Old welfare state theories and new welfare regimes in Eastern Europe: Challenges and implications

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Available online 25 February 2009

Abstract

This paper reviews some theoretical and empirical literature written on welfare state development in post-communist Eastern Europe in the light of the theories and approaches that have been developed to study affluent capitalist democracies. The aim of this discussion is to critically reassess the old welfare state theories, definitions and approaches and their implications regarding the study of post-communist Eastern Europe.

The paper ends with the conclusion that the exclusion of ‘communist’ countries for more than twenty years from welfare state theorising has created an empirical and theoretical gap. This creates fresh challenges for welfare state research and calls for a new paradigm. It is evident that the not so well explored Eastern European region with regards to social policy research suggests that it is necessary not only to test already existing welfare state theories, definitions, typologies and approaches on these countries, but also to advance them.

Introduction

The aim of explaining welfare state development in affluent capitalist democracies has spawned a plethora of welfare state theories, approaches and typologies.
However, many of them excluded from their analysis former communist countries, which had a rather different historical and economic development as compared to the capitalist democracies. Nevertheless, the former communist societies had extensive social policies, which, in some cases, were just as developed as those in the West. The collapse of Communism in the Soviet Union and other Eastern bloc countries added even more to the puzzlement surrounding the debate as to whether the old welfare state theories still maintained their explanatory power and also whether new ones were needed to encompass the sea changes in Europe.

This paper reviews some theoretical and empirical literature written on welfare state development in post-communist Eastern Europe in the light of the theories and approaches that have been developed to study affluent capitalist democracies. The aim of this discussion is to critically reassess the old welfare state theories and their implications regarding the study of post-communist Eastern Europe. Starting with a review of the classic writings on the welfare state, such as by Titmuss and Wilensky, this paper addresses the major questions that current welfare state research is faced with in a changing and enlarged Europe. What is a welfare state? Are old welfare state theories capable of explaining changes in Eastern Europe? What are the distinctive features of the post-communist welfare state regime?

The structure of this paper is organised as follows. Firstly, the basic definition of the welfare state will be elaborated upon. Secondly, the old welfare state theories and their implications for studying Eastern Europe will be discussed. Thirdly, an overview of some comparative studies on the post-communist social policy development will be given. Finally, the principal findings of this paper will be suggested.

What is a welfare state?

In academic literature the post-communist countries are usually called welfare states (Deacon, 1992a, 2000; Kvapilova, 1995; Standing, 1996), but the concept of the welfare state has, for a long time, referred mainly to affluent capitalist democracies. Therefore, it may be useful to revise the definition of the welfare state and adjust it to the new and changing conditions.

Democracy and a relatively high standard of living became widely accepted ingredients of the welfare state in social policy research. Numerous scholars (Berg-Schlosser and DeMeur, 1994; Cameron, 1984; Esping-Andersen, 1994; Hicks et al., 1995; Huber and Stephens, 1996; Kitschelt, 1999; Korpi, 1983; Lehmbruch, 1984) have agreed that the welfare state should be understood as the state’s involvement in the distribution and redistribution of welfare in a given country, taking, however, democracy and the relatively high standard of living as a basis for the welfare state. It should be stressed that the above definition was mainly created to study rich capitalist democracies. At the same time, other countries that do not belong to the group of so-called rich capitalist democracies were termed as countries having some form of social policy. Social policy is thus used as a lower concept; however, quite

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1 Eastern Europe refers to the geographical term and includes all post-communist European countries.
often it is used as a synonym for the welfare state. Skocpol and Amenta (1986) have used the term ‘social policies’ in the broader sense to mean state activities affecting the social status and the life opportunities for families, individuals or various social groups. Thus, if social policy defined as state activities that have redistributional effects upon the population of a given country through regulated mass education, social insurance, pension programmes and a health-care system, then every nation state since the early 19th century has always had some social policy. However, growing social insurance coverage and, in general, expenditures for social-welfare purposes meant that ‘most of the leading industrial-capitalist democracies became self-proclaimed “welfare states”’ (Skocpol and Amenta, 1986: 132). Therefore, it is not surprising that the concept of the welfare state and research have been focused mainly on rich capitalist democracies.

