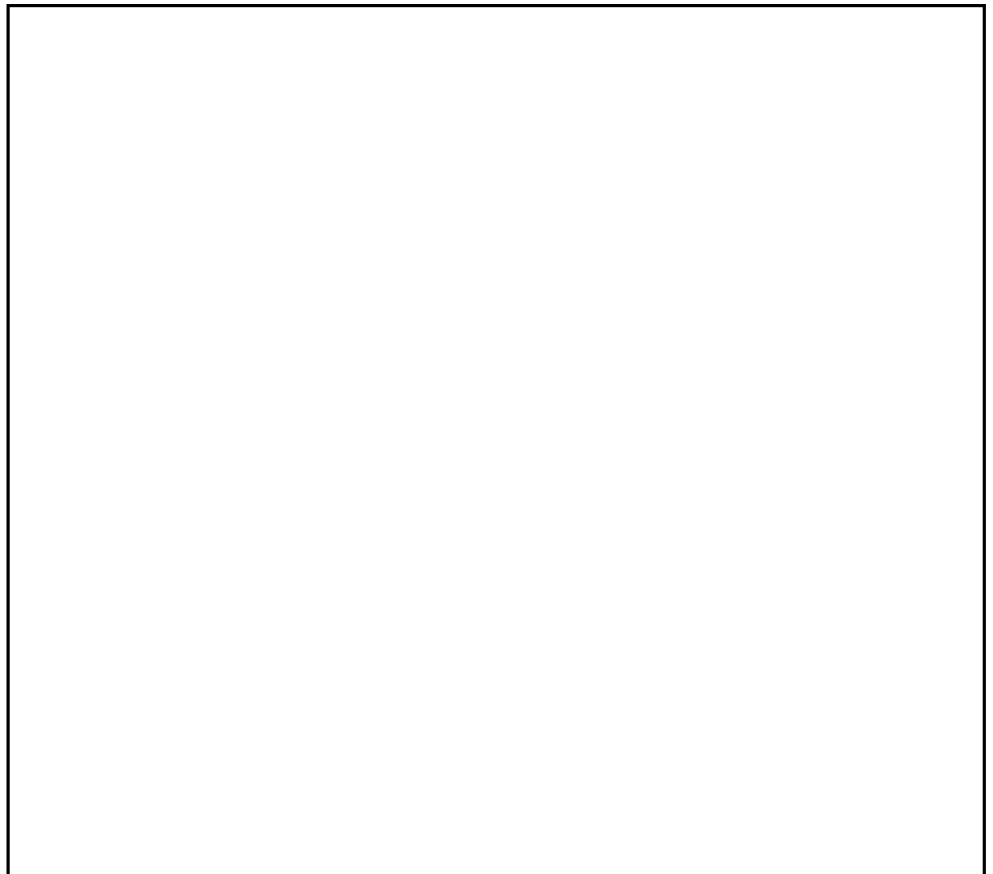




Integrated approaches to active welfare and employment policies: summary

Spain



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The unusual political situation in Spain has led to a context in which the development of welfare policies is coinciding with the initiation phase of restructuring and economic adjustment policies which are limiting the role of the State in this domain. Added to this is the process of decentralisation leading to the consolidation of a Spanish State of Autonomous Communities, which means that at the moment there is no umbrella social security system covering the entire national territory, as is the case in other European countries. These circumstances are generating a political climate which is putting the possibilities of extending social protection under great strain, and severing the link between the various levels of public administrations, thus giving rise to inequalities between citizens and territories as regards access to entitlement to social benefits, in both qualitative and quantitative terms. Paradoxically, however, it has also led to institutional and political wealth and complexity which permit a greater level of random action in the practices of the players involved, in terms of the diversity of institutions and policies and the role of and openness to very different players. This strengthens the role played by regions with greater economic and social dynamism, more so than in other countries with more centralised and bureaucratic systems, although it penalises less wealthy and dynamic regions.

