* Delhi: Pearson Longman.
- Sadura, P. (Ed.) (2008). *Polski odcień zieleni.* Warsaw: Heinrich Böll Foundation.
- Sztandar-Sztanderska, K. (2014). Individualisation of risk and responsibility: Activation policy in Poland, 7 PR. The local governance of social cohesion (LOCALISE).
- Wóycicka, I. (2009). *System dochodów minimalnych—Polska. Peer review on social protection and social inclusion and assessment in social inclusion.* Warsaw: WRZOS.

10

Worlds of Active Inclusion at Local Level: A Comparative Analysis

Alexandru Panican and Anna Angelin

Introduction

The 2008 global financial crisis and the subsequent European public indebtedness crisis has caused a recession of a greater scale than any previously witnessed in modern times and exerted substantial pressure on welfare states. Since the crisis, the member states of the European Union (EU) have generally tightened up social security in order to reduce public expenditures (Blyth 2013). The crisis is a powerful reminder of the need for a coherent social policy to attenuate social effects (Brancaccio and Fontana 2011; Taylor-Gooby 2013; Greve 2012; Vis et al. 2011; Stockhammer 2012). Against the backdrop of this crisis, the EU renewed its policy agenda for managing rising social inequalities (see Clegg, Chap. 4 in this volume): reducing poverty and social exclusion became one of the main challenges and goals for ensuring social cohesion. In 2008 EU proposed their strategy of active inclusion (EC 2008/867, 2008).

Active inclusion strategies are shaped by their local and regional context as they require the coordination of the three policy areas that the EU promotes as central in combating poverty: sufficient income protection,

inclusive labour markets and access to quality services. These fields, and especially their inter-organisational coordination, are dependent not only upon heterogeneous national contexts, but also upon the specific ways in which the (mostly national) provision of minimum income support and the subnational provision of employment and social services are implemented and coordinated (Kazepov 2010). The concrete implementation and organisation of active inclusion policies takes place predominantly at local level. Active inclusion also represents a shift from uniform national welfare provision towards an increasingly individualised relationship between the welfare state and the citizen that emphasises reciprocity and the recipient's own responsibility. The reorganisation of employment and social welfare services to the local level inserts elements of local discretion in decision-making, depending on local context, resources and governance (Künzel 2012).

This chapter identifies strategies in combating poverty through active inclusion in five industrialised European cities characterised by extensive problem pressure in countries with diverse welfare regimes: Dortmund, Turin, Radom, Malmö and Glasgow. We have focused on minimum income protection, with particular attention paid to social assistance as well as to activation policies and the role of third-sector organisations in providing support and services, from the comparative perspective of our local cases. In the EU strategy of active inclusion there is a clear emphasis on multi-level, multi-dimensional and multi-stakeholder arrangements in combating poverty (Heidenreich et al. 2014). Our aim is therefore to analyse local strategies along these three dimensions and to seek to identify the inherent central coordination challenges: (a) multi-level arrangements focusing upon the vertical relationship between national–regional/local level, (b) multi-dimensional coordination regarding the horizontal relationship between actors at subnational level and (c) multi-stakeholder relationship between agencies and third-sector organisations in providing support and services for excluded groups.

Local Political Contexts and Discourses on Poverty

The descriptive part in this and the next section is based on the chapters presenting the local cases (see Chaps. 5, 6, 7, 8 and 9) and the empirical material from an EU-financed research project with focus on combating

poverty in Europe (Grant Agreement no. 290488). In order to contextualise our forthcoming analyses and conclusions regarding the implementations of active inclusion at the local level, we present a summarised description of the major features of our case studies.

Dortmund has always been a stronghold of the Social Democratic Party (SPD) since the widespread industrial economic structure led to high percentages of blue-collar workers (traditional SPD voters). Since 1999, Dortmund has been governed by a coalition of the SPD with other parties. For a long period of time Turin was also dominated by its left-wing governments. After the Second World War, Turin became a major European crossroad for industry, commerce and trade, closely linked to Fiat, the major employer in the city. When the global oil shock of the early 1970s occurred, the crisis of Fiat resulted in a very severe economic crisis for Turin, which, combined with other factors, led to political changes. Currently, Turin is governed by a centre-left coalition. Radowice, a typical post-industrial city, was heavily hit by Poland's economic transition in the 1990s. Local political power is divided between the authority of the starosta (head of the poviats/regional level) and the mayor of the city. Starosta and the majority of the poviats council are formed by a coalition between the Polish People's Party (originally a left party but now more centre-right) and local committees, whereas the mayor represents the right-wing Law and Justice Party. The relation between the poviats and the mayor is characterised by conflict. The political arena in Malmö is dominated by the Social Democratic Party (SDP), which has been in office since the introduction of voting rights at the beginning of the twentieth century (with exceptions for 1985–1988 and 1991–1994). In recent years, Malmö has been governed by a coalition of Social Democrats (with five local government commissioners), the Green Party (with two local government commissioners) and the Left Party (with two local government commissioners). Glasgow has a strong industrial legacy, a large working-class population and has also been a stronghold for social democratic parties throughout the twentieth century. After the Second World War, Glasgow became strongly dominated by the UK Labour Party and the Scottish Labour Party. In recent years, the greater Glasgow area has also been strongly associated with the Scottish National Party (SNP, a social democratic, centre-left party) and in the most recent general election (2015) the SNP gained political power in Glasgow.

With the exception of the present situation in Radom, the cities have a strong heritage of government by social democratic parties or combinations of left-wing parties. This is also reflected in their main orientation regarding social policy issues (summarised in Table 10.1).

The mutual local discourse on social policy in the cities we investigated is generally driven by a strong belief in employment as the best way of exiting poverty. This belief, which is at the core of the social investment or new welfare state paradigm, represents a leitmotif in all local cases, more so in some than in others. The new welfare state 'puts the emphasis less on income replacement and more on the promotion of labour market participation through activation and investment in human capital' (Bonoli and Natali 2011: 8). In Radom and Malmö, this is extremely evident as politicians and key decision-makers avoid talking about poverty. The work ethic is central to the Swedish welfare state; there is a pronounced discourse that views reducing unemployment as the best form of poverty alleviation. Therefore poverty is a non-issue for politicians and local social services. Despite the fact that Malmö is one of the poorest cities in Sweden, neither politicians nor civil servants are of the opinion that poverty is on the political agenda. Poverty is replaced by related concepts and terms, focusing on the notion of exclusion from society (e.g. low levels of income). In addition to the Swedish emphasis on the work ethic, the city's long-lasting social democratic legacy has led to an understanding of poverty as implying the failure of the welfare state. The multi-fold ways by which poverty is turned into an administrative issue furthermore illustrates the depoliticisation of poverty in Malmö, since poor people are mainly conceptualised as an administrative category, that is, as social assistance recipients. This example shows that the new welfare state politics could lead to a discursive marginalisation of poverty and thus to a disguised return of the centuries-old distinction between the 'deserving' and the 'undeserving' poor.

The situation in Radom is similar in some ways. However, in this particular Polish context, avoiding talking about poverty does not seem to be a denial of the issue, but rather a tactic of strategic neglect: one cannot win an election by talking about poverty issues. This deadlock is also framed by the division of authorities and political leadership between levels, which seems much more contentious than in the Swedish context.

Table 10.1 Main features of local political context and poverty debates

	Dortmund	Turin	Radom	Malmö	Glasgow
Social policy orientation/priorities in local debate	Focus on employment policies and combating poverty, social exclusion	Focus on employment policies and combating poverty, social exclusion	Orientation towards economic policy (create new jobs)	Focus on employment policies and combating social exclusion	Focus on housing, social services and poverty issues
Poverty as a political issue at local level	Strongly integrated: explicit local focus on the need of comprehensive policy measures directed at the poor	Strongly integrated: combating poverty highly present at the local political arena	Moderately integrated: combating poverty is not defined as a strategic goal	Weakly integrated: poverty is a non-issue on the local political arena	Strongly integrated: strong commitment towards anti-poverty policies
Actors involved in local social policy and poverty debates	Wide range of actors involved: public agencies, employer organisations and third sector	Wide range of actors involved: politicians, administrative staff, third sector, private actors, academics	Limited range of actors involved: social policy and poverty issues mainly an issue for political parties	Medium range of actors involved: academics experts in social policies, third sector rarely involved in poverty debates	Wide range of actors involved: third sector organisations, public agencies and local politicians
Participation for civil society	Strongly institutionalised in forms of local commissions	Strongly institutionalised in local partnership arrangements	Moderate institutionalised partly through non-governmental organisations	Weakly institutionalised partly through bilateral arrangements	Strongly institutionalised through partnership arrangements, panels

Source: Authors own elaboration

Unsurprisingly, our research shows there is less and weaker involvement of stakeholders in local debates in Malmö and Radom than in the other cases studied.

Dortmund, Glasgow and Turin have a more mixed approach to the local social policy discourses on poverty. In Glasgow, poverty is high on the political agenda, involving a large number of stakeholders, but is also embedded in a larger political game between different political levels (Glasgow—Scotland—UK central government). The local debates are much less conflict-laden in Turin and Dortmund and include the involvement of a variety of stakeholders in local debates and to some extent also in decision-making forums. Poverty is certainly not the main issue for these participatory governance arrangements at local level, but is nonetheless embedded in broader local discourses on social integration, urban renewal and social investment. In Dortmund, the fight against poverty is part of a comprehensive and consensual policy of regional structural change and activation. Such debates were also present in the other cities, but involved poverty issues to a lesser degree (Johansson et al. 2013).

Governing Active Inclusion at Local Level: A Multi-level and Multi-dimensional Approach

Even if the delivery and implementation of welfare policies increasingly take place in local arenas, it is also essential to emphasise the importance of the vertical dimension since local-level horizontal arrangements are embedded within regional and national level regulation. This means that a theoretical approach must be applied that uses a multi-level perspective to capture the vertical dimension in our analyses that is related to the capacity of our local case actors to combat poverty. In order to understand these processes and the subsequent ‘downwards’ rescaling to subnational levels, our analyses are based on the four models of scalar regimes by Kazepov and Barberis (2012) already presented in Chap. 1. To bring clarity to the multi-dimensional aspect of identifying the horizontal arrangements that link different actors at subnational level and their subsequent impact on welfare policy beneficiaries, we turned to Newman’s (2007) four different modes of governance as discussed in Chap. 3.

Coordination Challenges of Multi-level Active Inclusion at the Local Level

Dortmund is characterised as an involved municipal actor in its approaches to delivering and influencing national-level policies in the local arena. Minimum income protection in Germany has faced landmark changes in the course of the Hartz reforms since 2003. The final Hartz IV reform established ALG II as the new categorical minimum income protection for all employable persons and their families. The ideal was to fully integrate public employment services (PES), social services and financial support for able-bodied persons in need and entitled to ALG II.

The Hartz IV reforms have resulted in the creation of more than 400 Jobcenters. Three-quarters of these are run on the basis of formal cooperation between the cities councils and the national Federal Employment Agency. They serve as integrated one-stop-shops for employable persons and their families, bringing together the three pillars of the highly integrated ALG II: benefit transfer, job placement and delivery of social services. The Hartz reforms enforced a process of centralisation and standardisation. The ALG II scheme is hence to a great extent standardised, governed and financed at national level (in Dortmund up to almost 85 %), with the Federal Employment Agency as main actor. The city has little to say on issues like regulating minimum income protection: benefit levels and eligibility criteria are both subject to national regulation.

However, the actual provision of social services is mostly left to local, generally private or non-governmental actors. A particularity of the Dortmund case is the close inter-organisational collaboration between agencies providing services for the most disadvantaged groups. For example, it is a network organisation, the Initiative Sozialgewerblicher Beschäftigungsinitiativen (ISB, Association of Social Employment Initiatives) that brings together all local training and employment initiatives from private and third-sector organisations providing local counselling, training and employment opportunities. The organisation is the major point of contact for the Federal Employment Agency, the Jobcenter and the social assistance office, which all use the ISB to coordinate local and regional employment and training policy. A department

in the Jobcenter has a similar function in the field of social services: is responsible for coordinating internal services and external providers of social services, for example, debt counselling or substance abuse counselling agencies.