As Hort (2004) has pointed out, Harold Wilensky’s famous book *The Welfare State and Equality* (1975) was the last work which included not only rich countries, but also Eastern European societies in the theorising about the welfare state. The following research has focused on the social policy development, including in the communist countries, that had been largely abandoned and then only gained in popularity after the collapse of the Soviet regime in 1991.

Indeed, the classics on the welfare state, such as by Richard M. Titmuss and Harold L. Wilensky, had not excluded communist countries from their analysis. Titmuss (1974), for instance, in his well-known typology of social policy, had discussed the Soviet—Russian model of social welfare and attributed it to the Industrial Achievement—Performance model of social policy, together with Germany and France. He claimed that Soviet Russia had fashioned a model of social policy that is based on the principles of work-performance and achievement, in which social needs were met on the basis of merit and productivity. At the same time, Wilensky (1975) included in the analysis sixty-four countries and grouped them into four types of political system according to the degree to which the number of citizens participated in decision-making and the degree to which the state allows or encourages the voluntary action of numerous autonomous groups. Countries with high mass participation and low coerciveness were labelled as liberal democracies (UK, Sweden). Countries with high mass participation and high coerciveness were called totalitarian (USSR and East Germany). Countries that had medium to high participation and medium coerciveness were referred to as authoritarian populist (Mexico, Syria) and countries with low participation and medium to high coerciveness were termed authoritarian oligarchic (Spain, Portugal). He found that ideology measured as the ideological position of the ruling parties or dominant coalitions in 22 countries, among them the USSR, East Germany and Czechoslovakia, from 1950 to 1965 had no effect on social security initiatives.

The inclusion of the communist countries (but not only them) in the analysis might have affected how the meaning of the welfare state was perceived. Titmuss (1974) saw social policy as a substantial intervening variable that was capable of influencing people’s choices and their behaviour. Social policy, according to Titmuss, is all about values and choices; it is what constitutes the good society, it is how society should be organised and it is about whether a community is willing to move
towards a more equal society or not. It is clear that morality is central to an understanding of the welfare state.

Wilensky, in defining the welfare state, was less concerned about morality. Instead, he concentrated on the material background of the welfare state. The minimum standard of living assured as a social right, but not as charity, is central to comprehending the notion of the welfare state.

Thus, whilst Titmuss (1974) emphasised the morality and value scale in the opinions held about the means and ends of social policy, Wilensky (1975, 2002), on the other hand, emphasised the material side and was concerned about the minimum protected standard of living being given as social rights. However, both of them in defining the welfare state were very much concerned about its consequences that may influence people’s choices according to Titmuss or reflect on the stability of household income, equality and the health of the population according to Wilensky. It does not matter what kind of society it is, whether pluralist or totalitarian, the welfare state is seen as a prime source of consensus in any society. The welfare state is, thus, perceived as a source of well-being, stability, security and solidarity. Neither Titmuss nor Wilensky was so much concerned about the political roots of the welfare state. Moreover, Wilensky (1975) found that political systems (liberal democracy, totalitarian or authoritarian type) contribute only a little or almost nothing to the explanation of social security initiatives.

In the case of the constitution of the USSR, the principles and meaning of welfare were quite close to both Wilensky and Titmuss’ understandings of social policy and its goals. According to the constitution of the Soviet Union (Zakharov and Piskov, 1972: 5–8), social security was granted to each person as a social right by the Soviet state. Every citizen of the Soviet Union had a right to work, vacations, and social security in the case of old age, illness and loss of working capacity plus a right to education and health care. The aim and the morality of the Soviet state were to improve the material well-being, health-care and longevity of the population, enhance equality and improve everyday life of families, women and children. However, many of these aims were not fulfilled by the Soviet state and the communist system collapsed at the end of the 20th century. Wilensky and Titmuss were, for the most part, correct in claiming that these countries were welfare states of some kind and, therefore, their inclusion in the theorising and modelling of the welfare state was not unusual.

