Regions, multi-level citizens and welfare development

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Paper presented at the SISP Conference, Panel 10.2. Regioni in Europa
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Rome, September 17, 2009

Abstract:

This paper elaborates on the idea of multi-level citizenship as a ‘civility compound’ of collective attachments which favours democratic subsidiarization and the implementation of social policies. It focuses also on the aspirations of regions to carry out welfare expansion based upon arguments of optimality, accountability, legitimacy, partnership and recalibration. After a brief conceptual review, this paper regards the emergence of ‘new social risks’ (NSR) as providing to sub-state political communities with opportunities for welfare development, concerning primarily activation, social assistance, care services and policy closure of ‘safety nets’. Final remarks put forward the idea that the advancement of social citizenship in Europe may be best achieved if the virtuous circle of emulation is encouraged among and within member states (policy learning, ‘soft’ regulation, or ‘best practices’).

Introduction: Europeanization and subsidiarization

‘Command-and-control’ conceptions of the welfare state in the post-WWII period have often deployed a centralized mode of policy-making. This has tended to make equality and homogenization synonymous notions. According to this view, citizens’ social entitlements and rights ought to be provided by a unitary administration of public services. In recent times, the centrality of the nation-state as the champion for the development of the modern systems of social protection has given way to a situation where both the supra-state and the sub-state welfare inputs are increasingly important in European welfare development.

Both processes of Europeanization and territorial subsidiarization have questioned such a state-centric understanding by putting forward the idea of territorially differentiated

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packages of public and social policies. These claims are grounded on the fact that decentralized government has become widespread around the world. Arguably, it seems apparent that an era of national centralization has been followed by a period of decentralization in the advanced democracies of welfare capitalism (Marks et al, 2008).^1^

The fourth phase of the ‘system-building’ of Europe,^2^ concerning the consolidation of Marshall’s third cycle of social citizenship,^3^ is in the process of institutional structuring and territorial adjustment within multi-layered EU (Bartolini, 2005; Ferrera, 2005). In fact, the unfolding of structures of governance at a supranational European level is taking place through interactions between the state members of the European Union. These interactions have mainly affect actors and policy networks whose operations have traditionally been confined to national arenas. The European dimension is gaining importance if we take into account that more than half of the legislation affecting Europeans’ lives is already EU’s. As a political framework, the European Union is a compound of policy processes, and Europeanization implies that national, regional and local policies are to be shaped by considerations which go beyond the formal sovereignty of the member states (Piattoni, 2007).

However, the constitution of the United States of Europe cannot be envisaged as the necessary end-result of Europeanization. The neo-functionalist school of thought has generally adopted the view that universal progress requires integration, which is made equal to cultural assimilation and to over-reaching identity formation, along the lines of the American ‘melting-pot’ or the multicultural ‘salad bowl’. Alternatively, the establishment of unitary European rules can only be achieved and successfully accommodated by taking into account both the long-standing history and the cultural diversity within the mosaic of peoples in the Old Continent. Multi-level citizenship is a key notion still to be fully internalized by Europeans (Berg, 2007).

Claims for the sub-state subsidiarization of public policies have been put forward not only by ‘stateless’ nations within plural and compound states, but also by regions and local authorities. Meso-governments and local authorities do not need par force the rationalising intervention of central bureaucracies and elites in the exercise of their autonomy. Autonomous regions enjoy additional economic and political security offered by the European Union and are gradually accommodated in a post-sovereignty era of progressive trans-nationalization (Keating, 2001; Moreno and McEwen, 2005).

The principle of subsidiarity enshrined in the Treaty of European Union of 1992 (Maastricht Treaty) provides for decisions to be taken supra-nationally only if local,

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^1^ In the period 1950-2006, institutional reforms in a comparative study of 42 democratic or semi-democratic countries have taken place in the direction of greater regional authority by a ratio of 8 to 1.

^2^ Stein Rokkan (1921-79) drew attention on the interrelations between internal structuring and external boundary-building for understanding the connections between state formation (military an administrative), nation-building (cultural), and the development of mass democracies (political) (Flora et al, 1999). Welfare development is the latter stage in Rokkan’s attempt to put forward a typological-topological map of Europe which is pending on political decisions related to the removal of internal (national) barriers and the establishment of institutionalized solidarity and redistribution.