Local case workers at the Jobcenter have certain discretionary powers. They are expected to pay out benefits and offer job advice and job placement, yet how such services are put into practice is at the discretion of the frontline staff. Furthermore, there are sanction rules for ALG II recipients that are applied by the frontline staff at the Jobcenter. All these rules are subject to federal legislation, but, at the same time, the personal advice service and the case managers in the Jobcenter have certain discretion as to how strictly these are applied.

The city council is involved in the Jobcenter insofar as representatives of the local government are part of the supervisory board, with the Lord Mayor as chair. What is unique for Dortmund is that it also has a 'board of trustees' that brings together a large selection of societal actors involved in the governance of the Jobcenter. This board was explicitly set up to improve the involvement of municipal actors in Jobcenter issues. The city is highly in favour of inclusive solutions that aim to involve as many actors as possible.

Italy, in contrast, lacks comprehensive and unitary national regulation for minimum income protection, due to the substantial influence of regional and local autonomy. Italian minimum income protection consists of three categories: national and regional measures implemented at local level; local economic assistance schemes developed by the city and schemes of tax reduction and fees. The first category includes family and housing-related benefits with the following characteristics: (i) requirements criteria and benefit amounts are determined by national or regional law and cannot be reduced by local authorities, (ii) the measures are configured as enforceable rights; the cities cannot delay or deny their provision by claiming a lack of resources, (iii) cities have a minimal implementation role as a mere local executive agency. The New Social Card (NSC) is an additional centrally framed benefit that has been implemented in 12 cities since 2012. This is a pre-paid electronic card whose monthly amount depends on the number of household members, introducing innovations in institutional relations in combating poverty.

The national regulation of the NSC regards the distribution of national funds to be at local level; eligibility criteria, level of benefits, details about timing of administrative steps and tasks are assigned to the cities. The cities are responsible for collecting applications, checking priority conditions and selecting recipients, while the payment procedure is attributed to a national agency.

The second category of benefit schemes relates to financial assistance that is designed, financed and implemented by local social services. All measures are paid to the family unit if their income at the time of application and during the period of payment is below a certain level. Financial grants can be awarded after verification of eligibility criteria via database controls and inspections by the police. An approved benefit is granted for either six months (*Reddito di inserimento sociale*, which focuses upon the able-bodied unemployed) or twelve months (*Reddito di mantenimento*, which is for people not able to work and ensures an adequate living standard for those over 65 or younger than 18, or are ill, disabled or pregnant). The benefit level is much higher for *Reddito di mantenimento*, illustrating the ideological distinctions of the 'deserving' and the 'underserving' poor. The low percentage of persons on minimum income support in Turin (0.34 %) demonstrates that the city only provides last-resort income protection and applies very restrictive access criteria. In accordance with the third category of minimum income protection, households may apply for reductions in energy, gas, water and waste removal costs, depending on household income. Households can also apply for reductions in municipal property and income tax.

Given that access criteria for financial assistance schemes have become more restrictive, households not receiving support from the city can apply to third-sector organisations that operate according to more flexible intervention approaches. However, the local system is very complex and households must be competent, active and informed about the various types of schemes in operation, what conditions apply and where to apply. This is a result of the fragmented and complex nature of local minimum income protection in Turin.

The activation policies could be described as a fragmented system, resulting from a decentralisation process that aims at strengthening the role of subnational levels of government trying to circumvent passive labour market policies in Italy. A significant number of the Italian

activation measures in operation at local level have been funded by the European Social Fund (ESF). In Turin, the third sector plays a significant role in designing and implementing local activation services. Non-profit organisations and public institution work together in Turin and are very much involved in providing local activation services, yet these local services are often carried out without any direct coordination or integration with the offers developed by central employment policies.

The responsibility for minimum income protection in Poland is shared by the central level and three subnational levels: regions, poviats and gminas. Traditionally each of these subnational administrative levels has been independent from the central level in shaping the features of social policy systems. However, this is circumscribed and embedded in the legal framework and in the financial support structure from the central state.

Gminas, via the social assistance office, are responsible for managing social, family and housing policy at local level and have the mandate to deliver minimum income protection. The powiat is responsible for specialised services such as care for the physically or mentally disabled, prepares strategies for social inclusion of the long-term unemployed and is the administrative level at which local PES operates. The social assistance office and the local PES can set priorities and apply for additional funding, yet cannot exclude any social group that is defined in the Social Assistance Act of 2004. Although the powiat and gmina have a financial responsibility for social assistance costs, these are also shared with central government. In Radom, the budget for social assistance is financed up to about 70 % by the state. Each applicant for social assistance is assigned to a caseworker who assesses eligibility. The eligibility criteria are formulated in the Act that also regulates the amount of money applicants receive. People are eligible for temporary allowance if they fulfil the income criteria. Payment is obligatory only if the applicant is unemployed, chronically ill, disabled or awaiting an administrative decision about some other type of benefit. In other cases the decision is left to the discretion of social services. Sanctions are defined in law and are applied when a person who has obtained benefits has not fulfilled the obligations of the social contract or has rejected job offers or has worked in the shadow economy. However no precise information about this kind of allowance suspension appears in official documents.

Local active inclusion policies are implemented against the backdrop of a division between local, regional and central authorities. The local PES is an organisational unit subject to the poviats and has a responsibility for both Radom and the nearby subregion. The PES has recently been the object of marketisation reforms and all activities above a certain budget line must be put out to tender, awarding the contract to the lowest bidder.

The social assistance office and the PES have also been developing local activation projects. Most of these have a social training profile and are directed at the long-term unemployed and social assistance recipients, that is, so-called socially useful jobs. There is little coordination between the social assistance office and the PES; the institutions have only superficial knowledge about each other's activities. The municipal authorities try to run their own employment policy because PES activities are judged as insufficient and ineffective. The PES receives funding mainly from central authorities, yet some of this money is given to the cities and then delivered to the local PES. This funding arrangement is based on the assumption of good cooperation between municipal authorities and the PES and the expectation that the cities will top up the budget for the local PES. Instead, the city in Radom retained some of the funding, which has led to extensive conflicts with the PES. This conflict also seems to have spread to other actors: representatives of local third-sector organisations have noted that they either have contact with the city or with the PES, but rarely with both.

The Swedish national regulatory system of minimum income protection is the social assistance system regulated by the Social Services Act (2001:453), a national framework law drafted in general terms and containing imprecise information about the requirements for benefit eligibility. The national regulation allows local governments room for interpretation, since this implementation is carried out by local actors and is based on their discretionary powers. The municipality has complete funding responsibility and is responsible for shaping its own, more detailed rules. However, certain regulatory mechanisms restrict a fully decentralised social assistance system.

In order to receive social assistance, the applicant must contact the local social services office and meet a professionally trained social worker

for assessment. The Social Services Act (2001:453) covers some national standards, according to which clients are assessed for their eligibility. Social assistance is a safety net of last resort for people who temporarily require financial assistance. Individuals have a right to appeal to an administrative court; this applies to all decisions made under the aforementioned Act. The process of decision-making is carried out by social workers who determine which applicants are eligible. Local authorities are allowed to use sanctions if an applicant turns down employability measures or refuses to take a job without an acceptable reason. The sanctions could also mean that an application for social assistance is rejected or that the level of social assistance is reduced.

The national regulated PES is currently applying a marketisation logic to a much greater extent, due to decisions taken by central government. The previous centre-conservative government (in office from 2006 to 2014) pushed for the greater significance of private profit-oriented providers to support the unemployed via more effective types of coaching activities. Although we find extensive efforts by the PES in the creation of activation policies, cities have also developed activation policies of their own, partly as a reaction to the rigid bureaucracy of the central PES and partly as a reaction to the fact that it is the cities that are fully responsible for financing social assistance benefits. These two separate tiers of activation policies and their lack of coordination are very evident in Malmö, which has developed extensive activation services parallel to those regulated by the national PES and has also largely institutionalised these within the city's formal political and administrative structures. The most recent initiative is Job Malmö, which is an umbrella organisation for a large number of local initiatives and services that promote labour market integration for city residents. There is limited coordination with the PES, although senior officials attend joint meetings and participate in joint activities. Job Malmö has, at least in principle, a clear link to the local social assistance scheme, due to the coordinated sanctions. However, the social services units are rarely involved in managing activation services in cooperation with Job Malmö. The collaboration between local public authorities can be described in terms of parallel systems with regard to budgets and location.

In Glasgow the local governance of minimum income protection illustrates a centrally steered and employment-oriented national model.

Although local actors have limited formal discretion, extensive entrepreneurial efforts on the part of local public actors do exist. National departments have the responsibility for delivering welfare support and anti-poverty measures. The Department for Work and Pensions (DWP) is the administering agency for out-of-work payments and for the provision of social security payments and benefit support. This means that benefits rates, administrative processes, eligibility, entitlements and benefit categorisation take place at national level. There are no local income schemes operating in Glasgow that involve the transfer of cash payments to benefits recipients. Frontline staff do not have discretionary powers with regard to the application of sanctioning policies.

Individuals in Scotland can receive different minimum income payments on top of or instead of UK provision. While the Scottish Government has no control over the cash benefit rates, rules and allowances, it is however able to exert local influence in the provision of services and support for people experiencing poverty. The local authority (Glasgow City Council, GCC) has limited formal responsibility for minimum income protection but provides income maximisation for individuals in order for them to navigate and claim all of their entitlements from governmental organisations. The GCC can define council tax reduction eligibility criteria for some groups and has been made responsible for the provision of discretionary housing payments for individuals affected by national regulation. The GCC provides some passported benefits such as free school meals for children from financially vulnerable households.

The central orientation of the UK system is also reflected in the coordination between minimum income support, activation offers and social services. A cornerstone of local active inclusion in Glasgow is Jobcentre Plus (JCP), a joint organisational unit that accommodates benefit eligibility tests and benefit payments as well as work tests and employability measures. The main impetus for the reform was to introduce a stricter work strategy and to implement this policy orientation in all levels of government. Rules and routines are highly standardised in these centres and part of a centrally governed programme. The Work Programme (WP) replaces all welfare-to-work programmes in the UK and can be outsourced by the DWP to non-state organisations. The role of JCP in the national activation

programme is limited to transferring individuals from their register to the services provider after a designated period of unemployment. In Glasgow, the two main contract holders are currently private sector organisations. These organisations are required to compete on targets and are predominately paid by results. Neither JCP nor the GCC is involved in the design of the WP or the tenders from the two organisations who were awarded the tender. The Scottish Government has developed programmes, outside local actors' strategies as well as outside the UK national programme. The GCC and other local agencies connected to the city of Glasgow have also been active in developing activation measures that are not connected to the WP. The three 'parallel' systems, in operation simultaneously at local level, have hence caused tensions between actors and policy areas and there is a lack of consensus, shared views and coordination.

Multi-level Active Inclusion: Social Assistance

Each municipality in this study is characterised by extensive problem pressure. How has this affected governance patterns? When it comes to implementing multi-level active inclusion with focus on social assistance, we analyse the vertical relationships between national and subnational levels using the four models of scalar regimes by Kazepov and Barberis (2012) that are represented in our local cases.

Dortmund and Glasgow share several similarities when it comes to the organisation of their national schemes on minimum income protection which belongs to the *centrally framed countries model*. They are both shaped by strong central regulation of benefits (eligibility, benefit levels, sanctions) as well as of financing. Local agencies operating in the cities of Dortmund and Glasgow are extensively circumscribed by such central regulations. The case of Turin reflects the *regionally framed model* of governance regarding social assistance, which follows a mixed version of regulation. Some parts of the schemes are centrally regulated, whereas others are directly regulated and are part of local regulation patterns. Social assistance is a complex patchwork of a great number of benefit schemes, yet these are limited and fairly small and it is difficult for local

recipients to navigate them. The benefits might be adequate for those people who receive support, but the actual numbers being covered by the local schemes is very limited.