Thus, this paper proposes to stick to the welfare state interpretation used by these authors, who included the communist countries in the theorising on the welfare state. In this paper, the welfare state is understood as a government obligation to ensure a decent standard of living for its citizens given as a social right through such channels as social security, social services, the labour market, housing policy, education and health care. It should be agreed that the notion of the welfare state coexists with a relatively high standard of living. However, democracy is not always

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2 It can be claimed that similar principles were also adopted in other former European communist countries.
the main prerequisite for the welfare state. For instance, the former Soviet Union can be termed as an authoritarian welfare state, even though there was no democracy in the Soviet Union. Nevertheless, the state was the main provider of the welfare for its citizens. The extensive social policy (full employment, free education and health care) and social security with its huge redistributive mechanism promoted equality within classes and various social groups.\(^3\)

Given the basic understanding of the definition of the welfare state, the old welfare state theories’ implications for Eastern European social policy can now be reviewed.

**Old welfare state theories and their implications for studying East-Central Europe**

It could be claimed that the most influential theory nowadays that is responsible for most explanations for the variation and rise of the welfare state in developed capitalist democracies is the *power resource approach*. It argues that it is fruitful to view welfare states as outcomes of, and areas for, conflicts between class-related, socio-economic interest groups and that in these distributive conflicts partisan politics is likely to matter (Korpi and Palme, 2003: 425). The main argument of the power resource approach is that the impact of the ruling parties is significant regarding social policy development. Countries that have strong left-wing parties, for example, Socialist, Labour and Social-Democratic, powerful labour unions and a significant working-class presence in the decision-making apparatus also have a more highly developed welfare system than those with strong right-wing parties (Esping-Andersen, 1990; Hicks et al., 1995; Huber and Stephens, 1996; Korpi, 1983, 1989; Quadagno, 1987; Smelser, 1994). Numerous studies provide strong evidence that this approach can potentially explain a lot about the variation of the welfare states as well as their development (Ferrarini, 2003; Korpi, 2000; Korpi and Palme, 2003; Palme, 1990). However, these studies were focused only on the rich capitalist democracies and ignored other countries that did not belong to this bloc.

Nevertheless, the impact of ruling political parties on social policy reform in East-Central Europe\(^4\) is not so widely researched. There are a few studies that provide evidence that the power resource approach could potentially offer some explanations for social policy development in Eastern Europe. For instance, Lipsmeyer (2000) has examined the right–left ideological ‘conflict’ and its influence on altering social policies in six East-Central European countries — the Czech Republic, Estonia, Hungary, Poland, Slovakia and Slovenia. This study provided some evidence that right-wing or centre parliaments were more likely to implement more drastic measures for reducing replacement rates and duration periods, whilst shifting the cost burden to non-government funding sources in three policies out of four: unemployment benefits, pensions and health benefits, as compared to the left-wing

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\(^3\) Some studies, however, indicate (Poldma, 1999; Deacon, 1992a; Ferge, 1992) that there was an upper class, a so-called nomenclature, that profited more from the benefits of the authoritarian welfare state than other social groups.

\(^4\) The term refers to the group of countries that have joined the European Union.
parliaments. In spite of this, Lipsmeyer also provided evidence that the adjustment made to maternity and family benefits lacks an ideological component. This means that other factors may be of great relevance in explaining the changes in social policy in those countries, such as, for instance, global pressures or the affordability of the welfare state, or other demographic factors. It should also be taken into account that political parties in many East-Central European countries are rather fragmented and differences among political parties are not so pronounced as in a well established party system in the West (Choe, 2003; Ferge, 1992).

On the whole, the left-wing parties that were associated primarily with the Communist successor parties did not succeed after the collapse of the Communist regime everywhere in East-Central Europe, despite the resources they inherited from the past and other purported advantages (Orenstein, 1998). One reason for this can be the identification of these parties with the past. For instance, Zaslavskaya (1992) claims that the lack of confidence in the Communist Party in the former Soviet Union was associated with the fact that people held this party responsible for the economic and social crises that the Soviet Union experienced immediately before and after the collapse. The same can be true for the Communist successor parties in the so-called Visegrad countries (Hungary, Poland, the Czech Republic and Slovakia) (Orenstein, 1998).