^3^ Traditionally viewed as an evolution from political and civil citizenship (Marshall, 1950; 1965). Marshall’s argument for social citizenship can be regarded as a dynamic account --rather than as an evolutionary theory-- of the struggle between the extension of political equality and social rights on the one hand, and the capitalist market and social class on the other hand (Breiner, 2006).
regional or national levels cannot perform better. In other words, the preferred locus for decision-making is as decentralized and closer to the citizen as possible. Some political elites of the member states, reluctant to further the process of European institutionalization, have stubbornly interpreted the subsidiarity principle as a safeguard for the preservation of traditional national sovereignty and, consequently, the powers to intervene centrally within their state arenas. They have insisted in placing the bottom-line of subsidiarity at the level of the member-state.

This paper elaborates on the idea of multi-level citizenship as a compound of collective attachments which favours territorial subsidiarity and democratic accountability in the implementation of social policies. Likewise, attention is paid on the aspirations of regions and sub-state layers of governance to carry out welfare expansion based upon arguments of optimality, accountability, legitimacy, partnership and recalibration.

In the following section a brief conceptual review is carried out on the various citizens’ attachments in EU’s multi-level democratic political communities. Subsequently, the ‘new social risks’ are analysed considering sub-state possibilities of welfare expansion regarding policies of activation, social assistance, care services and ‘safety nets’. The concluding section of the paper puts forward the idea that the advancement of social citizenship Europe may be best achieved if the virtuous circle of emulation is encouraged among and within member states (policy learning, ‘soft’ regulation, or ‘best practices’).

Citizens’ attachments and compound civility

At the beginning of the twenty-first century, national state identities are openly questioned and have become problematic. While being corroded by the forces of globalization they are also subject to fragmentation, competition and overlapping elements of a multiple and diverse nature, particularly in politics of a multiple and plural composition. In parallel, there is a noticeable strengthening of sub- and supra-

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4 As a matter of fact, the Maastricht Treaty contains two diverse definitions on subsidiarity. The first one is of a substantial nature and is included in the Preamble and Art. 1 and expresses a broad political and conceptual understanding concerning both criteria of proximity and proportionality. The second definition put forward in Art.5 (originally 3b) is of a procedural character and its legal implementation has been rather problematic (van Hecke, 2003).

5 Debates on the so-called ‘subsidiarity watchdog’ are illustrative of the difficulties in conciliating national and regional interests. Both layers of governments have been engaged in a dispute as whether an additional referral procedure before the entry into force of a European legislative measure --which would conflict with the powers vested on each tier of government-- was to be introduced. This referral procedure would establish that the application of a piece of European legislation would be suspended, and eventually put before the European Court for decision on ultra vires principles, if a qualified minority of member states or a significant minority of the ‘partner regions’ (regions with concerned legislative powers) were to contest it. Such measures of constitutional design would be of the outmost importance in the re-structuring of welfare arrangements (Moreno and Palier, 2005).

6 Often the concepts of ‘state’ and ‘nation’ are made synonymous. However, they were congruent only in dozen of nation states at the end of the twentieth century (Hobsbawm, 1996: 257). In fact, multi-national states constitute not the exception but the general rule around the world.
state identities. Particularly in plural politics, decentralization, federalization and subsidiarity seek to accommodate a response to the stimuli of the diversity or plurality of the polities involved. These comprise groups and countries with differences of identity, history, language or traditions, which are often reflected in different party systems, channels of elites’ representation or interests’ articulation. Dual and multiple identities reflect those processes by which citizens shared loyalties and political aspirations through the various levels of adscription (Moreno, 2005).

Thus, European citizenship can be seen as being the product of nested identities formed at the various contextual levels of citizens’ political attachments (supra-state, state, sub-state) (Faist, 2001; Diez Medrano and Gutiérrez 2003; Bruter, 2005). Those multiple identities expressed by Europeans are inserted in a variable continuum of territorial belongings and affinities grounded in values of human rights and solidarity. Both civil and political rights are being increasingly accomplished at the regional level of EU’s member states. As it could no be otherwise the exercise of civil and political rights has ‘spilt over’ into social citizenship (Jeffery, 2009).