The degree of central regulation is more modest, but still present in the cities of Malmö and Radom. Actors at local levels in these two cities operate under a framework of central regulation, including elements of mandatory legal regulation, yet also with less expectation on local entities to follow the aims and ambitions spelled out in national regulation. Both cities have a much higher degree of professional staff executing local autonomy and have discretionary powers to develop models and forms of interpretation of national standards that can be much more reflective of local conditions and ambitions compared to Dortmund and Glasgow, but even in relation to Turin. The Swedish social assistance scheme is decentralised and could be described as the *strong, local autonomy, centrally framed model*, where local government has an extensive mandate, funding responsibility and discretionary power in implementing the Social Services Act (2001:453). The Polish social assistance scheme approaches the *mixed frame in transition model*, combining strong central regulation and substantial funding, with an increasing role for subnational actors (poviat and gmina) and corporatist arrangements as well as the increasing involvement of the third sector. However, the case of Radom does not completely match this model of scalar regimes. Certainly we find third-sector organisations playing a significant role in social assistance. There is also extensive central funding for local social services and social assistance provision. Moreover local actors seem to follow the rules and regulations established by the central government. But the practices of local decision-makers and social workers much more resemble the description of *strong local autonomy* but concurrently also correlate with the *centrally framed model*, at least when it comes to the interactions between central and local regulation.

When comparing these local cases it is striking that these are substantially divergent with regard to how they act in relation to national regulation. Radom and Malmö follow national regulations and standards, which is partially paradoxical as they actually possess a higher degree of local autonomy and discretionary powers for developing models and forms of interpretation on national standards that much more could

have reflected local conditions and ambitions. Radom would need its own funds to be able to do this. This is extremely interesting in relation to Malmö. Despite high problem pressure, the city of Malmö practices fairly ordinary welfare arrangements when it comes to local policies and measures linked to social assistance. Paradoxically, in Dortmund and Glasgow, which have substantially less autonomy, we find much more local entrepreneurial activities, above all in Glasgow. Although it has been shaped and restricted by a strong central regulatory framework, local government has made extensive efforts to develop parallel policies and activities to limit this subordination and local dependency upon the centrally regulated scheme. It is only in Glasgow that we find a system of income maximisation via the funding of financial advice and income maximisation services focusing on providing individuals with support to navigate and claim payments from national schemes. Arguably and quite paradoxically, local autonomy and innovation is used more in social assistance models that restrict local autonomy, where one would not expect to find this. A general conclusion is that the multi-level arrangements described in formal documents and in the law can be very different from the actual implemented vertical relationship between national and sub-national level. Judging from the analyses of our empirical data, local welfare systems actual degree of fit to their national models and regime features seem to be more determined by their heritage of initiatives and entrepreneurial approach to combating poverty than their level of local problem pressure. All cities experience severe problem pressure but their local response diverges quite unexpectedly as formal possession of leeway in relation to central regulation did not result in more innovative or intensified local active inclusion strategies. Our analysis instead indicates the contrary where the subnational actors within the centrally framed national models claim legitimacy and implement local active inclusion initiatives.

Multi-level Active Inclusion: Activation Policies

Regarding multi-level active inclusion with focus on activation policies, we find more similarities than differences between our cases. Glasgow and

Dortmund are, as in the case of social assistance, embedded in centralised activation policies and services. Dortmund is the only case in which we find coordination and elements of integration in the vertical relationship between national and subnational levels. In the Glasgow case, there seems to be limited connection between central activation policies and activation services at local level. Vertical cooperation and partnership arrangements bear witness to a conflict-laden relationship between the local level (JCP) and the central level (WP). This tension is increased even more by the complex three-level games that are played vertically between GCC, the Scottish government and the UK government, with some spill over effects in the area of minimum income support. Malmö, Radom and Turin apply a two-tier logic; activation policies are mainly an issue for central government and authorities and are implemented at local level. In each of these cases, we find weak coordination between the centrally regulated policies and activities at local level. There seems to be two separate systems, very much so in the case of Turin, which is not connected to the central employment policies run by central authorities, and partly also in the cases of Malmö and Radom. In these latter two, we also find extensive tensions and conflicts regarding aims and mission, target groups and, above all, regarding financial resources. In Turin, we find innovative efforts from locally initiated one-stop-shop models, which however have fallen into disuse and nowadays Malmö is characterised by two systems of activation offers in the local context: one funded and operated by the central PES and one funded and operated by the local job centre.

Coordination Challenges of Multi-dimensional Active Inclusion at the Local Level

Concerning horizontal relationships between policy fields, in most of our cases there is weak or no coordination between activation policies and social assistance at local level. The cities of Malmö, Radom, Turin and Glasgow are based formally on parallel systems. Activation services and social assistance are two different organisations with their own budgets and regulations as well as different views on what is causing social problems and how to handle them. This ‘drainpipe’ model of welfare

arrangements underpins the non-cooperation that is most evident in Radom, where we find extensive tensions between the two policy areas concerning aims, target groups and financial resources. Turning to Dortmund, this is the only case where we find coordination and even elements of integration between policy fields that are implemented in the organisational form of the Jobcenter; this is a general characteristic of German minimum income protection. In our further analysis of the multi-dimensional active inclusion, focusing on horizontal relationships between actors at subnational level, we will apply Newman's (2007) modes of governance at local level.

Multi-dimensional Active Inclusion: Activation Policies

In the city of Turin, actors seem to be well coordinated and integrated into close partnerships in funding, managing and delivering local activation offers. Several local activation projects are based on intensive partnership arrangements between a wide range of actors (private, third sector, EU, national, regional and local). However these local services are often carried out without any direct connection, coordination or integration with the services developed in central employment policies. Third-sector actors also play a significant role in the design and implementation of local activation services. These horizontal relationships can be described as *network governance* arrangements that are based on local partnerships and forms of formal and informal collaborative partnerships that bring together public and non-public actors for a joint purpose. In the case of Malmö, we find a *hierarchical governance* mode. The principal actor, even if municipalities have developed their own local activation policies, was until 2008 the National Labour Market Board (Arbetsmarknadsstyrelsen), which traditionally has been responsible for employability measures. In recent years, the nationally regulated PES, which took over the National Labour Market Board's tasks, has been operating more closely according to the logic of marketisation, due to decisions taken by central government. This development led to an increasing role of outsourced profit-driven providers to

support the unemployed with more effective types of coaching activities. These arrangements and horizontal relationships point to *hierarchical governance*: the PES has legal and bureaucratic powers, following a traditional top-down understanding of welfare services, while non-public actors execute the outsourced services. Activation policies in the city of Radom are implemented following the same mode of *hierarchical governance*. These measures are decided by authorities, mainly at central and regional level. The PES has recently been the object of marketisation reforms and all activities above a certain budget line need to be put out to tender, awarding the contract to the lowest bidder.

Even Dortmund seems to follow the same mode of *hierarchical governance* with regard to the goal of multi-dimensional active inclusion. Yet the strong central regulatory framework and the top-down arrangement of activation services are combined with local entrepreneurial activities and horizontal cooperation with non-public actors in a way that characterises the *network governance* mode. Activation measures are offered by various local institutions run by the municipal administration, which dominates the activation scene in cooperation with free welfare associations, third-sector organisations and/or ESF through close partnership arrangements. This combination of *hierarchical* and *network governance* leads us to develop the term *mixed vertical–horizontal governance*, which is a more accurate description of the complexity of arrangements in Dortmund. In Glasgow, the regulatory mechanisms are even more strictly centralised (rules and routines are highly standardised by national government: neither JCP nor the city of Glasgow are involved in the design of activation policy and the outsourcing process). This is combined with comprehensive contractualisation arrangements where for-profit actors compete on targets and are predominately paid by results. The private actors lead the delivery of activation measures and subcontract segments of their contracts to local third-sector organisations. The outsourcing procedures and the important role of for-profit actors, the delivery of active measures based upon financial incentives and the subcontracting aspects could be described as a mode of *managerial governance*, where horizontal relationships are based on organisations that act instrumentally within a system where services are outsourced.

Multi-dimensional Active Inclusion: Social Assistance

Regarding social assistance, Malmö has a top-down national regulatory system combined with self-governance at local level. However, certain national regulatory mechanisms restrict any fully decentralised provision of social assistance. Due to the city's social democratic heritage, it is public actors that have responsibility for managing social assistance. Non-public actors are not involved in local decision-making about the social assistance system nor do they provide advice or support to applicants claiming benefits. There is no association or non-public organisation representing social assistance recipients per se. This absence of horizontal cooperation with non-public actors and the wide degree of local discretionary powers on how to organise, administer and work with social assistance points to a mode of *self-governance* as a form of promoting self-controlled agency and autonomy. Radom also operates under a framework of central regulation, including elements of mandatory legal regulation, however there is less expectation that local entities will follow the aims and ambitions spelled out in national regulation. The municipal social welfare office is the public unit responsible for delivering social assistance, yet this has elements of partnership arrangements with third-sector organisations leading to the conclusion that social assistance in Radom follows the mode of *hierarchical governance*.

Dortmund and Glasgow share similarities even regarding horizontal arrangements in local social assistance. As already explained, they are both shaped by strong central regulation. However, Dortmund and Glasgow are engaged in local entrepreneurial activities. In Dortmund, social assistance cooperation with non-public actors is limited and is based upon the legal and bureaucratic power of the municipality and therefore can be defined as *hierarchical governance*. On the other hand, local government in Glasgow has made extensive efforts to develop parallel policies and partnership arrangements with non-public actors in order to limit local dependency on the centrally regulated scheme. As mentioned, it is only in Glasgow that we find the system of income maximisation; this service is organised in close collaboration with the local third sector and local authorities. None of the Newman (2007) modes of governance suitably describes this complexity, but we can make use of the term developed

when analysing activation measures, namely *mixed vertical–horizontal governance*, which combines *hierarchical* with *network governance* when administering the local social assistance system. Even in the case of Turin, it is necessary that we elaborate upon Newman's (2007) modes of governance in order to describe this multi-dimensional coordination in theoretical terms. Horizontal relationships are based on ad-hoc arrangements and the diversity of actors is very hard to define. With risk for simplifying, the governance of social assistance in Turin can be described as weakly financed and relying to a large extent on non-profit actors for the design as well as for delivery of benefits and therefore can be understood as a mode of *improvised fragmented governance*.

Implementing Multi-stakeholder Active Inclusion: Relationships Between the Public and Third Sectors

A key issue in active inclusion is multi-stakeholder involvement in the delivery of welfare services. There is a stronger tradition of such involvement in Germany, Italy and Poland than in Sweden, with the UK somewhere in-between. The following section will analyse third-sector involvement in activation services and social assistance. In order to clarify the substantial and increasing role of third-sector organisations as central welfare delivery actors and to describe their forms of internal arrangements and cooperation with public actors, our analyses have departed from the distinction of four ideal types of relationships developed by Najam (2000) that are presented in Chap. 3.

Germany has a strong legacy of third-sector involvement in welfare provision. The city of Dortmund rests on a strong local culture of cooperation and the involvement of a wide array of stakeholders, including the third sector, even if the cooperation with the last-named actor is most evident when it comes to social services such as elder care and childcare and is less comprehensive in social assistance. The stakeholder associations are part of a tight network that is institutionalised in the Social City Commission (governing the implementation of social projects with

a central role in the city's local anti-poverty policies) and is thus also highly formalised and connected to the city's local policies and practices. Representatives for public actors and the third sector know each other in person and issues are generally resolved during meetings, either in the Social City Commission or within other multi-stakeholder bodies. These formal networks and the Social City Commission in particular play a significant role when it comes to explaining Dortmund's comprehensive anti-poverty approaches since these facilitate concrete joint actions, directed at tackling poverty and unemployment-related problems. The relevant actors in Dortmund know each other personally, not only on the strategic level, but also on the operative level. This is why there is certainly also informal cooperation, which sometimes works faster than is possible within formal structures. Dortmund is a good example of the relationship that Najam defines as an ideal type of *cooperation*, based on relationships with a mutual understanding of common goals and how to achieve them. Another example of the same ideal type of relationship is Turin, where the third sector has traditionally played an important role in combating poverty, both by establishing forms of cooperation with authorities and by providing autonomous services. The structure of welfare production, and, above all, of benefits and services related to active inclusion policies, does not only involve public actors. On the contrary, a broad range of non-profit actors are involved in providing benefits to individuals; these range from emergency relief to long-term financial support.