In general, the party system started to develop in the East-Central European countries, when they first regained their independence from the Soviet Union. It could be difficult to claim that political parties had a clear and firm attitude towards social security. The case of Lithuania, as one example of Eastern European social policy development, to some extent, confirms this. The comprehensive study done by Guogis et al. (2000) on political parties’ attitudes towards social security in Lithuania revealed that most political parties were against the universal (social-democratic) model of social policy and were in favour of a marginal (liberal) model. It is interesting that no left-wing party had come out in favour of the universal model of social policy. It is even more surprising, as Guogis et al. claim, that no party stated its support for the supremacy of the corporatist model based on social insurance, which, according to them, currently prevails in the country. This means that political parties have not yet had a clear vision of the social security in their programmes. Lazutka and Kostelnickien (1995) also acknowledge this situation in their overview of social security development in Lithuania. They briefly pointed out that the standpoint of the main political parties concerning welfare policy was and still is vague and they have not played a significant role in reforming social-welfare policy.

Overall, it could be claimed, unlike in the West, the political parties in many Eastern European societies do not have long traditions. For instance, the Social Democrats have made a significant impact on social policy development in Sweden, since they have been in power for more than 60 years (Huber and Stephens, 1996; Olsson, 1990). Thus, it is rather problematic to claim that one party or another has made a significant impact on social policy development in Eastern European countries over the period of transition.

Furthermore, the trade union membership has declined in many countries of Eastern Europe and still continues declining. According to the latest statistics, only
11 percent of the labour force belongs to trade unions in Estonia, 12 percent in Lithuania, around 16 percent in Latvia and Hungary and about 20–22 percent in the Czech and Slovak Republics. This is far below the Western European standards, where 50–75 percent of employees belong to trade unions and the figures for Scandinavia are even higher. Even though a trend towards declining membership has also characterised Western Europe since the mid-1970s, but not to such an extent and it has not yet undermined minimum standards at work, not least due to well-functioning structures of bilateral social dialogue and accompanying legal regulations (Kohl, 2008: 110–115). Strong trade unions are an important key to expanding the social rights of citizens. Many studies (Esping-Andersen, 1990; Huber and Stephens, 1996; Korpi, 1983; Palme, 1990; Smelser, 1994) argue that the welfare state was developed in order to mitigate class conflict, that is, the antagonism between labour and capital. Thus, it is not surprising that socialism denied the very need for a social policy because class conflict had been ‘solved’ in the communist countries with the abolition of private property. During the Soviet period it was obligatory to be a trade union member. Trade unions played an important role in redistributing property, goods and services. They served as an ideological apparatus, through which communist ideology was transmitted. However, they never performed such functions as negotiating salaries or defending the rights of the workers, since it was assumed that a communist country was virtually a paradise for the workers. After the collapse of the various communist regimes the role of trade unions had to be changed considerably. In fact, new trade unions like those that existed in the West had to be created. However, up until now, the trade unions have been recovering very slowly in Eastern Europe and people simply have not seen yet any real benefits of being a trade union member. Given the fact that trade unions have been rather weak up to now, it is difficult to foresee how they might play an active role in social policy expansion in the years to come. The distorted activity of the trade unions during the Soviet era, when they were more involved in property distribution than in defending the rights of the working people, has currently left a deep scar on the development of this institution. Such a legacy does nothing to increase the prospect of a strong trade union movement in the future.

Another significant approach that has witnessed the twilight of its explanatory power is the account of the Logic of Industrialism, which is associated with the name of Wilensky (O’Connor and Prym, 1988). In his comparative research that included sixty-four countries, he found that the ‘economic level is the root cause of welfare state development, but its effects are felt chiefly through the demographic changes of the past century and the momentum of the programs themselves, once established’ (1975: 47). In this sense, according to Wilensky, social security growth is accompanied by economic growth and its demographic outcomes, such as an ageing of the population, that are also hastened by the interplay of the political elite’s perceptions, welfare bureaucracies and great pressures. Furthermore, in his recent comparative work, which includes 22 affluent countries, Wilensky (2002) found that economic growth is no longer an independent predictor of welfare efforts. Affluence and an ageing population (65 years old+) account for most of the explanation.
Without doubt, the economy and the welfare state are intertwined. In a study of welfare state-economic relations, Esping-Andersen (1994) comes to the conclusion that the welfare state is not something opposed to or, in some way, related to the economy. Instead, it is an integral element of the organic linkage of production, reproduction, and consumption, none of which can survive without the others.