Accordingly, Europeans’ civic culture can be conceptualized as one of ‘compounded civility’. In this epistemological sense, ‘civility’ can be co-related not only with ‘citizenship’ but also with the idea of ‘patriotism’. The latter, to which the additament ‘constitutional’ is usually added, is often confused with the ideology of (state or majority) nationalism.

In a loose meaning, ‘patriotism’ appeals to a collective attachment to the institutions and values of a polity in a manner similar to that of affinity among family members. Compound civility may incorporate not only multiples sensed of belonging to European nations (state or stateless) and regions, but also a common axiological baseline -- mixed and cross-bred in many instances. Such value-system can make solidarity possible. It is a necessary -- not sufficient, though -- condition for the re-distribution of resources and vital opportunities characteristic of European welfare systems.

During the twentieth century the welfare state -- a European ‘invention’ -- embodied institutionally the values of equality and compassion in the ‘Old Continent’ However, the question on whether social justice and solidarity are possible beyond the nation state remains open at current. It is argued, in this respect, that local identities and cultures may act as restraints to the solidarity of the national welfare states. To these allegations others views -- also formulated from the democratic theory -- counterargument that collective identity continues to be a pre-condition for legitimating our advanced industrial societies (Dahl, 1989; Held, 1991; Archibugi et al., 1998).

The development of a European supra-national welfare state and social policy is unlikely in the near future. National, regional and local contexts will continue to play a crucial role in peoples’ expectations, perceptions and values. Likewise, capitalist forces are increasingly aware of the possibilities of rescaling territorially their activities in

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7 In the 1990s, little more that a third of the surveyed population (World Survey Values) considered nation-state identity as most important, while one in two respondents thought it was prevalent the local or regional (Norris, 2000).

8 The patriot is loyal to his/her own country’s language, history and culture. However, such a country may be integrated into a larger political community (e.g. Scotland and the United Kingdom) (Moreno, 2006).
order to maximize investments. These processes of rescaling and ‘unbundling’ of territoruality can have a direct impact on citizens’ living standards in their localities and regions of residence (Somerville, 2004; Ferrera, 2008). However, further research is needed to scrutinize the rescaling process of social policies and its derivations for welfare development.

For social research it is not easy to assess when the level of inequality or poverty is ‘unacceptable’ in a region or local political community unable to self-management and self-regulation. In such situations the inputs of national and European actors and institutions may be crucial for the maintenance of minimum standards of living conditions, although such interventions can also perpetuate top-down clientelism, ‘race to the bottom’ practices and, in sum, political anomie.

Social policy-making is highly shaped by local cultures and life styles, and is less likely to be dealt with in a homogenous and centralized manner from a supra-national entity (Moreno, 2003; Ferrera, 2005). In recent decades, regions have come not only to reassert their political identities but have also put forward their aspirations for welfare development. They can be very effective in advancing social citizenship, particularly in those areas of labour activation, social assistance, care services and policy closure of ‘safety nets’ (Fargion, 2000; Arriba and Moreno, 2005; Kazepov, 2008). Such a course of action runs hand in hand with a growing implication of the Third Sector and NGOs, the for-profit welfare provision of policies and services to the general public, and of corporate welfare. All these developments, together with the regulatory role carried out by governments, have coalesced into a welfare mix which postulates itself as an aggregate of preferences which can conciliate ideological differences and optimize sustainable economic development and social cohesion. The emergence of NSR is to put to test the collaborative capacity of all these actors in advancing social citizenship.

New social risks and regional welfare development

During most of the twentieth century the institutionalization of welfare aimed at advancing social rights within the context of the evolution of citizenship in industrial democracies. At the turn of the millennium, social citizenship has remained as a legitimate goal in ‘post-industrial’ democracies, despite that both welfare producers and consumers have had to adapt their roles and functions to the changing scenarios brought about by the new global order and the irruption of the ‘new social risks’ (NSR).