As in Dortmund and Turin, the third sector in Radom plays a significant role in complementing or even replacing public benefit schemes primarily in the case of social assistance. Thus this city constitutes the third example of *cooperation* as an ideal type of relationship. As described above, activation measures are decided by authorities and, due to marketisation reforms, are implemented to a great extent by for-profit organisations. There are almost 400 organisations in Radom of which more than a dozen have special legal status (the ability to obtain 1 % of the citizens' tax in order to finance their own activities). The city organises the Centre for Non-Governmental Organisations and integrates third-sector actors and their activities as well as enabling them to share experiences and aims. Although the third sector is not involved in decision-making with

regard to social assistance or activation services, they do inform the social assistance office about local social problems. Third-sector actors cooperate closely with each other, providing information about the recipients and their needs. The social assistance office plans to transfer as much of the social work to the third sector as is possible in the form of outsourced tasks. Even Glasgow can be understood in the same terms of *cooperation* since the third sector there is closely interlinked and connected through the delivery of welfare through outsourcing and mutual arrangements with local public authorities. In Glasgow, a large number of third-sector organisations are involved in providing financial aid and guidance on welfare issues as well as acting as subcontractors to UK government. The local organisational landscape includes charities and community-based groups, organisations comprised of voluntary employees and social enterprises. Some of these—if we include credit unions and housing associations—have a wide range of staff members, and—if we include social enterprises—also have a substantial financial resource basis. Some are involved in the provision of outsourced public services and initiatives, especially regarding activation services, whereas others are based upon user or local community initiatives. This is evidently a complex landscape of different organisations, some involved in providing financial support in order to alleviate poverty for residents and others involved in delivering various types of services.

The role of the third sector in delivering welfare services in Malmö is very modest, almost negligible. In line with traditional social democratic views of the welfare state, it is the central, regional and local public authorities that provide services. Malmö has been highly reluctant to outsource welfare services to the third sector for activities related to active inclusion. This sector is not involved in planning forums or participatory governance arrangements to any great extent and the city defends the idea that welfare is best provided by public agencies. The involvement of non-public actors in the governance of social assistance is generally rejected. However, there is ongoing discussion within the city on how to cater for user involvement and participation of social assistance recipients with regard to the development and functioning of the system. We conclude that the third sector is not a part of multi-stakeholder arrangements here. Therefore none of the Najam ideal types of relationship can

be applied in order to analyse the case of Malmö. Thus a new analytical tool, based on our empirical findings, is required, that of *non-cooperation*.

Conclusions

Our analyses of active inclusion departed from multiple empirical perspectives in order to understand vertical as well as horizontal relationships and arrangements between different actors at various levels with regard to minimum income protection and activation measures. Based on theoretical approaches, we found differences between our cases, which will be discussed in turn. Our close analysis also revealed similarities. The empirical material points towards three similar *embedded* dimensions:

Ideological embeddedness: The local cases use similar ideological logic in combating poverty through local left-wing parties. Radom is the only city where political power has, to some degree, representatives from the right-wing; nevertheless the council leading the regional level is formed by a centre-right party that was originally left-wing. As we have already discussed, each city is characterised not only by extensive problem pressure but also by local political legacies and ideologies that have a common ideological platform.

Tradition-based embeddedness: The local cases follow their own traditions and are shaped by local legacies when it comes to cooperation with the third sector, regardless of EU initiatives for combating poverty via the concept of active inclusion, which calls for multi-stakeholder arrangements. A clear example is Malmö, which continues to exclude the third sector from the provision of welfare services, irrespective of EU ambitions or the revised focus of central government to emphasise on marketisation logic and cooperation with the third sector. Turin, Dortmund, Glasgow and Radom have their own substantial profiles of cooperation with the third sector and civil society. Furthermore, each city is self-reliant in finding its own adapted solutions to tackle local problem pressure, largely regardless of the fact that institutional arrangements are decided at national level. This local independence focuses either on designing, managing or implementing or a combination of these aspects, when delivering welfare at

local level. Our empirical material leads us to the conclusion that local welfare is not a mere reflection of national regulation. The most obvious example is Glasgow, a city rooted in own local agenda and which is trying to alleviate poverty via welfare arrangements and cooperation with the third sector (see, e.g. income maximisation), which in fact contradicts national-level policies.

An additional aspect of *tradition-based embeddedness* is the evident presence of the logic of ‘poor relief’ reproducing a struggle against poverty that can be traced back to the Middle Ages (Geremek 1994) and which appears to still dominate local welfare logic in our cases. ‘Poor relief’ is administered locally to take care of the city’s poor, is based on social workers discretionary powers in deciding who is a ‘deserving’ recipient and is implemented in a way that ensures that benefits never become a social right. Social assistance in Sweden, which is often described as having a universal and generous welfare system, demands that applicants and other members of the household have absolutely no financial resources at all before they receive social assistance. The applicant must sell off all his or her assets (even a very old car). In this sense, the applicant and the members of the household must relinquish some civil rights such as property rights (Panican and Ulmestig 2016). The only national regulated scheme for social assistance in Turin is the experimental programme of the NSC, already described in this volume that is presented as a legal social right for households in vulnerable financial situations. However, it became apparent that there are more eligible households in the city than there are financial resources. The municipality thus approved a directive containing a priority list and so prevents some eligible households from receiving a social right that they are actually entitled to. The elements that reflect the centuries-old logic of conditioned ‘poor relief’ are present in every city in this study.

Local institutional design embeddedness: The way to think about and understand welfare in combating poverty is to define social assistance and activation services as two different policy fields. The EU’s concept of active inclusion advocates integrated cooperation between income support, activation policies and social services. Nevertheless, the ambition of better cooperation between fields recognises and reproduces the idea that welfare is based on different policy areas. Due to the lack of positive results, in 2003, Malmö city council decided to reorganise its welfare arrangements.

The solution was to introduce a one-stop-shop model integrating social assistance, local administrative departments and local PES. The integration process led to the location of different public agencies under one roof; however, the public agencies working together followed their own regulations and budgets. The expected integration did not take place and the welfare arrangements had to return to the original administrative system of having different organisations. We find the distinction between social assistance and activation services, even in Glasgow and Dortmund, where national regulation has implemented one-stop-shop arrangements. The UK government applies a one-stop-shop logic, integrating employment and benefit policies in one organisational unit. However, the central steering and close coordination between social assistance and activation services linked to the JCP have had adverse effects locally. Glasgow has extensive local activities, constructing a second tier of local activation measures in the city and, furthermore, makes a distinct distinction between policy fields. The most integrated model is in Germany. The organisation of the Jobcenters follows the logic of a one-stop-shop model that brings decision-making authority for benefits and services under one roof. Although services are carried out by actors other than the Jobcenter agencies, these are closely linked to both the provision of benefits and to different kinds of activation services. The municipal administration and the Jobcenter cooperate closely in the field of activation services, but retain their respective separate formal mandates. Nevertheless, in cases where municipalities have full authority to deliver minimum income benefits, we find less integration and more parallel systems. The conclusion is that we can identify 'light' forms of one-stop-shop organisation but do not encounter complete or well-functioning integration between social assistance and activation services that are still based upon different ideologies that represents different policy fields.

Another aspect of the *local institutional design embeddedness* is that the cities combat poverty by applying a work ethic that simplifies the cause of poverty through a narrow focus on employment status. The primacy of the work ethic and work strategy overshadows any conceptualisation of poverty: not being poor is all about having a job. This common approach in our cases can be questioned, despite each city belonging to a different welfare regime. For example, in Malmö, the unemployment rate is paradoxically about 10 %, while the relative poverty rate is almost 30 %.

The huge gap between the unemployment rate and the poverty rate can hardly be explained only in terms of work ethic. Therefore combating poverty by focusing solely on work and labour market strategies could be viewed here as insufficient. In Radom, the working poor are not of particular interest on the political arena. Poverty in Radom is seen, as in the other cities studied, as a result of unemployment. Therefore local authority efforts are focused on getting social assistance recipients back into the labour market. However, wages in Radom are generally low and the insufficient minimum wage means that many citizens live below the poverty line. Many employees earn very low wages and, unlike the unemployed, the working poor are excluded from financial support. We are therefore dealing with a paradox: the lack of work is believed to cause poverty, yet work does not alleviate poverty and may even prevent citizens from receiving needed public support.

How are our results to be understood given that we studied cities with different welfare regimes that nonetheless are following the same approaches to some degree? The local cases belong to different European welfare states: Dortmund (Germany, an example of a city in a continental European country), Turin (Italy, an example of a city in a Mediterranean country), Radom (Poland, an example of a city in a post-socialist country), Malmö (Sweden, an example of a city in a Scandinavian country) and Glasgow (the UK, an example of a city in a liberal country) (see Johansson and Koch, Chap. 3 in this volume). These different welfare states also have different social assistance regimes (see Johansson and Panican, Chap. 1 in this volume). Distinctions between welfare states, regime typologies and social assistance models (see e.g. Esping-Andersen 1990, 1999; Kazepov 2010; Gough 2001; Bahle et al. 2011; Marx and Nelson 2012) are relevant to the discussion of the conceptualisation of welfare regimes, in most cases at national level and to some degree even in the analysis of the vertical relationships between national and subnational levels. In our empirical material, institutional differences are very evident at national level between countries. However, as already discussed in several chapters in this book, welfare services are implemented at local level and, as Kazepov (2005: 5) notes: 'context matters'. Nonetheless, even if the context matters, in our studies we find similarities between our cases that we theorise in our three similar *embedded* dimensions. We

did not expect the obvious similarities that are reproduced in our local cases, given the different types of welfare states. A main conclusion from our empirical material and analyses is that the differences and distinctions between welfare states regarding institutional arrangements are not reflected in the same ways at local level. The arrangements in local welfare and local institutional relationships between actors and policy fields cannot be described in the same terms as the conceptualisation of national welfare regimes. Equally, the local welfare system does not always match or even simply mirror institutional changes at national level. In our cases, we noted qualitative changes in institutional architecture at national level that are faced with institutional inertia at subnational level. Our empirical findings cannot be understood in terms of spatial transformation of European welfare states and a possible redistribution of social policy responsibilities discussed in terms of ‘rescaling’, ‘subsidiarisation’, ‘regionalisation’ or ‘territorialisation’ (see Chap. 2). Instead, if national governance does not correspond with the local legacy or institutional continuity (that is often based on the local similar *embedded* dimensions) then the imposed or desired changes will be less significant at subnational level. In the ‘worlds of active inclusion at local level’, the legacy of previous local welfare arrangements strongly influences the interpretation and implementation of active inclusion policies. These results can, to some degree, answer the question as to why changes in a welfare regime are not always reproduced at the local welfare level, where actors continue to use more of the same approach regarding welfare arrangements.

When it comes to differences, our results clearly state that our cases represent substantial variations in local active inclusion strategies and in how responsibility and involvement are perceived and implemented; for example, with regard to their respective level of market-oriented, bureaucratic and participatory focus, each case displays its own unique landscape of active inclusion. Another central feature of major importance is the degree to which the local community acknowledges and recognises poverty itself as a distinct political problem that requires and deserves extensive and comprehensive efforts to enabling active inclusion services. Our local cases display an array of differentiated responses to poverty alleviation, ranging from integrated comprehensive collaborations in the local arena that substantially deviate from more simplified

framings and responses to the attitudinal or behavioural change of poor citizens as the main solution for ending deprivation.

In conclusion, our five local cases have developed practices and logics of active inclusion strategies that are significantly affected by their level of autonomy within the respective national regulative framework as well as the local conditions regarding legacies, available capabilities or resources and the ideologically influenced priorities of local governance. This possibility of flexible adaptation to specific local welfare requirements or of establishing partnerships represents a beneficial consequence of localisation. However, substantially varying levels of welfare provision within nation states or regions, due to differing fiscal preconditions, own local welfare arrangements and the burdens of local problem pressure, constitutes an evident risk when it comes to unequal access to active inclusion services within the nation states in our study. This is exemplified by the more fragmented local and regional governance of Poland and Italy, where citizens' access to welfare is highly dependent on temporally fluctuating regional resources and local pragmatism in finding ad-hoc solutions.

References

- Bahle, T., Hubl, V., & Pfeifer, M. (Eds.) (2011). *The last safety net: A handbook of minimum income protection in Europe*. Bristol: Policy Press.
- Blyth, M. (2013). *Austerity: The history of a dangerous idea*. Oxford: Oxford University Press.
- Bonoli, G., & Natali, D. (2011). *The politics of the new welfare states in Western Europe*. European University Institute RSCAS working papers; 2011/17.
- Brancaccio, E., & Fontana, G. (2011). *The global economic crisis—New perspectives on the critique of economic theory and policy*. London: Routledge.
- EC 2008/867 (2008). *Commission recommendation on the active inclusion of people excluded from the labour market* (C(2008) 5737), (2008/867/EC) 8 Oct 2008.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. London: Palgrave Macmillan.
- Esping-Andersen, G. (1999). *Social foundations of post-industrial economics*. Oxford: Oxford University Press.
- Geremek, B. (1994). *Poverty: A history*. Oxford: Blackwell Publishers.