The decreased economic output and lower wages as compared to the ‘West’ (Eurostat, 2007) in many East-Central European countries are undoubtedly a significant factor in explaining why these states have trouble ‘catching up’ with the West. The dramatic decline in GDP, the financial crises, high inflation during the first years of transition (see European Bank, 1999) and the rapid GDP growth and stabilisation of financial sectors (see European Commission, 2002) made and continue to make an impact on the affordability of the welfare states of those countries. The threat posed by ageing populations, which are affecting countries both in the East and the West, has also attracted the attention of many scholars. The implementation of the partial privatisation of pension provisions, which is largely caused by the ageing populations and financial constraints, in many East-Central European countries, has also been a broad subject for debate (see Casey, 2004; Fultz, 2004; Muller, 2001).

However, as regards this, even in developed capitalist countries, an ageing population and successful economic performance cannot fully explain the differences between welfare state regimes. Hence, Wilensky’s earliest approach attracted a lot of criticism since it could not fully explain the variation among welfare state provisions in Western democracies.

The third approach that offers explanations, however, does not gain so much attention nowadays, is the state-centric approach to studying welfare state development. This approach claims that the state bureaucracy and political elite are central actors in the policy formation and have a significant impact on the development and the introduction of welfare programmes (Carroll, 1999; Palme, 1990; Quadagno, 1987; Smelser, 1994). Indeed, numerous studies have demonstrated the importance of studying state contribution, through its bureaucratic and structural apparatus, to economic and social transformation. For instance, Skocpol (1992) has demonstrated that the political elite, together with appointed bureaucrats, significantly influenced the development of social provisions for soldiers and mothers in the United States during the period between the 1870s and the 1920s. This study revealed that social policies in the United States (and elsewhere) have not developed simply as consequences of capitalist urbanisation and industrialisation. Yet, social policies have not been direct responses to the emerging demands that the social classes have placed upon governments. Instead, government institutions, electoral rules, political parties, and prior public policies — all of these have affected the abilities of politically involved actors to devise and change social policies.

Other studies have also demonstrated that it is important to examine the state contributions to economic and social changes (Rieschemeyer and Evans, 1985; Wier and Skocpol, 1985; Skocpol, 1985).

The influence of the political elite and bureaucrats on social policy reform and development is rather underresearched in the post-communist countries.
Nevertheless, Eastern and Central Europe can be generally characterised as a region that has inherited a rather well developed and effective bureaucratic apparatus. Indeed, the paternalistic Soviet state, through its bureaucrats, functioned successfully. It could be claimed that after the collapse of the Communist regime social policy reform was in the hands of social policy bureaucrats and other state elites involved in this process. Aidukaite (2004), for instance, has put forward a hypothesis that in the Baltic States, as one of the examples of the Eastern European welfare state development, the decision-makers and bureaucrats have up to now had a more significant impact on social policy development than political parties and other actors. Lazutka and Kostelnickien (1995) have partially touched on the point, although not basing their argument on an empirical study, that in Lithuania the powerful bureaucracy is an important actor in framing social policy reform. Other studies (Muller, 2001; Rys, 2001a) have briefly pointed out that in some transitional countries (mainly referring to Central European countries) ministries of welfare and finance have been taking full responsibility for pension insurance and social security reform.

At the end of the 20th century, in the field of welfare state crisis and retrenchment, new approaches appeared that stressed the importance of previous policy choices (path dependency) and the strength of interest groups in the welfare state (Pierson, 1994). The significance of the ability of interest groups to fight for their causes is also stressed by gender scholars (Lewis, 1993; Ostner and Lewis, 1994). In this respect, the development of welfare provisions is closely linked to the notion of citizenship and civil society (Hobson, 1997; Miller, 1999).