Structural modifications have taken place in advanced industrial democracies as a consequence of the emergence of ‘new social risks’. NSR are associated with the transition to a post-industrial (post-Fordist) society, and include four main elements: (1) higher participation of women in the formal labour market; (2) an increase in the numbers of frail and dependent elderly people; (3) the rise of social exclusion for workers with poor education; and (4) the expansion of ‘irresponsible’ private services and the de-regulation of their public counterparts (Esping-Andersen et al., 2002; Taylor-Gooby, 2004).

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9 Communitarian, radical reformists, or neoliberals who distrust state intervention, all claim that civil society groups ought to have a greater input in the provision of social care and services (Moreno, 2000).
As a consequence of NSR, vulnerable groups are likely to experience new needs in: (i) balancing paid work and family responsibilities (especially child-care), (ii) being called on for care for a frail elderly relative, or becoming frail and lacking family support; (iii) lacking the skills necessary to gain access to an adequately paid and secure job, or having skills and training that become obsolete and being unable to upgrade them through life-long learning; and (iv) using private provision that supplies an insecure or inadequate pension or unsatisfactory services (Bonoli, 2005).

Growth beyond limits and the ‘crowding out’ effects of public welfare covering ‘old social risks’ (e.g. illiteracy, old-age, sickness or unemployment) has encouraged regions to explore new policies for dealing with NSR. Some state-centric views holding an ‘orthodox’ neo-classical economicist approach had insisted in the last decades on the irreversibility of welfare retrenchment. It seemed that to an explosion of welfare demands had corresponded an implosion of decisions by central governments, which had to face increasing political constraints. However, it is more accurate to refer to the cost containment deployed by European central treasuries rather than actual reduction of welfare benefits and programmes. Most of these have been preserved in highly legitimized social insurance or tax-funded systems of social protection (Kuhnle, 2000; Pierson, 2001; Naldini, 2006).

NSR induce new welfare re-arrangements. They also put the question on how to articulate the welfare mix in multi-level Europe and their conciliation with old ‘core’ welfare commitments. In this emerging scenario the role of EU’s institutions and the initiatives of the meso-governments and sub-state political communities are crucial as they can proceed with a moderate welfare expansion regarding NSR. This could make up for the advancement of social citizenship in the ‘Old Continent’. Some regions in EU’s member states have been active in policy innovation particularly as concerns social assistance and the closure of ‘safety nets’ (e.g. Basque Country’s Regional Plan Against Poverty or Scotland’s Free Care for the Elderly).11

Certain caveats have been voiced on the limited capacity and the limitations of size that regions have when confronting welfare development on their own. Among these, the ‘race-to-the-bottom’ argument claims that globalization inevitably leads to a reduction of social rights. Certainly, social and environmental standards, particularly in less developed countries, can be highly shaped by foreign direct investments decisions taken by company boards on the basis of short-term interests, or in the expectations of immediate returns disregarding medium- and long-term needs of the hosting region. This might induce local, regional and national governments to offer incentives of lower salaries and social welfare. But there are also cases where the opposite happens (Berry et al., 2003). Both politicians and decision-makers at state and sub-state levels may

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10 The ‘O’Goffe’s tale’ makes reference to the theses of O’Connor (1973), Gough (1979) and Offé (1984) that an insuperable contradiction for the maintenance of the solidaristic welfare state was due to both processes of legitimising the capitalist system and the erosion of the mechanisms of capitalist accumulation.

11 In 1980 the Basque autonomous government introduced the first regional Poverty Plan establishing a minimum income for the needy who did not qualify for other basic benefits available within the national ‘safety net’. After devolution, the Scottish Executive implemented in 2002 an ex novo policy of free personal and nursing care for the elderly.
become ‘credit-claimers’ depending upon their situational logic and political strategies. Many of the latter have proved to be successful as relatively ‘better-off’ regions in the European context have managed to maximize their higher degrees of human and relational capitals (Moreno and McEwen, 2005).