- Gough, I. (2001). Social assistance regimes: A cluster analysis. *Journal of European Social Policy*, 11(2), 65–70.
- Greve, B. (Ed.) (2012). *The times they are changing?—Crisis and the welfare state*. Oxford: Wiley-Blackwell.
- Heidenreich, M., Petzold, N., Natili, M., & Panican, A. (2014). Active inclusion as an organisational challenge: Integrated anti-poverty policies in three European countries. *Journal of International and Comparative Social Policy*, 30(2), 180–198.
- Johansson, H., Panican, A., Angelin, A., & Koch, M. (2013). *Combating poverty in Europe: Multi-level, multi-dimensional and multi-stakeholder models in local active inclusion policies*. Oldenburg: University of Oldenburg, Jean Monnet Centre for Europeanisation and Transnational Regulations, Institute for Social Sciences.
- Kazepov, Y. (Ed.) (2005). *Cities of Europe: Changing contexts, local arrangement and the challenge to urban cohesion*. Oxford: Wiley-Blackwell.
- Kazepov, Y. (2010). Rescaling social policies towards multilevel governance in Europe: Some reflections on processes at stake and actors involved. In Y. Kazepov (Ed.), *Rescaling social policies: Towards multilevel governance in Europe* (pp. 35–72). Farnham: Ashgate.
- Kazepov, Y., & Barberis, E. (2012). Social assistance governance in Europe: Towards multilevel perspectives. In I. Marx, & K. Nelson (Eds.), *Minimum income protection in flux*. London: Palgrave Macmillan.
- Künzel, S. (2012). The local dimension of active inclusion policy. *Journal of European Social Policy*, 22(1), 3–16.
- Marx, I., & Nelson, K. (2012). *Minimum income protection in flux*. London: Palgrave Macmillan.
- Najam, A. (2000). The four C's of government third sector-government relations. *Nonprofit Management and Leadership*, 10(4), 375–396.
- Newman, J. (2007). The double dynamics of activation. *International Journal of Sociology and Social Policy*, 27(9/10), 364–375.
- Panican, A. & Ulmestig, R. (2016). Social rights in the shadow of poor relief—social assistance in the universal Swedish welfare state. *Citizenship Studies*. DOI: 10.1080/13621025.2016.1139053.
- Social Services Act. 2001. *Social Services Act 2001:453*. Sweden.
- Stockhammer, E. (2012). *Rising inequality as a root cause of the present crisis*. PERI University of Massachusetts working paper series No. 282.
- Taylor-Gooby, P. (2013). *The double crisis of the welfare state and what we can do about it*. Basingstoke: Palgrave.
- Vis, B., van Kersbergen, K., & Hylands, T. (2011). To what extent did the financial crisis intensify the pressure to reform the welfare state? *Social Policy & Administration*, 45(4), 338–353.

11

Concluding Remarks: Exploring the Consequences of Scale and Place for Local Active Inclusion Strategies

Håkan Johansson and Bjørn Hvinden

Introduction

This book has explored local strategies for combating poverty against the backdrop of current debates on active inclusion policies. While much debate on social assistance and minimum income, activation and active inclusion tends to focus on national reforms, national policies and national schemes, our particular focus has been on local strategies to combat poverty, viewed as part of local welfare systems in five European cities. The main conclusions put forward in this book are that we should not conceive of local welfare systems as mirroring national regime features. Instead we note that local welfare systems draw on contextually specific cultural, social and economic resources and that they mobilise actors who constitute a unique feature in the particular system of welfare, yet always within the context of the respective welfare state regime (see Chap. 10, Panican and Angelin). Furthermore we conclude that ‘local welfare’ is not restricted to the efforts made by public agencies. It is necessary to take a broader view on the resources and actors mobilised at local level. The volume also finds that local welfare systems and local welfare actors

are not bound to the local level. These are rather participants in complex multi-scalar interactions that include elements of transfer and translation of national and European policies and programmes.

In this chapter, we seek to develop these observations one step further by using the notions of 'scale' and 'place' to acknowledge that local welfare systems are both 'products' of higher-level steering and regulation, as well as being 'productive' actors in terms of translating and transforming such policies and building upon elements of mobilisation 'from below' (see also Chap. 2 by Scarpa). The first section thus revisits our main findings on local welfare systems, as presented in previous chapters, and discusses these, among other things, against the backdrop of the European Union (EU) agenda on active inclusion, poverty and social exclusion. The subsequent section highlights place-specific dimensions of local welfare systems, seeking to identify common dimensions beyond particular cases. The chapter ends with a section on how the scholarly debate could contribute to the construction of more robust local welfare systems as well as coordinated local strategies against poverty and social exclusion.

Exploring Scale and Local Welfare Systems

Scholars have debated the notion of scale extensively; it can serve as a heuristic device to highlight key analytical considerations regarding local welfare systems. In general, scale refers to the power balances between various levels of regulation, for instance local, regional, national, European and international. Of key importance is the analysis of the way that countries vary with regard to how scales are fixed, boundaries drawn and governmental responsibilities are decided (Jones and Woods 2004). Scale is not a pre-existing feature or a quality of relationships, but rather something that is produced. Reflecting the division of authority, power and resources across levels of government, a local welfare system is hence something that results *from* and participates *in* the production of relationships across scales. Although one might anticipate national welfare models as being hierarchically superior to local welfare systems, as a subordinate tier of regulation,

such hierarchical structures are not self-evident (Jessop et al. 2008; Brenner 2009a, b; Kazepov 2008, 2010).

This book shows the relevance of a scale-sensitive and relational perspective, mainly with reference to national welfare state regimes as structuring contexts for local welfare systems, and less to an evolving EU agenda on poverty and active inclusion (Armstrong 2010, 2012). Our previous investigations into local–national interactions regarding rules and regulations for benefit provisions (minimum income support and social assistance support) have found signs of such scalar interactions. We propose the notions of *elaboration*, *confrontation* and *compliance* to capture the actions taken by local governments and other local actors (see Chap. 10 for a detailed discussion). The strategy of *elaboration* captures the structure of the local welfare system in the city of Turin, since local strategies are developed in relation to local conditions, with limited interaction with the central level. On the other hand, the strategy of *confrontation* captures the particular relationship between the local welfare system in the city of Glasgow and central regulation from UK central government. The strategy of *compliance* is mostly used in the cases of Dortmund, Malmö and Radom, although elements of all strategies are developed in all local contexts.

While these local strategies are mainly directed at national regulatory frameworks, institutional arrangements and rule-making, the local welfare systems studied are part of a broader EU agenda and system of anti-poverty policies. Recently we witnessed the establishment of an overarching supranational anti-poverty strategy at EU level that replaces the previous objectives of the Lisbon strategy by installing a set of quantified poverty targets in terms of ‘lifting at least 20 million people out of poverty by 2020’ (Jessoula et al. 2014; Jessoula 2015). The target is part of the EU’s 2020 strategy and is identified as one of the strategy’s main headline targets. A set of indicators to measure poverty and link national development to established European ambitions accompanies the target. While these constitute the main elements of the present EU agenda, the EU has also sought to link this objective to tools for policy implementation at national and local levels. One such instrument is the establishment of a particular European fund to combat poverty and social exclusion in European member states (Fund for European Aid to the

Most Deprived (FEAD) European Commission 2014). It complements the European Social Fund in terms of providing assistance more directly to the most deprived, in terms of support such as food, clothing and other items for personal use. The fund started its operations in February 2015 and will have almost EUR 4 billion available for the next 5 years, often this funding is designated for engaging civil society actors in implementation at local levels.

In addition, in recent years the EU has promoted the coordination of minimum income schemes and policies across Europe, lately expressed in the Active Inclusion strategy. The overall aim of this strategy is to combat the 'persistence of poverty and joblessness and the growing complexities of multiple disadvantages' (European Commission 2008, see also Chap. 4 by Clegg in this volume). The strategy is highly ambitious and rather progressive as it puts respect for human dignity as one of the EU founding principles and aims to promote a series of social objectives such as full employment and social progress, combating social exclusion and discrimination and the promotion of social justice and social protection. Whereas previous policy initiatives directly focused on poverty and people in urgent need, the active inclusion strategy proposes a multi-pillar approach to combating poverty and social exclusion in terms of encouraging member states to provide sufficient income support, inclusive labour markets and access to quality services. The strategy reflects recent scholarly debate on poverty as a multi-dimensional problem (e.g. Whelan et al. 2014). It invites member states to promote integrated implementation across the three strands: 'to effectively address the multifaceted causes of poverty and social exclusion and enhance coordination between public agencies and services which deliver active inclusion policies' and the active participation of all other relevant actors (European Commission 2008). All in all, the EU agenda on poverty and the active inclusion strategy constitute a social investment strategy for the poor and socially excluded, and since 2013 the EU has defined this as being a dimension of its Social Investment package.

The EU agenda is, however, highly ambiguous. In the 1990s the EU also sought to foster common poverty programmes, but was met by direct opposition by member states (e.g. Barbier 2013; Bauer 2002). The principle of subsidiarity and member states' unwillingness to accept

supra-national involvement in domestic welfare arrangements continues to restrict the EU's social agenda. Even though the EU has invested in measures to combat poverty and promote active inclusion at member state level, these furthermore have limited 'powers' in relation to the economic steering mechanisms implemented simultaneously, putting pressure on welfare states to reform social protection, privatise and cut social expenditure, most amply illustrated in relation to Greece (Avram et al. 2013; Bieling 2012; Matsaganis 2011). The political debate on these indicators is not particularly vibrant and above all not on the 'indirect effects' of EU's economic policies. Scholars have been less optimistic about the significance of the EU strategies and note that social concerns tend to be subordinated to economic objectives (Copeland and Daly 2012, 2014; Ferrera 2014). With regard to the active inclusion strategy, Frazer and Marlier (2013) maintain that it has been met with lukewarm, if any, enthusiasm from national policy-makers. Jessoula (2015) suggests that the willingness and interest of member states to adapt to a European anti-poverty agenda and active inclusion strategy vary across country profiles: some have been supportive, while others directly oppose them. Bouget et al. (2015) found the broader 2013 EU Social Investment package (of which the Active Inclusion approach is a part) has led to limited change in member states. The countries whose policies match the aims of the Social Investment package tend to be countries with a prior legacy of pursuing 'social investment-like strategies' (without necessarily framing them as such). In general it is the existing welfare regime models that define the extent to which the policies of European countries have a social investment profile.

Despite the limited 'impact' of recent EU initiatives in the field of poverty and active inclusion, they nonetheless underline the importance of a scalar perspective for the analysis of national and local anti-poverty policies, given that recent efforts by the EU are an illustration of a hybrid and multi-layered structure of European policy-making (Ferrera 2005, 2014; Hemerijck 2012). This volume illustrates that also local welfare systems are integrated into wider vertical relationships that influence the way these systems function, what they deliver and for whom.

When it comes to the significance of EU policies and programmes for local strategies for combating poverty, clear patterns of resource mobilisation strategies by local level actors (public and non-public) can be identified,

since the EU increasingly functions as a source of funding. In all of our local cases, the EU is an important actor when it comes to financing projects relevant for local poverty reduction. It provides funding for local projects in the areas of urban regeneration, labour-market training, as well as projects directly relating to community development and poverty relief. The transfer of financial resources from the EU appears to be most significant in the cities of Glasgow, Turin and Radom, that is, potentially where local government capacity is less evident, and this is also the case to a somewhat lesser extent in Malmö and Dortmund. However, while transfer of financial resources is a clear feature of the nested quality of European anti-poverty policies, we observe only a modest transfer of EU policies and strategies in terms of implementation or translation of ideas and concepts on how to combat poverty and social exclusion at local level. The EU is not a clear source of inspiration, guidance or steering when it comes to how local actors frame, define and develop their local policies. Local public actors did not view the EU2020 strategy or any kind of EU targets for reducing poverty as relevant and those involved in anti-poverty measures did not express that the European policies for combating poverty affected them (see Johansson and Maino 2016). This might reflect that they lack knowledge about how the EU transfer of money is related to the wider EU agenda, its anti-poverty goals and the rationale of EU2020, or that they were unwilling to acknowledge this relationship, as this would suggest that their local policies were 'dependent' on EU funding and hence, on EU policy in general. However, exceptions were local civil society organisations with direct contacts and affiliations to national and European umbrella organisations (Johansson et al. 2013).