This decentralisation should, in theory, foster greater formal coordination between State institutions and those of the regional and local governments, but in practice, in the current transition stage to the consolidation of the public social security and employment benefits system, the situation is extremely fragmented and unbalanced.

In parallel with all this, in the last few years of economic growth there has been a gradual statistical reduction in the unemployment figures, an increase in the numbers affiliated to the social security system and efforts to intensify active employment policies. Despite this, the huge number of temporary contracts is leading to a high degree of precariousness which, together with the increasing trend towards a services-based economy, means that statistics must be qualified as regards their value as welfare indicators. The continuing high level of unemployment and its qualitative effects should curb the usual triumphalism of official statements. In 1999, there were still 2 605 500 unemployed in Spain, almost half of them being long-term unemployed, with over one-third (882 000) unemployed for more than 2 years. No member of the household is working in 30% of families. The figures for women are rather pessimistic (68% of total unemployment), as are those for the regions that are most peripheral in economic terms, with the gaps between the latter and central regions continuing to increase.

Social cover for unemployment in Spain is quite insufficient: over one million and a half unemployed persons (60%) do not receive unemployment benefits, and of those who do receive benefits, over half (612,000) only obtain welfare assistance, which is always less than 75% of the national minimum wage (minimum interprofessional salary). This means that in 1999 over 2 million active people were excluded from employment (and/or exposed to considerable precariousness in relation to employment) and social protection. In this situation, there is enormous and fully justifiable scope for intervention by the system of minimum income support [Rentas minimas].

There are 17 different minimum income support models, corresponding to the various Autonomous Communities, which have gradually emerged because of the new social and economic situations as a result of industrial restructuring and the tightening up of requirements for access to unemployment benefits at the end of the 1980s and beginning of the 1990s. These models are not included in the system of non-contributory benefits, but are financed by each Autonomous Community. Very few people (in all some 70 000, about 4% of the unemployed without any kind of protection) receive this minimum income support. The monthly amount is quite small and varies from one Autonomous Community to another. The impact on poverty and exclusion is therefore, necessarily, limited.

Because of the lack of a uniform system of non-contributory benefits, the institutional and political scenario relating to protection systems for adults living in conditions of precariousness, exclusion or at risk of exclusion is extremely fragmented. So much so that in analysing the coordination between the systems of benefits and active promotion policies, it is necessary to include a wide range of policies and institutions which in practice act as the “final protection system”. This is the case for the Subsidy for Casual Agricultural Labourers [Subsidio de los trabajadores eventuales agrarios], which is a hybrid social protection and income system specifically geared to rural areas in Andalusia and Extremadura. It replaces, to a large extent, the minimum income support programmes in these areas. As a result, the segmentation and even fragmentation of welfare policies means that in Spain one cannot speak of a single social protection system to which all citizens may have access on an equal footing, as laid down in Article 141 of the Spanish Constitution.

Precariousness and insufficient benefits may have perverse effect of establishing dependency, which runs counter to the objectives of the economic standardisation that they sometimes formally promote. In this context, the excluded are easy prey for dependency, which leads to lack of motivation and of organisation. The possibilities of making oneself heard are very limited, since this task is performed by means of social initiative through new organisations integrated into networks of entities in the social or voluntary sectors. It has emerged from pioneering experiments by some of these entities, with the financial support of the authorities, that when benefits are linked to a dynamic process of active promotion geared to achieving the autonomy of the persons involved, they have positive effects on the fight against exclusion which are much more permanent than those achieved simply allocating support, although this too is necessary. These experiences have been exploited by the authorities, since added value can thus be obtained: groups are reached which were not covered hitherto, social employment is created, administrative personnel costs are saved, groups suffering precariousness or exclusion are given a financial boost, and the Community Directives can be said to be fulfilled. Thus not only can political image be improved, but the possibilities of electoral impact are enhanced by social protection and employment policies. This has led to efforts to use active promotion as a strategy for increasing employability in socio-employment policies.

