

### Week 3:

#### Italy & Greece - A fourth world of welfare capitalism?

##### Ferrera's 'Southern European Model' (see Ferrera 1998)

- *Insurance domination*
  - Occupational & institutional fragmentation
  - Generosity & gaps
- *Some universal elements*
  - National health
- *'Soft' statism*
  - vulnerable to political pressures
  - 'maximalist left'
- *Clientelism*
  - Experience of service provision

##### But is it a separate model? Comparisons with conservative-corporatism

- *Money*
  - lack of money means that welfare state has not been able to be developed
  - compounded by concern to meet Maastricht criteria, so that WS cannot be developed
- *Insurance domination*
  - similar to corporatist regime?
  - Question of stages of development, not different in kind....? (Katrougalos 1996)
- *'the family'*
  - Social catholicism
    - Italy: ideological 'overdetermination': Marxist & christian democratic
    - Greece is orthodox
  - Family benefits: very low; favours marriage but not children

##### Italy: income maintenance

- *Pensions*
  - 54.2% all social expenditure: disability pensions; by 1980s, spending on pensions x7 more than on family benefits
  - pre-95, 50 schemes, variable contributions, replacement rates; all occupational
  - 1995 reform: incentives to retire at 65; workplace referendum, & tu agreement; indexed to GDP growth (Myles & Pierson 2001, p.327 in Pierson 2001); 1997 public employees pension cuts
- *Unemployment*
  - character of previous employment; cassa integrazione;
  - NO assistance for long-term unemployment, until 1990s
  - NO benefits for those with no employment record; Social Pact for Economic Development in 1998
  - Early 1990s mass unemployment, esp. long-term unemployment, & esp. concentrated in South

### **Italy: universal elements?**

- *Health*
  - 1987 previously insurance based & occupational schemes
  - now universal & tax based, but recent co-payments. Very high proportion of informal payments
  - highly decentralised
- *Income maintenance*
  - invalidity & social pensions; attempts at minimum income guarantees
  - very low levels of replacement rates

### **State & clientelism: explaining the (original) model**

- *'soft state'*
  - votes for invalidity pensions - but were there 2 Italies?
  - 'annus fatalis' 1992 (Ferrera & Gualimini 2000)
- *Parties as expression of social interest*
  - 'civil society' weak
  - recent efforts at concertation – induced by joining EMU?
- *Political polarisation*
  - radical 'maximalist' left; ideological overdetermination (Marxist & Christian Democratic)
  - recent external pressures (Maastricht, esp. budget deficit); projected pension problems to 'riassamento'

### **Women – still room for a separate model?**

- Wall et al (2001): strong welfare society doesn't exist; lack of welfare state reproduces inequalities. See also Petmesidou and Papadopoulos on familistic welfare model (on reading list).
- Trifiletti (1999) distinctive SE model: state does not protect from market, & considers women as wives & mothers. Response to fertility problems as