In several instances, regional loci of decision-making have proved to be effective ‘laboratories of democracy’ and ‘layers of accountability’ (Goodin, 2003; Kazepov, 2009). They have also experienced that the payoff for innovation has exceeded past advantages of having central elites deciding on regional policies and the allocation of public moneys. It so often happens that when the need for innovation --on sorting out a ‘new’ problem or finding a solution-- is more pressing, it is also higher the desirability for having sub-state government and actors involve policy innovation (Donahue, 1997). Among the various preferences for regions to take responsibility on the implementation of social policy-making, the following criteria can be briefly enumerated:

Optimality, based mostly on considerations of size and economies of scale which are regarded suitable for certain social policies (e.g. personal care services).

Accountability, which favours democratic participation and citizens’ involvement in public life by means, for instance, of regional and local policy networks and advocacy coalitions.

Legitimacy, under the ‘umbrella’ of EU’s financing of the less-developed regions by means of the cohesion funds. At European level the assumption of solidarity with the poorer regions --and hence with precarious citizens-- is fully legitimized.

Partnership, articulated as a result of the growing interdependence in policy implementation and the optimization of public and private resource in the welfare mix.

Recalibration. Regions with a ‘cosmopolitan localism’ perspective may opt-out of the traditional guidance and political co-option of central state elites.

Normative views against the decentralization, in general, and welfare subsidiarization, in particular, refer to the possible exacerbation of inequalities and territorial disparities. This has often been the case in those nation-states where regional policies deployed by central governments and elites have structurally ‘frozen’ --if not augmented-- previous existing differences. This mode of articulation of regional interests --not accountable democratically to regional institutions-- has often impeded policy innovation and mobilization and has been responsible for the encroachment of inefficient central policy provision. Certainly, social insurance entitlements rest upon state-wide responsibilities and are financed by national ‘pools’ of taxes or contributions. However, ‘new social risks’ could well be financed by ‘new’ moneys raised at local and regional level. For such purposes arrangements allowing for greater fiscal autonomy by sub-state levels are of the foremost importance. In this way the covering of NSR may avoid cumbersome

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12 This is reflected in both societal interests, which are aimed at developing a sense of local community and at participating simultaneously in the international context. There is, thus, a growing adjustment between the particular and the general. Cosmopolitan localism mainly concerns medium-sized polities, within or without the framework of a state. In the ‘Old Continent’ it can be detected in small nation-states (Denmark, Eire, Luxembourg), stateless minority nations (Catalonia, Flanders, Scotland), but also in regions (Brussels, Languedoc, Lombardy) and conurbations (Berlin, London, Madrid) (Moreno, 2005).
decisions of reducing the size of matured welfare rights and benefits concerning ‘old risks’. Regions enjoying a higher degree of fiscal autonomy may provide with fresh resources for the advancement of social citizenship.

**Final remarks**

Regions can pursue policy innovation and welfare expansion while complying with national and European institutional frameworks. Due to the very nature of multi-level governance in the EU (Hooghe and Marks, 2001), there is little impediment preventing regions to develop programmes which may advance social citizenship based upon two premises:

(1) Post-regulatory EU embraces the idea that ‘soft regulation’ --along the lines, for instance, of the Open Method of Co-ordination (OMC)-- serves better the purposes and dialectics of unity in diversity characteristic of the process of Europeanization and the necessary processes of policy learning.

(2) The practices of emulation fit much more appropriately with the conditions of EU’s internal variance as well as with subsidiarization (‘benchmarking’ and ‘best practices’). The latter are geared at the identification of indicators synchronically (among countries) and diachronically (through time) which would conform procedural regulation in line with preferences for flexibility, discretion and variation.

The virtue circle of emulation may be the most suitable course of action if member states --and the regions within them-- continue to show their commitment to economic growth and social cohesion. Attempts for the nominal convergence of policy outcomes engineered at the centre of the EU by member-state central governments are certainly crucial. Very much in line with the extra effort expected to be carried out by ‘late-comer’ member states in order to ‘catch up’ with median EU figures and indicators, within-state regions confront also the incentive to abandon their position as laggards according to their own aspirations for welfare expansion. Such future scenarios would allow the unfolding of new synergies into a type of welfare *mix* of entitlements, interventions and policy instruments with long-term effects for the improvement of citizens’ living conditions.
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