Previous studies on welfare state development in Eastern European countries have indicated that civil society was and is weak in those countries, and people had a low level of trust in the main state institutions. For instance, Ferge (2001b) claims that civil society in Eastern Europe is still weak and it will take some time before civil society becomes strong enough to defend social rights. The weak civil society does nothing to promote social rights for the poor and unemployed in Hungary (Ferge, 2001a). A fragile civil society was seen as one among several major reasons for the retrenchment of benefits and services for mothers in the Baltic countries (Paluckiene, 2000). Blom et al. (1996) have also pointed out that civil society in the Baltics during the first years of independence was very fragile and this was obvious from the low membership in various associations and voluntary groups. The civil society might gain strength in the future; nowadays, however, its impact on the expansion of social rights is hardly visible across Eastern Europe.

At the end of the 20th century, the impact of globalisation on the development of the welfare state has started to gain its explanatory power in particular when Eastern European social policy is being discussed (Deacon, 1995, 2000). Moreover, to quote Palier (2003: 148), ‘the analyses of the impact of globalisation and European integration vary between those who acknowledge significant impact of these processes on welfare state to those who deny any influence (or even existence) of these economic trends on welfare states’. Carroll in the comprehensive overview of the literature written on globalisation and its impact on social policy since 1995, argues that the interpretations of globalisation require more empiricism than what can currently be obtained from studies of published literature. Even so, Carroll (2003:...
comes to the conclusion that ‘if the debate on globalisation and its welfare impacts is to move forward, both globalisation’s opponents and its defenders need to sharpen their standards of proof and to take the potential multiplicity of globalisation’s impacts seriously’.

On the whole, it could be argued that the influence of globalisation is not so evident when rich capitalist democracies are taken into account. For instance, Hajighasemi (2002), in his comprehensive study of the transformation of the Swedish welfare system as it has developed since the 1990s, found that the Swedish model was not affected greatly by economic globalisation. However, research on East-Central Europe provides strong evidence that because of their economic vulnerability these countries are rather susceptible to the influence of globalisation. For instance, Casey (2004) has argued that Latvia and Estonia and partly Lithuania have implemented the World Bank’s so-called ‘three pillar’ model of privatisation of pension insurance, not least because they were recipients of substantial World Bank loans. The same could be true for Hungary and Poland. Another significant reason why some East-Central European societies are more susceptible to globalisation could be explained by the desire of these countries to join Euro-Atlantic organisations. That makes their political elite keener to accept advice from global organisations. In the comparative study of pension insurance reform in Latvia and Russia, Chandler (2001) has provided evidence that the implementation of pension insurance reform in Latvia was easier to achieve when compared to Russia, although, in both countries pension reform proved to be politically unpopular. Chandler claims that Latvia’s greater international orientation and its commitment to return back to ‘Western’ Europe and its values were important in influencing its government’s commitment to pursue a pension reform, while Russian leaders tended to perceive few advantages from Western-oriented reforms. The weak civil society was also one of the factors facilitating the reform mentioned in this study.

The influence of global pressures from the IMF and the World Bank on social policy development in transitional countries is highly acknowledged in numerous studies (Deacon, 1992a,b, 1997, 2000; Casey, 2004; Chandler, 2001; Muller, 2001). Nevertheless, the influence of Europeanisation is not so visible and straightforward. According to Rys (2001b: 185), ‘the EU does not impose on member countries any specific hard law rules on social policy’. The open method of coordination established in order to stress a greater co-operation in the area of social protection among the EU member states is aimed to help them develop their own social policies through the process of learning about the best practices. At the same time, it takes into account the specific local conditions of a given country, where the new social policy measures are to be implemented (Wehner et al., 2004). Studies stress that EU accession procedures are only interested in financial aspects of the social protection system (Rys, 2001a,b; Wehner et al., 2004). This means that the impact of the EU on social policy reform might be difficult to detect. The influence of the Europeanisation can be mainly assessed, as stated by Palier and Guillen (2004), through the concept of ‘cognitive Europeanization’ — it is a way for policy-makers to construct attitudes and perceptions towards social problems and to tackle them. However, the implementation of the World Bank’s recommendations is rather visible. Since the EU does
not impose any specific concrete recommendations on social policy, it is probably not surprising that in the Baltic countries as regards pension insurance, as Casey (2004) has highlighted, more of the ‘Bank’ rather than the ‘European’ model can be found.

Nevertheless, there are studies that demonstrate that the notion of external influence should be accepted with some caution. As the comprehensive study of three Baltic States revealed (Aidukaite, 2004), a country’s decision-makers will more likely accept something considered more suitable to their country’s traditions and people’s mentality. Hence, the socio-economic and cultural factors also contribute towards emerging differences in social security arrangements in Eastern Europe.