The problem is the ambiguity with which active promotion measures are applied by the various social and economic players involved and the traditional separation between economic agents (authorities and trade union and employers’ organisations) and social players (authorities and non-government organisations). Despite the interplay between both spheres of action, which in effect are artificially separated, old forms of interpretation of their roles persist which, as regards the devising and coordination of policies, are transferred to the sphere of representation and participation. This results in two divergent approaches to the application of active promotion measures which are quite widespread: the pure economic and the welfare approaches, there being very few experiments in which the economic and social visions are integrated. Given the recognition and participation in the social and civil dialogue by all players, and the interwoven fabric of interests at play in the management of active policies, coordination and control mechanisms are necessary, which are not yet sufficiently developed in terms of decentralisation and vertical linkage, and of openness and horizontal coordination, where the citizen/user, rather than the interests of the various administrative and organisational structures, is perceived as the focus of the action.

In Spain, even when there is a major effort in the area of formal active policies which penalise the unemployed or users of some minimum income schemes who do not take up proposals of economic activity, access to active promotion policies is not a right which citizens can demand, and sufficient resources have not been allocated to cover what is officially laid down in the various schemes. In these active employment policies derived from intervention by authorities and players responsible for employment, a descriptive and accounting definition is applied to active promotion, with this being regarded as “anything not involving direct financial benefits for the user”.

This meaning of active promotion which is implicit in the processes and practices does not permit the empowerment or autonomy of users through the application of economic and social integration policies. Most of these policies are permeated by the technocentric logic of the business world, which promotes a vision of an abstract enterprise as the focus of economic and social action. Hence it is postulated that “standardisation” of or compensation for the “deficits” which the unemployed and excluded are deemed to have must be geared to “adaptation” or “submission” to what are regarded as the interests of undertakings, with other possible options relating to the world of work or the social sphere being ignored in most cases.

In a context of economic euphoria such as that experienced in Spain in recent years, and with a surplus in the social security accounts and a large number of persons without access to unemployment benefits or to active employment policies, it is difficult to understand why, in the 1999 Employment Plan for the Kingdom of Spain, geared to active policies, measures aimed at the most excluded groups were cut back as compared with previous years. This underlines the contingent and discretionary nature of these active policies as regards both their functioning and their allocation on a territorial basis and to management entities and types of users.

In the Autonomous Communities, the processes of decentralisation of training, employment and social service policies together with the Territorial Employment Pacts imply a new scope for the application of active policies which fosters an integrated, coordinated response, although the results may be very heterogeneous. Community Initiatives, such as Employment and Urban, give local authorities greater flexibility in applying active policy strategies. From an integrated point of view, these strategies require the coordination of players and resources, but from the point of view of these initiatives, the explicit link that is being made with minimum income support programmes and users is de facto irrelevant, although in reality they are being applied to excluded groups or those at risk of exclusion.

With regard to Autonomous Communities’ minimum income support schemes, specific measures have been introduced by law for integration into the legislation of the Basque Country, Catalonia, Madrid and Navarra only. The other models are confined to implementing protected social employment programmes or providing mere welfare aid.

The social sector, consisting of non-governmental organisations, regularly proposes in coordination with various administrations and social players (vocational training and rehabilitation entities and undertakings, sheltered undertakings, etc.) measures that are frequently innovative and original concerning direct integration into employment, which would require greater coordination and control of results, not only as regards the additional costs but also in terms of real integration.

This broad area in terms of territory, structures and players requires a more consolidated coordination strategy at legislative level covering practices and the assessment of results. But when the word coordination is mentioned, people understand different things in practice, hence the need for a definition. Coordination is an organisational strategy which is constructed within a sustainable system of information and multi-dimensional knowledge. This type of organisational procedure is a socially constructed process which requires a factual level, a semantic level and a symbolic level. It can be said that coordination, decentralisation and institutional responsibility for one’s environment are related terms. But the decentralisation of some work processes on an institutional level does not necessarily mean de-concentration of decision-making power or of participation and coordination of structures and players.