These results have analytical relevance for both our understanding of the EU agenda on poverty and on related measures: the 'game' is being played not only on two levels (the national and the EU level), but also on a third local level. Our results further expand previous discussions on local welfare systems, since these forms of interactions across scales make evident that local welfare systems are far from being bound to central regulation modes, let alone the results of the implementation of national reform processes. Local welfare systems are certainly integrated into national welfare state configurations (rules and regulations, patterns of resource distribution, national policies and politics), but are also systems

in their own right. Yet it is possible to take established national regime conceptualisations, models and typologies as a starting point for analysing the local dimension of welfare. However, at the same time, analyses must be developed that pinpoint the multi-level nature of social policy-making and national welfare state arrangements, that is, an approach that views local welfare systems not as being reduced to responders or executors of a national level, but as relating and responding to and obstructing higher-level regulation and institutional arrangements (Halvorsen and Hvinden 2016). A local welfare system involves wider scales of policy formulation, resource allocation and institutional conditions that structure the respective set-up of actors as well as forms of governance and participation within that particular local system. In addition, both public *and* non-public local actors are involved in complex multi-scalar relationships and such local actors are not by definition bound to the national context in which they operate.

Exploring Place and Local Welfare Systems

While the notion of *scale* elaborates upon a vertical dimension of local welfare systems, the notion of *place* articulates their horizontal dimension (Cresswell 2004; Jones and Woods 2004). Jessop suggests that place is a

more or less bounded site of face-to-face relationships among individuals and/or other forms of direct interaction among social forces [...] Place is generally closely tied to everyday life, has temporal depth, and is linked to collective memory and social identity. Places ... provide strategically selective social and institutional settings for direct interactions and also structure connections beyond that place to other places and spaces on a range of scales. (Jessop 2009: 95)

The notion of place hence challenges us to conceptualise a local welfare system as more than an area that one can draw boundaries around; it is equally a place of actors and interactions, expressed in local arenas and environments (see Chap. 2 by Scarpa, and Chap. 3 by Johansson and Koch). Emphasis on local interactions and agency raises questions

as to what kinds of power are being produced and exercised, and by whom. While place is a generic concept that refers to any kind of place, the analytical arguments presented similarly underpin discussions on the local welfare system framework, since local places have their own distinctive cultural, economic and social resources. Within this particular framework, the following set of factors can be emphasised: the role of local political traditions and policy orientations; the capacity of local public actors (both to implement policies and to coordinate actors at local level); the magnitude of local social problems and the constitution of local arenas and environments, as mobilising structures for actors and resources (Andreotti et al. 2012, 2013; Andreotti and Mingione 2014, see also Küntzel 2012).

A key finding in this volume is the significance of local traditions and legacies for the design and implementation of strategies to combat poverty at local level, and for general analyses of local welfare systems (see Panican and Angelin, Chap. 10). Our local cases share some key similarities in terms of having extensive problem pressures in their respective national context and having been governed by left-wing political parties for a considerable period of time. These factors seem to be relevant to the willingness of local governments to act, but the ways in which strategies are developed at local level reflect more long-lasting traditions and taken-for-granted attitudes about how *we* do things *here*. Our investigations recognise the significance of local positions, traditions and cultures and, in some of the cases studied, the idea of a 'local spirit' appears almost as a basis for a common identity. Whereas, in some cases, such local traditions put more emphasis on mutuality, trust and inclusive partnership arrangements, in other cases, local welfare systems and strategies adheres much more the belief that the 'state' and public efforts are best suited for combating poverty. This implies that even though local policies are shaped by the political parties currently in office and based upon present problem pressures, these policies tend to be moulded and adjusted in relation to much more engrained practices and norms that are linked to the local welfare system as a particular *place*.

Furthermore we note that local governments are central to most local strategies against poverty, but are never the sole actor involved, since local welfare systems include actors, resources and capacities that go beyond

local governments. The capacity of local governments varies across national contexts, reflecting the role, mandate and resources devolved to local governments from higher-level governments and authorities. While local public actors play the most significant role in most of our local cases, they are much more likely to adopt the role of mobiliser or coordinator of non-public actors and resources in some of these local welfare systems (most evidently in the Italian context of Turin). The mix of actors involved in the design and production of support and services is thus far more extensive than a mere list of the responsible local public agencies and the mobilisation of these involves disparate actors like large bank foundations and church organisations, cooperatives and community groups, voluntary organisations and user associations. These are primarily embedded locally, yet some act at higher scales and in different local welfare systems.

Limited public capacity (e.g. in terms of financial, administrative and professional capacities) is a particular shortcoming in some of the local welfare systems, yet, recognition of a local welfare mix and the ability to coordinate and liaise with other actors is of equal analytical importance. Such non-public actors fulfil a substantial role as providers of services and support for people in need at local level. Whereas such mobilisation of actors and resources is mostly place-specific, we find that resources are mobilised both within and beyond the particular local welfare system, including the contributions of international agencies and organisations. The need to bring in additional actors and resources seems to have been accelerating in recent years, reflecting the current financial and economic crisis facing several European countries and is a potential trend that runs across all local welfare systems, irrespective of welfare regime affinity. This suggests a complex role (or roles) for local governments, acting as providers of services and support as well as coordinators of actors and mobilisers of resources or as contractors of marketised welfare.

The ability to mobilise resources and actors is linked to the composition of local arenas or environments for formal and informal interactions between actors and the participation of civil society associations and organisations. Such local arenas and environments are most developed in the cities of the Dortmund and Turin, potentially reflecting their corporatist background and local cultures and 'spirits'. Similar features

can be found in the Glasgow case, yet here there is much more mobilisation in contrast to or even in conflict with central and local actors. The barriers to developing such inclusive arrangements at local level are most challenging in cities belonging to a social democratic and post-socialist welfare state regime type. Local strategies against poverty are primarily in the hands of elected politicians and civil servants, and the ability and interest in organising the capacity of civil society actors in local strategies against poverty and social exclusion remains fairly limited.

Our discussion on scale and place demonstrates that welfare state arrangements are structuring contexts for local welfare systems and that the local welfare systems relate and respond to national regime structures. National institutional arrangements are translated and transformed in relation to local political and institutional traditions and are shaped by the actors and resources mobilised at local level. Figure 11.1 links the factors discussed by Clegg (see Chap. 4 in this volume) on national institutional factors of relevance for local strategies against poverty and social exclusion, with national welfare state arrangements and a potentially overarching EU agenda. The figure also points to a set of structuring factors embedded in the particular place of a local welfare system (see Panican and Angelin, Chap. 10). It illustrates the scalar interactions and place dynamics influencing the composition of local welfare systems and local strategies for combating poverty.

The notion of place further challenges us to reconsider what is 'local' in local welfare systems. Within welfare (state) studies, 'local' is usually linked to municipalities or even to local governments as the lowest subnational unit that provides social services and support for citizens. However, the notion of a local place challenges us to consider whether poverty is bound to the administrative and political borders that current policies and strategies tend to be based upon, for example a municipality or a city. Processes of European integration and cross-border mobility illustrate this. Although only briefly studied in our volume, our investigations recognise the interconnectedness between different places across Europe, or, to put it differently, the transnationalisation of poverty as a social problem. Some of the challenges facing poor EU migrants visualise the limitations of anti-poverty policies designed with a basis in territoriality and a particular local place. Whether this should be framed as a form of a

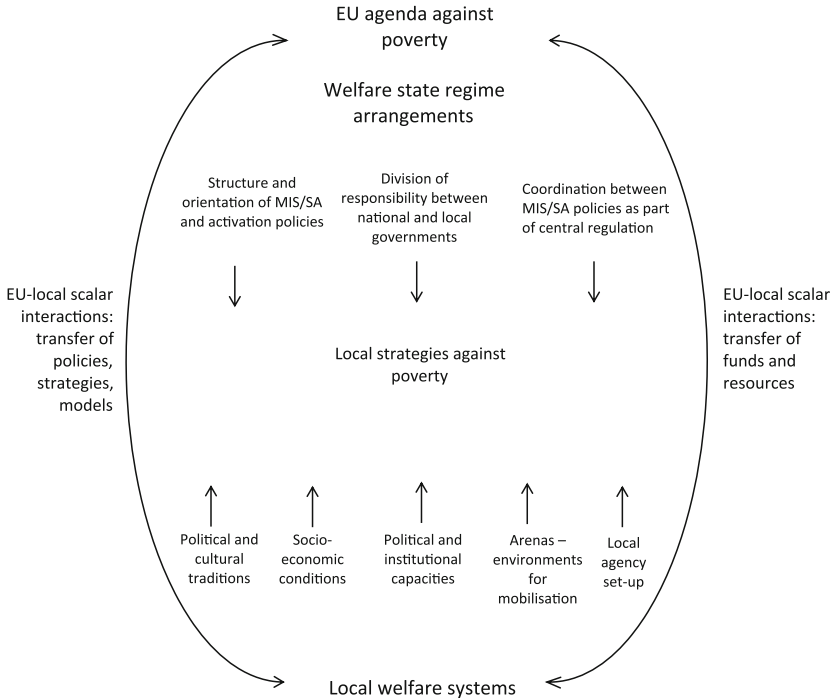


Fig. 11.1 Scalar interactions and place dynamics influencing the role of local welfare systems and local strategies in combating poverty in Europe

de-scaling process is another issue, yet it suggests there is a need to open up the analysis of local welfare systems as interlinked transnationally, demonstrating that local welfare systems also have a particular inter-place dynamics beyond national welfare state borders.

Towards Better Coordinated Active Inclusion Strategies

How can local active inclusion strategies develop without running the risk of falling into a ‘local trap’? Featherstone et al. (2012: 177) argue that the present ideal of local solutions are not ‘politically innocent’ and—writing from an UK political context—must be analysed as part of a broader polit-

ical agenda of a withdrawal of state responsibilities in favour of local civic engagement, voluntarism and mixed social responsibilities. Considering the present economic crisis facing several European welfare states, the term 'austerity localism' is particularly challenging, both in terms of finding local solutions per se but also in the neglect of inequalities existing between different local places (Purcell 2006; Purcell and Brown 2005).

Several propositions can be identified in this debate on how to move forward and make local strategies better coordinated or even more robust (see, e.g. Featherstone et al. (2012) for the discussion on 'progressive localism'). Based on the analyses conducted, we support the need to make policies 'place-sensitive', yet this must not overshadow the responsibilities of the state in terms of defining minimum income standard levels of well-being for all groups, irrespective of locality or place. Likewise, the danger of exaggerating the capabilities and willingness of local actors to cater for the needs of poor and socially excluded groups tends to be forgotten in demands from governments for more local solutions. To strengthen both central regulation and the capacity of local welfare systems for mobilising resources and actors are particular importance. At national (and supranational) level, European welfare states need to develop a regulatory framework that secures a basic level of protection for the population. Reflecting the findings in our volume it is of importance that such a system expands legal rules and also includes a system of redistribution from central to local bodies and that such a system ensures that local agencies have sufficient resources to provide efficient services and support (Andreotti and Mingione 2014: 8). At local level, active inclusion strategies need to organise the capacity of local actors (public and non-public) in a synergetic manner in order to permit optimal use of local resources. Local level policies must thus develop interventions that strengthen the capacity of local welfare workers to identify precarious groups and exploring the 'political will to combat discrimination of minorities and other vulnerable groups' (Andreotti and Mingione 2014: 8).

These propositions are challenging for most European welfare states and, above all, for those still lacking a national regulatory framework for a financial safety net of last resort. In some countries, where such a framework is in place, basic level protection is still not delivered because national frameworks tend to be below established poverty lines. Even

in the cases where such frameworks are in place and local actors have sufficient capacities this volume has identified coordination challenges in terms of bridging the gaps between policy areas *and* stakeholders at local levels. We furthermore find extensive coordination and governance shortcomings between various types of public agencies, at different levels and also between local benefit provision and activation services, since these systems tend to run in parallel. This volume thus adds to the list of propositions for more robust and effective strategies against poverty and social exclusion at local level and notes the need for better coordination across levels, domains and actors and for much more engagement in the mobilisation of non-public actors in local strategies to combat poverty.