To sum up, the descriptive analysis highlights several theoretical aspects of social policy that need to be reassessed given a new economic, political and cultural environment of the enlarging and changing Europe. A detailed study of the political parties and their impact on welfare reforms should be examined in future comparative studies of the Eastern European social policy. Also the state-centrist approach could be further elaborated upon. The role of policy-makers and other actors, such as various social movements, employers’ associations and NGOs, is important in this context and needs further investigation. Furthermore, the influence of external-level variables, such as global organisations and European integration, needs to be further scrutinised.

Overall, it can be claimed that no theory alone can explain fully the changes in the post-communist societies. The social policy is shaped by the diversity of forces, in particular, in such countries as the transitional ones. Consequently, it should be studied as if it was embedded in various aspects of a given society. As Titmuss (1974: 16) emphasised in his famous book Social Policy: An Introduction ‘social policy cannot be discussed or even conceptualised in a social vacuum — unlike the Robinson Crusoe idea of Economic Man’. Thus, the welfare state development in Eastern Europe should be studied as if it was embedded in the societal, economic, political, cultural and historical aspects of a given society, taking also political, economic and cultural globalisation and Europeanisation into account.

From the Soviet-type of welfare state towards ‘Western-type’ welfare regimes?

After the collapse of the Communism many East-Central European countries began their transition from the Soviet-type of welfare state towards ‘Western-type’ welfare regimes. As Deacon (1992b) has pointed out, the collapse of the Communist regimes brought to an end not only a particular type of political and economic system but also a specific type of welfare state. Therefore, scholars have attempted to assess how characteristics of the emerging social policies fit into the existing welfare state models. Earlier studies have seen welfare state development in the post-communist region as falling within the liberal or residual regime (Ferge, 1997, 2001b; Kvapilova, 1995; Standing, 1996), in which welfare is based on a mix of social insurance and social assistance, and a partial privatisation of social policy. Yet, as those studies underline, the attempts to reform have come up against a legacy of what was essentially comprehensive social policy. However, it should be pointed out that some of those studies tend to overgeneralize and treat welfare state
developments as if they were homogeneous throughout Eastern Europe (Aidukaite, 2004). A similar assumption was expressed by Fodor et al. (2002) in their study of family policies and gender in Hungary, Poland and Romania. They pointed out that scholars studying gender relations in Eastern Europe region tend to overgeneralize because of the lack of comparative data of any kind and often treat welfare state development as if it were uniform throughout the region.

Other studies claimed that the post-communist welfare state does not follow a single pattern. Deacon (1992b), for instance, has predicted that Eastern European countries will develop their social policies in the future into distinct regimes that may even lie outside the three worlds of welfare capitalism described by Esping-Andersen. Recent comparative studies have also highlighted emerging differences among the East European countries. Fajth (1999) has emphasised that most of the post-communist countries have been moving away from collective solutions to individualised ones regarding social security. However, they do not necessarily follow the same paths when reforming their institutional arrangements. Kangas (1999) in his comparative study of institutions and their consequences in the social policy of several Western and transitional countries, has concluded that to place the post-communist countries in the prevailing welfare state typologies is rather problematic. This is since neither the Western countries nor the post-communist societies form a single homogeneous group. There is a large variation when it comes to the institutional set-ups of social security programmes among them. Other studies have also emphasised emerging differences among Eastern European countries. For instance, Manning (2004) in the comprehensive overview of changes since 1989 in the main social indicators and social policies in eight East-Central European countries, finds that there are variations between these societies not only in the policies that they have developed but also in their social and economic performance. Different pension schemes, different health-care systems, different levels of economic growth, inequality and health conditions have become apparent (Manning, 2004: 228). Other studies have also emphasised emerging differences among Eastern European countries (Aidukaite, 2006; Fodor et al., 2002).