When resources are scarce, the application of a coordination strategy for different phases of the problems is efficient socially and economically for users, policy-makers and society as a whole. But building broad

coordination processes requires time and formalised areas, as well as intermediaries not ideologically or politically influenced who can devise codes and transparency and transfer mechanisms.

At the moment an interesting debate is in progress in Spain on the social and economic implications of the lack of social policy coordination between the Central Administration and the autonomous governments. The discussion on minimum income support is focused on the need for a law regulating minimum incomes and social measures to ensure integration into productive processes, as well as the launching of a “sheltered market” to provide new ways of understanding economic aspects, such as vocational training and rehabilitation undertakings and the development of a social economy and a voluntary sector. In this context, coordination emerges as a fundamental strategy for innovation, especially as regards promoting the new social economy. However the coordination of traditional social players (trade unions and employers’ organisations) and social entities is not always easy in the context of consultations with the Central State. There are ideological barriers and interests that do not always converge towards consensus.

But the big challenge in order to succeed with integration is to ensure the start of real and informed participation of users: official participation is not always real. It must be remembered that real possibilities for participation by users depend on political will, as well as on the type and degree of exclusion and the extent of the professional skills of integration experts in managing to socialise users by means of non-authoritarian methods, which result in the construction of a group identity and collective representation. To do this, the participation of users in coordination requires new professional profiles.

In conclusion it can be said that Minimum Income schemes are, in essence, models for combating urban and industrial exclusion, in which horizontal coordination takes precedence over vertical coordination. In the other protection systems aimed at the group covered by this report, vertical coordination predominates, particularly in the formal coordination model to combat exclusion in rural areas in under-developed regions and in regions of southern Spain. Non-government organisations (NGOs) play a significant role in the complex framework of policies and programmes aimed at communities at risk of exclusion. But while small regional entities find it difficult to survive by making use of complementary programmes, large NGOs monopolise most of the resources, developing structures and networks with enormous strategic influence.

A specific analysis of the institutional systems of vertical and horizontal coordination is extremely complicated. Usually vertical institutional coordination is linked to political and administrative criteria that are basically related to mechanisms for the control of expenditure and fraud in active employment policies: top-down coordination between authorities, agents and social entities involved in the management of social welfare and active promotion policies. However horizontal institutional coordination is not sufficiently open: in particular there is a complex relationship as regards the mechanisms of connection and cooperation between institutions and the social sector, in which links with organisations tend to be formed on a bilateral basis and not in conjunction with other State authorities.

Specific examples of good practices in the coordination of social security benefits and active employment policies in the context of the management of minimum income support schemes were selected, mindful of the diversity of structural situations in Spanish regions and on the basis of qualitative criteria.

Thus the Valdocco Foundation was selected as an example. This is a non-government organisation which demonstrates how, in Andalusia, in an environment with scarcely any schemes and with structural difficulties as regards integration because of the lack of jobs available, the high number of unemployed and the scarcity of financial resources, social initiative is capable of reaching areas not covered by the authorities by pursuing

flexible strategies. It has generated legal formulae and networks rooted in the territory, developing, on the basis of solidarity, a coordinated organisational system that is adapted flexibly to the needs of its users, who comprise young people and adults with problems or risks of exclusion due to lack of qualifications, many social problems or problems with the law. It also shows how, by involving in its strategies research institutions such as universities, participatory and recreational bodies in the district and political bodies in the city and in State job-training networks, valuable results can be obtained by developing specific policies which are very close to the environment, without falling into the trap of general abstractions that are far removed from reality.

This integration experience being conducted by Valdocco through coordination is also enabling it to engage in action to prevent exclusion, with the participation of various agents including the families of the users. Efforts are adapted to the needs of the groups at risk of exclusion, within the limits of the context, and they are proving to be more flexible than the schemes imposed through standardised methodologies by most programmes organised by the authorities.

The programme “Posa’t a Punt” and the Local Contracts introduced by the Generalitat in Catalonia are examples of instruments of socialisation in the coordination strategy which emerge on the basis of the integration needs of the minimum income groups and which lead to social innovation which is developed and extended through synergy in other areas of the region.