References

- Andreotti, A., & Mingione, E. (2013). The city as a local welfare system. In N. Carmon & S. S. Fainstein (Eds.), *Policy, planning and people*. Philadelphia: University of Pennsylvania Press.
- Andreotti, A., & Mingione, E. (2014). Local welfare systems in Europe and the economic crisis. *European Urban and Regional Studies*, 1–15. doi: 10.1177/0969776414557191.
- Andreotti, A., Mingione, E., & Polizzi, E. (2012). Local welfare systems. A challenge for social cohesion. *Urban Studies*, 49(9), 1925–1940.
- Armstrong, K. A. (2010). *Governing social inclusion. Europeanization through policy coordination*. Oxford: Oxford University Press.
- Armstrong, K. A. (2012). EU social policy and the governance architecture of Europe 2020. *Transfer*, 18(3), 285–300.
- Avram, S., Figari, R., Leventi, C., Levy, H., Navicke, J., Matsaganis, M., Militaru, E., Paulus, A., Rastrigina, O., & Sutherland, H. (2013) *The distributional effects of fiscal consolidation in nine EU countries*. EUROMOD working paper, No. EM2/13, Leibniz Information Centre for Economics, University of Essex.
- Barbier, J.-C. (2013). *The road to social Europe: A contemporary approach to political cultures and diversity in the Europe*. London: Routledge.
- Bauer, M. (2002). The commission and the poverty programmes. *Journal of Common Market Studies*, 40, 381–400.
- Bieling, H. J. (2012). EU facing the crisis. Social and employment policies in times of tight budgets. *Transfer*, 18(3), 255–271.

- Bouget, D., Frazer, H., Marlier, E., Sabato, S., & Vanhercke, B. (2015). *Social investment in Europe: A study of national policies*. Brussels: European Commission, Directorate-General for Employment, Social Affairs and Inclusion.
- Brenner, N. (2009a). Restructuring, rescaling, and the urban question. *Critical Planning, Summer*, 61–79.
- Brenner, N. (2009b). Open questions on state rescaling. *Cambridge Journal of Regions, Economy and Society*, 2(1), 123–139.
- Copeland, P., & Daly, M. (2012). Varieties of poverty reduction: Inserting the poverty and social exclusion target into Europe 2020. *Journal of European Social Policy*, 22(3), 273–287.
- Copeland, P., & Daly, M. (2014). Poverty and social policy in Europe 2020: Ungovernable and ungoverned. *Policy and Politics*, 42(3), 351–366.
- Cresswell, T. (2004). *Place: A short introduction*. Oxford: Blackwell.
- European Commission. (2008). *Commission recommendation on the active inclusion of people excluded from the labour market* (C (2008) 5737), (2008/867/EC) 8 October 2008.
- European Commission. (2014). *Fund for European aid to the most deprived*. Regulation No 223/2014, 11 March 2014, Official Journal of the European Union, L 72/1.
- Featherstone, D., Ince, A., Mackinnon, D., Strauss, K., & Cumbers, A. (2012). Progressive localism and the construction of political alternatives. *Transactions of the Institute of British Geographers*, 37(2), 177–182.
- Ferrera, M. (2005). *The boundaries of welfare: European integration and the new spatial politics of social protection*. Oxford: Oxford University Press.
- Ferrera, M. (2014). Social Europe and its components in the midst of the crisis: A conclusion. *West European Politics*, 37(4), 825–843.
- Frazer, H., & Marlier, E. (2013) *Assessment of the implementation of the European Commission recommendation on active inclusion: A study of national policies—Synthesis report* (08/03/2013) (Brussels: European Commission)
- Halvorsen, R., & Hvinden, B. (2016). *Combating poverty in Europe—Active inclusion in a multi-level and multi-actor context*. Cheltenham: Edward Elgar.
- Hemerijck, A. (2012). *Changing welfare states*. Oxford: Oxford University Press.
- Jessop, B. (2009). Avoiding traps, rescaling the state, governing Europe. In R. Keil & R. Mahon (Eds.), *Leviathan undone? Towards a political economy of scale*. Vancouver: University of British Columbia Press.
- Jessop, B., Brenner, N., & Jones, M. (2008). Theorizing sociospatial relations. *Environment and Planning D: Society and Space*, 26, 389–401.

- Jessoula, M. (2015). Europe 2020 and the fight against poverty—Beyond competence clash, towards ‘hybrid’ governance solutions? *Social Policy & Administration*, 49(4), 490–511.
- Jessoula, M., Sabato, S., Agostini, C., & Madama I. (2014) *Multi-level arenas for fighting poverty and social exclusion. The Europe 2020 anti-poverty arena*. Work package 4. FP7 project combating poverty in Europe. www.cope-research.eu. Accessed 7 Jul 2015.
- Johansson, H., & Maino, F. (2016). *Mixing multi-level and network governance: how do local actors relate to the policies, steering mechanisms and resources of higher-level actors*. In R. Halvorsen & B. Hvinden (Eds.), *Combating Poverty in Europe. Active Inclusion in a Multi-Level and Multi-Actor Context*. Cheltenham: Edward Elgar Publishing.
- Johansson, H., Panican, A., Angelin, A., & M. Koch (2013) *Combating poverty in Europe: Multi-level, multi-dimensional and multi-stakeholder models in local active inclusion policies*. WP Final report. Lund University Sweden. http://cope-research.eu/?page_id=377. Accessed 17 Aug 2015.
- Jones, M. R., & Woods, M. (2004). *An introduction to political geography*. London: Routledge.
- Kazepov, Y. (2008). The subsidiarisation of social policies: Actors, processes and impacts. *European Societies*, 10(2), 247–273.
- Kazepov, Y. (2010). *Re-scaling social policies: Towards multilevel governance in Europe*. Farnham: Ashgate Publishing.
- Küntzel, S. (2012). The local dimension of active inclusion policy. *Journal of European Social Policy*, 22(1), 3–16.
- Matsaganis, M. (2011). The welfare state and the crisis: The case of Greece. *Journal of European Social Policy*, 21(5), 501–512.
- Purcell, M. (2006). Urban democracy and the local trap. *Urban Studies*, 43(11), 1921–1941.
- Purcell, M., & Brown, J. C. (2005). Against the local trap: Scale and the study of the environment and development. *Progress in Development Studies*, 5(4), 279–297.
- Whelan, C., Nolan, B., & Bertrand Maître, B. (2014). Multidimensional poverty measurement in Europe: An application of the adjusted headcount approach. *Journal of European Social Policy*, 24(2), 183–197.

Index

A

activation, 150, 190–1, 198–9, 207, 211, 234–6
approaches, 147
initiatives, 145
instruments, 219
measures, 105, 112–13, 164–5, 197–9, 240, 244, 249, 251–6
offer, 7, 243, 247–8
paradigm, 79
policies, 165–6, 172, 180, 219, 232, 239, 242, 246–9, 255
programs, 131–4, 149–51, 197–8
projects, 159, 165, 193–4, 241, 249
provision, 158
services, 10–11, 20, 106, 156, 166, 171–3, 219, 240, 247–51, 253–6

schemes, 144
turn, 9, 108 *see also* active inclusion strategy; labour market; social exclusion; social inclusion
active inclusion
active inclusion initiatives, 246
active inclusion measures, 115, 180, 184, 197, 201, 204
active inclusion policies, 106, 122, 124, 159, 170, 180, 218, 232, 241, 252
active inclusion services, 258–9
active inclusion strategy, 1–3, 7, 10, 79–82, 96, 264–5
see also activation; Europe 2020; labour market; social exclusion; social inclusion
active labour market policy, 29, 99, 135, 211–13, 239 *see also* activation; active inclusion

- administrative decentralisation, 33
see also decentralisation;
 vertical subsidiarity
- Arbeitslosengeld II (ALG), 90–1, 98,
 105–9, 110–12, 237–8
- austerity localism, 4, 54, 145, 272
see also austerity packages;
 crisis; localism
- austerity packages, 5 *see also* austerity
 localism; economic crisis;
 financial crisis
- B**
- benefits
- compensatory benefits, 197
 - health-related benefits, 132
 - housing-related benefits, 238
 - incapacity benefits, 144
 - income benefits, 180, 192
 - means-tested benefits, 213
 - minimum income benefits, 111
 - out-of-work benefits, 133
 - selective benefits, 5
 - social security benefits, 129, 226,
 239–40
 - temporary benefits, 213
 - unemployment benefits, 198
see also contributory
 benefits; minimum income;
 non-contributory benefits;
 social assistance
- Big Society, 14 *see also* liberal welfare
 regime; UK
- C**
- centralisation, 12, 41, 91, 101, 111,
 114, 159, 237 *see also* vertical
 coordination
- charity
- charity organisations, 170,
 209, 221
 - charity work, 14
 - religious charity organisations,
 136–7, 141
 - Scottish charity register, 135
see also civil society
 organisations; voluntary sector
 organisations; welfare mix
- citizen participation, 4, 54
see also deliberation;
 participatory governance
- civil society organisations (CSOs),
 7–10, 15–18, 55, 60–4,
 66–8, 81, 123, 135, 141,
 156, 171, 207, 223–7, 266
see also charity; non-public
 actors; third sector
 organisations; voluntary
 sector organisations
- contracting out, 8, 167, 226 *see also*
 liberal welfare state regime;
 marketisation; UK
- contributory benefit, 7 *see also*
 non-contributory benefit
- coordination
- active coordination, 194
 - central coordination, 232
 - hierarchical coordination, 110
 - informal coordination, 116
 - inter-organisational
 coordination, 232
 - local coordination, 138
 - multi-agency coordination, 138
 - multi-dimensional coordination,
 232, 251 *see also* horizontal
 coordination; vertical
 coordination

D

- decentralisation, 3–5, 12, 15, 29–32
see also localisation; localism;
 local welfare system; place;
 scale; subnational; rescaling
- deliberation, 9, 55, 61–3, 66, 156,
 168, 169, 173 *see also*
 participatory governance
- denationalisation, 2 *see also*
 decentralisation; localism;
 rescaling
- discretionary housing payments, 243
- discretionary indexation, 212
- discretionary power, 112, 162, 212,
 238–45, 250, 255
- discretionary schemes, 190
- dual social assistance model, 11,
 13, 107

E

- economic crisis, 1, 5, 21, 78, 82–8,
 95–9, 106, 123, 184, 192,
 199, 212, 233, 269 *see also*
 financial crisis
- eligibility, 6, 12, 88–90, 97, 100, 111,
 161–2, 171, 210, 237, 240–4
- Europe 2020, 1, 82, 85, 263–5
 European anti-poverty
 network; Europeanisation;
 social agenda
- European anti-poverty network
 (EAPN), 80, 119 Europe
 2020
- Europeanisation, 2, 100 *see also*
 vertical coordination
- European Social Fund (ESF),
 137, 145, 197, 240, 249
 Europe 2020

F

- federal
 actor, 110
 federalisation, 110
 federalism, 107
 regulation, 111–2, 123
 structure, 14, 57
- Federal Employment Agency (FEA),
 91–3, 110–11, 119–20, 237
see also public employment
 service
- financial autonomy, 181, 186
- financial crisis, 1, 5, 48, 53, 82–5, 101,
 131, 156, 163, 180, 197, 214,
 231 *see also* economic crisis
- fiscal autonomy, 134
- flexicurity, 81 *see also* activation;
 active labour market
- formal cooperation, 237, 252
- for-profit organisations, 14, 59, 69–70,
 113, 167, 182, 222, 249, 252

G

- globalisation, 2, 209

H

- Hartz IV, 90–3, 98, 105–8, 111,
 115, 237 *see also* activation
- hierarchical governance, 62, 66,
 248–50 hierarchisation;
 vertical coordination
- hierarchisation, 67 *see also* hierarchical
 governance; vertical
 coordination
- horizontal coordination, 8, 250
 horizontal cooperation, 20, 113,
 124, 156, 207