However, the recent attempts show that authors have been trying to separate East European countries into a distinct group with regime that does not fall into Esping-Andersen’s trilogy (Aidukaite, 2004; Kaariainen and Lehtonen, 2006; van Oorschots and Arts, 2005; Wehner et al., 2004). This regime is called the East European or post-communist and has characteristics from both the liberal and conservative corporatist regimes as well as some distinct features of the post-communist societies. These features are as follows: high take-up rate of social security but relatively low benefit levels; the identification of the social policy system with the Soviet past, and a low level of people’s trust in the state institutions. Thus, it could be argued that though at the micro level the East European region is very diverse, it still possesses similar macro-level features that allow to group these countries into the ideal type post-communist regime. Based on the example of the three Baltic States, Aidukaite (2004: 81–85) suggests the main features of the post-communist welfare state regime. Accordingly, insurance-based schemes play a major part in the system of social protection and this is not surprising seeing as the former Soviet system was based on employment.
However, the same programmes cover everyone. In many cases, universal benefits still overshadow means-tested ones. Nevertheless, the relatively low benefit levels do not create enough incentives for people to be honest and declare their income for taxation. Even if the state plays a vital role in protecting its citizens from social risks, the market and the family are still two of the most important agents for guaranteeing an adequate standard of living for the population.

Nevertheless, the theoretical and empirical validity of the attempts to group these countries into a distinct post-communist, or East European, regime is rather weak since these studies neither cover all countries, nor are they based on solid comparative data that prove the existence of the post-communist welfare regime. Thus, it is evident that there is a need not only to test previous typologies, but also to advance them.

Conclusion

This paper has reviewed some theoretical and empirical literature on welfare state development in post-communist Eastern Europe in the light of the theories and approaches that have been developed to study affluent capitalist democracies. Starting with a review of the classic writings on the welfare state, such as by Titmuss and Wilensky, this paper addresses the major questions that current welfare state research is faced with in a changing and enlarging Europe. What is a welfare state? Are old welfare state theories capable of explaining changes in Eastern Europe? What are distinctive features of the post-communist welfare state regime?

This paper suggests sticking to the interpretation used by these authors who included the communist countries in the theorising of the welfare state. In this paper, the meaning of the welfare state is close to both Wilensky and Titmuss’ understandings of social policy and its goals. The welfare state is understood as a government obligation to ensure a decent standard of living for its citizens, given as a social right through such channels as social security, social services, the labour market, housing policy, education and health care. The notion of the welfare state can coexist with a relatively high standard of living. However, democracy is not always the main prerequisite for the welfare state. The example of this can be former communist countries which had a rather different historical and economic development as compared to the capitalist democracies. Nevertheless, the former communist countries had extensive social policies, which, in some cases, were just as developed as those in the West.

This paper supports evidence in favour of identifying the post-communist or Eastern European regime type that is already gaining acceptance within comparative welfare state research. Even if the post-communist countries demonstrate diversity regarding how they solve problems in the social policy field, they also have a lot in common. Such features as the supremacy of the social insurance system, high coverage, but relatively low benefit levels and the identification of the social security systems with the experience of the Soviet past, can be attributed to the post-communist welfare regime. This regime cannot be placed exactly into any model that has been developed to study capitalist democracies. 5

5 For a detailed discussion on welfare state models, see Arts and Gelissen (2002).
and empirical validity of existence of this regime type is rather weak, since there is no comparative study which can fully prove it. Thus, a reconsideration of existing welfare models and regime types should definitely move the research agenda.

The descriptive overviews have indicated that the ‘old’ welfare theories can still be useful to study welfare state development in Eastern Europe. However, a theory alone cannot fully explain changes in these societies. The social policy is shaped by the diversity of forces, in particular in such countries as the transitional ones. Therefore, this paper suggests adopting a multidimensional approach to study social policy change in the enlarged and transformed Europe. The welfare state development should be studied as if it was embedded in the societal, economic, political, cultural and historical aspects of a given society, taking also political, economic and cultural globalisation and Europeanisation into account.

Based on the literature review, it could be argued that the exclusion of communist countries for more than twenty years from welfare state theorising has created an empirical and theoretical void. This creates fresh challenges for welfare state research and calls for a new paradigm. It is evident that the not so well explored Eastern European region with regards to social policy research suggests that it is necessary not only to test already existing welfare state theories, typologies and approaches on these countries, but also to advance them.

References