As a result of these efforts and of negotiation between the parties involved, considerable legislative and regulatory changes have been introduced at the level of the Autonomous Community, making it possible to introduce social clauses into public procurement contracts as a first step towards creating sheltered markets and encouraging the development of vocational training and rehabilitation undertakings and the social economy sector.

The Local Contracts demonstrate the need to implement at regional level coordinated integration strategies between districts and/or municipalities and the Autonomous Community, strategies which operate on an integrated basis throughout the entire region and establish consensus between a wide range of participants. They imply a strategy based on local pacts which permit pluralist participation in the diagnosis, with priority as regards interventions being decided through the coordination of the players involved and through the management of efforts to combat exclusion.

The example of the Plan to Combat Exclusion in Navarra is the most extensive case of institutional coordination of all those selected. It shows that when an economic and institutional structure exists which promotes social, employment and political identity, there is more chance of a citizen-based consciousness of “social and institutional responsibility for one’s own environment” which is organised and coordinated. This is the case for the Network to Combat Poverty and Exclusion in Navarra, which enjoys broad social participation, including cooperation by the University. It has generated sufficient social pressure to promote a global, integrating plan comprising very diverse measures, institutions and players, which is interesting in terms of the process of development which culminated in the Prevention of Exclusion Act [Ley de Lucha contra la Exclusión] - a pioneering law, alongside the Basque one, as regards regulating the rights and obligations of the excluded.

In devising the Prevention of Exclusion Act, previous knowledge of the excluded and of policies actually being pursued in the region were used, with these being treated practically and not on the basis of abstract and dislocated experts’ opinions and algorithms. This endowed the negotiating processes with legitimacy and realism, with broad social and political consensus finally being reached.

The measures and actions envisaged are being undertaken in an integrated way by non-governmental (entities forming part of the new social economy, trade undertakings and their organisations, as well as trade unions) and public (from local to state level, also having recourse to European equality policies which are being incorporated), initiative, the latter in an inter-departmental way. The precise scheduling of actions by each department is used as a basis by the monitoring structures, the result being a greater degree of transparency as regards awareness of the application of the Plan, which fosters control and the assuming of responsibilities.

In short it can be said of Spain that in order to cope with the phenomenon of exclusion, there is a clear need for coordination which permits the introduction of re-socialising mechanisms for rules, processes and values. Such coordination cannot be restricted only to welfare and employment policies: if it is to be effective it must also influence the logic behind macro-economic policies and the General State Budget, which are currently monopolised by the economic dimension. This implies being consistent with the thinking behind fiscal policy and positive action: each one contributes and receives according to his needs. But since needs are not only related to income, but are also to employment, social, educational, housing, health, political, etc. aspects, political measures should not be restricted to monetary matters only but should integrate these other areas of intervention.

What is necessary is a general uniform system of non-contributory benefits, which includes minimum income support. This would reduce the extreme complexity of the current system as well as regional inequalities, and would ensure the integration and harmonisation of the minimum income systems. Such harmonisation could be carried out without too much financial input, provided an examination is conducted into the possibility of a national law guaranteeing real coordination and co-financing: the State, as the guarantor of the equality of rights of all citizens, could bear the cost of the financial benefits throughout the national territory, while the Autonomous Communities took responsibility for management and decentralisation, stimulating the organisation of the social sector in regional networks.

It would be advisable to delineate a strategy of coordination applied to the management of the system, in other words, establish organisational procedures so that the coordinated organisations constitute a sustainable communication-based system which is flexible and can be graded, and which has the ability to provide feedback and be constantly updated. For this, the following are required: political consciousness-raising to make policy-makers aware that investment in this type of action and coordination is economically profitable in the medium term; training of the experts involved in new intervention methodologies which goes beyond abstract and pure economics and voluntary welfare action; the opening up of space and availability of time for participation, in a non-rhetorical fashion, in coordination by all the players involved, including the policy users; and lastly, continuous control, monitoring and evaluation mechanisms for the coordination process.

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