- horizontal coordination (*cont.*)
 horizontal governance, 55, 249
 horizontal subsidiarity, 33
 horizontal relationships, 11, 68–9,
 232, 236, 247–8, 254
see also participatory
 governance; partnership
- I
- inclusive labour markets, 1, 80, 232,
 264 *see also* activation; active
 inclusion
- income maximisation, 142–4, 148,
 243, 246, 250, 255
- industrialisation, 16–19, 43, 108
 industrial areas, 44
 industrial cluster, 216–7
 industrial tradition, 108–9, 130,
 157, 207, 233
see also post-industrial
- informal cooperation, 252
- institutional co-evolution, 3 *see also*
 Europeanisation; interactive
 evolution; multi-layered
 policy making; nested social
 policy; subsidiarity
- institutionalised cooperation 123
- integrated cooperation, 255
- interactive evolution, 3
see also Europeanisation;
 institutional coevolution;
 multi-layered policy
 making; nested social
 policy; subsidiarity
- inter-agency cooperation, 118–19
see also one-stop model
- in-work poverty, 17 *see also* working
 poor
- J
- Jobseekers allowance, 90, 132–3, 147
- L
- labour market, 105–9, 116, 122–3,
 142–3, 145, 159–60, 167,
 183, 210, 214–18, 257
 activities, 147
 actors, 118
 developments, 161
 integration, 110, 112, 166, 242
 problems, 132
 programmes, 138
 services, 93, 105–12
 strategies, 257 *see also* activation;
 active inclusion; active
 labour market policy
- last-resort scheme, 239 *see also*
 minimum income; social
 assistance
- Lisbon strategy, 79, 82, 263 *see also*
 Europe 2020
- local autonomy 10–13, 45, 57, 151,
 162–3, 171–2, 225, 238,
 245 *see also* localisation;
 localism; subnational
- local government capacities, 31, 266
- localisation, 5, 53–4, 67, 259
- localism, 4, 53–4, 61, 145, 272
- local welfare regimes, 58
- local welfare state, 58–62, 69, 174
- local welfare system
 aspects, 9–10
 civil society, 113–16, 124, 135–7,
 150, 156, 220
 definition, 39, 59–60, 68–70
 features, 15, 123–5, 150–1,
 170–2, 201–4, 225–7, 271

functions, 42
 governance, 55, 61
 local welfare mix, 11, 140, 149
 partnership, 66–7, 113, 120,
 124, 138
 place, 32–7, 267–71
 public agency, 10, 14
 scale, 20, 30–5, 40, 262–7
 structural conditions, 47–8,
 106–8, 135–7, 156–60, 219
see also local welfare regime;
 local welfare state; local
 worlds of welfare
 local worlds of welfare, 57
 locational policies, 42, 44–8, 57
 lower tier benefits, 88

M

Maastricht Treaty, 32, 48
 managerial governance, 62–3, 66,
 71, 249
 marketisation, 96, 113, 137, 241–2,
 248–9, 252–4 *see also*
 contracting-out; outsourcing
 minimum income
 benefit, 93–7, 101, 111, 192,
 256
 policy, 79–80, 91–3, 113–14,
 129, 132
 provision, 8, 12, 20, 88–90, 96–7,
 105, 111, 191
 scheme, 6, 18, 78, 88, 105–8,
 110–13, 122–4, 151, 171,
 179, 185, 201, 214, 225, 264
 support, 1, 10, 61, 109, 186–93,
 210–11, 232, 239, 243,
 247, 263 *see also* social
 assistance

multi-agency, 65, 117, 123–4, 138
see also horizontal
 coordination; partnership
 multi-dimensional, 118, 232, 236,
 247–51, 264 *see also*
 horizontal coordination;
 partnership
 multi-layered policy making, 3, 165
see also Europeanisation;
 institutional coevolution;
 nested social policy;
 subsidiarity
 multi-level, 96, 107, 113, 129–30,
 134–7, 147–50, 232,
 236–7, 244–6
see also Europeanisation;
 subsidiarity; vertical
 coordination
 multi-stakeholder, 112, 201, 232,
 251–4 *see also* horizontal
 coordination; partnership

N

nested social policy, 3
see also Europeanisation;
 institutional coevolution;
 multi-layered policy
 making; nested social
 policy; subsidiarity
 network, 30, 39, 78–9, 116, 120–4,
 192–5, 200, 225, 252
see also place; scale; territory
 network governance, 8, 62–5, 113,
 222, 237, 248–51
see also participatory
 governance; partnership
 new public management, 31 *see also*
 managerial governance

non-contributory scheme, 6–8, 90,
105 *see also* minimum
income; social assistance
non-profit organisations, 107, 113,
168–9, 194–9, 202–3, 240,
251–2 *see also* charity; civil
society organisation;
voluntary sector organisation
non-public actors, 9, 13, 21, 33, 58,
61–4, 119, 124, 150, 167,
204, 248–50, 253 *see also*
charity; civil society
organisation; non-profit
organisations; voluntary
sector organisation

O
one-stop-shop, 110, 122, 158–9,
166, 237, 247, 256
outsourcing, 113, 249, 253
see also contracting-out;
marketisation

P
participatory governance, 10, 21,
65–70, 114–17, 123–4,
141, 151, 171, 201, 225,
236, 253
partnership models, 55, 62–8, 70,
87, 113–17, 120–3, 132–9
reciprocity, 66, 116, 132 *see also*
horizontal coordination;
participatory governance
passive labour market, 197, 233 *see also*
activation; active inclusion;
contributory benefit

place, 30–5, 41–7, 262, 267–70,
271–3
place embeddedness, 32, 35–7 *see*
also network; scale; territory
post-industrial, 33, 35–7, 130–3, 143
de-industrialisation, 16, 43
industrial decline, 181
post-industrial city, 142, 180, 233
see also industrialisation
poverty (anti-poverty), 134, 150
absolute poverty, 160, 164, 184,
211–12, 256
activities, 129, 135, 141–5, 151
approaches, 123, 252
debates, 140–1
depoliticisation, 160, 171–2, 234
discourses, 123, 159, 232–6
initiatives, 135, 142, 149–50
measures, 11, 99, 187, 243
policies, 21, 77, 80–1, 106,
110–17, 121–3, 134, 179,
192, 202, 252
relative poverty, 158, 164, 184, 256
strategies, 10, 122, 139–40, 150,
179 *see also* activation; active
inclusion strategy; minimum
income; social assistance
private actors, 35, 62, 112, 185, 196,
202, 249 *see also* contracting
out; marketisation; private
sector
private sector, 146, 244
see also marketisation;
private actor; private sector
public
actors, 60, 91, 123, 140, 185, 218,
243, 250–2, 266, 268–9
administration, 198, 215

agencies, 10, 59–60, 65, 69, 120,
161–2, 167, 173, 207–8,
216–19, 221–4, 256, 261,
264, 269, 273

authorities, 107, 167, 195, 222,
242, 253

institutions, 190, 195, 199, 202,
209, 220, 224–6, 240

sector agencies, 31, 33, 87, 139,
145, 147, 204, 226–7, 261

public employment services (PES),
93–9, 158–9, 165–73,
208–9, 216–9, 225, 237,
240–9, 256

public expenditure, 48, 87, 170,
210, 231

public–private partnership, 107,
179–80, 198

R

regionalisation, 30, 258

relativisation of scales, 45, 48

rescaling, 2, 4, 8, 20, 30, 48, 53–7,
68–9, 236, 258

downward rescaling, 20, 31, 36,
46, 78, 98, 236

scalar configuration, 33, 37, 41–4

scalar hierarchy, 39

scalar models, 12

upward rescaling, 2, 20, 31, 36 *see*
also relativisation of scale; scale

residual safety net, 6, 12–13, 155,
187 *see also* social assistance

S

scale, 30, 33–8, 39–45, 47, 71 *see also*
decentralisation; rescaling

self-governance, 62–3, 68, 250

Social agenda (EU), 78, 265 *see also*
European anti-poverty
network; Europeanisation;
social investment

social assistance

benefits, 156, 162–6, 211–12,
218–19, 242

claimants, 18, 94, 98, 163

costs, 160, 240

office, 237, 240–1, 253

policy, 156, 187

provision, 9, 12, 156, 162–4,
170–1, 245

recipients, 107, 172, 211, 234,
241, 250–3, 257

scheme, 6–8, 12, 91, 94, 170–2,
242–5

support, 7, 11, 18, 172–3,
211, 263

system, 17, 90, 107, 155–63,
169–73, 225, 241, 250–1
see also active inclusion;
minimum income; poverty

social assistance regime, 257 *see also*
welfare regime

social democratic

hegemony, 115

heritage, 156, 250

legacy, 18, 130, 156, 179, 234

party, 18, 109, 157, 172, 233

political leadership, 169 *see also*
welfare regime

social exclusion, 1, 5–10, 17–21, 29,
59, 77–9, 85–90, 100–2,
110–14, 122–4, 151,
158–61, 179–80, 185,
195–8, 201–4, 218, 225,
231, 262 *see also* active
inclusion; social assistance;
social inclusion

- social inclusion, 1, 120, 134–8, 174, 180, 190, 198, 204, 222, 240 *see also* active inclusion; social assistance; social exclusion
- social investment, 2, 159, 234–6, 264–5 *see also* European anti-poverty network; Europeanisation; social agenda
- social service
- activation, 10, 20, 110–13, 119, 166, 197, 232, 255
 - access, 7, 79, 180
 - delivery, 3, 58, 107, 120, 123, 168
 - enabling, 92
 - integrated, 93, 158, 196, 237
 - provision, 33, 79, 94, 168
 - responsibility, 111–12
 - role of civil society/third sector, 9, 13–15, 58, 122, 173, 201, 238 *see also* active inclusion
- spatial configuration
- spatial fix, 39–40
 - spatial Keynesianism, 41–4
 - spatial targeting, 57 *see also* network; place; scale; strategic-relational approach; territory
- strategic-relational approach, 40
- network; place; rescaling; scale; spatial configuration; territory
- subnational, 1, 12–14, 41–8, 53–7, 80, 179, 210, 232–6, 239–40, 244–8, 257–8, 270 *see also* decentralisation; localism; local welfare system; locational; subsidiarity
- subsidiarity, 3, 12, 32–3, 81, 113, 167, 187, 199, 264 *see also* decentralisation; localism; local welfare system; locational; subnational
- T**
- territory, 34–7, 43–7
- territorial articulation, 34–7, 41–4
 - territorialisation, 30, 258 *see also* network; place; scale
- third sector organisations, 1, 7–14, 58, 91, 100, 113, 135–45, 180, 185–6, 193–5, 220–6, 232, 237, 240–8, 250–5 *see also* charity; civil society organisations; non-governmental organisations; voluntary sector organisations
- trust, 10, 66, 113, 116–17, 124, 130, 173, 227, 268 *see also* horizontal coordination, network; partnership
- U**
- unemployment
- benefit, 99, 198, 219
 - costs, 17
 - crisis, 203
 - insurance, 58, 88–93, 110, 165, 171
 - levels, 16–18, 59, 78–85, 98, 109–15, 118–21, 131, 143–4, 157, 180–4, 210–17, 256

long-term, 84–6, 97, 109, 156
 mass unemployment, 6
 problem, 124, 252
 protection, 6, 197
 support, 151
 upper-tier benefits, 88–90 *see also*
 contributory benefits;
 unemployment benefit
 Urban Audit, 19

V

vertical cooperation, 110, 122, 247
 vertical coordination, 122 *see also*
 Europeanisation; vertical
 subsidiarity
 vertical subsidiarity, 32 *see also*
 Europeanisation; vertical
 coordination
 voluntary sector organisations, 9, 58 *see also*
 civil society organisation;
 non-governmental
 organisation; welfare mix

W

welfare mix, 8–11, 58–9, 69, 200–4,
 269 *see also* civil society
 organisations; non-
 governmental organisations;
 voluntary sector organisation
 welfare municipality, 57 *see also*
 decentralisation; localism;
 subsidiarity
 welfare regime, 56–8
 conservative welfare regime,
 11, 106
 liberal welfare regime, 11, 129–30
 Mediterranean cluster, 56, 257
 post-socialist welfare regime,
 11–13, 207, 257, 270
 social democratic welfare regime,
 11, 57, 155–7, 168, 170, 173
 worlds of welfare, 56–8 *see also*
 scalar models; social
 assistance regime
 working poor, 217, 221, 227, 257
 see also in-work poverty