

Multidimensional support of welfare state in a cross cultural perspective

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How the Welfare State Begins



How the Welfare State Ends



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"Okay, who's going

WELFARE DEPARTMENT



Belle

"Notice how *punctual* I am?"

European Strike 14 NOV

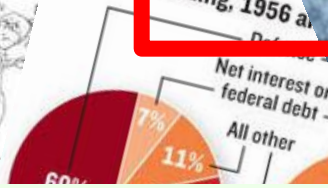
We don't owe
we won't pay



Shifting Priorities

The budget has moved from defence
Security and other personal

Federal spending, 1956 and



Red up worrying about

JOB HOME FAMILY MONEY

stand up for a better future.
the march for a
that Works

JOIN US IN LONDON
**TURSDAY
OCTOBER 2012**
at 11am-1:30pm



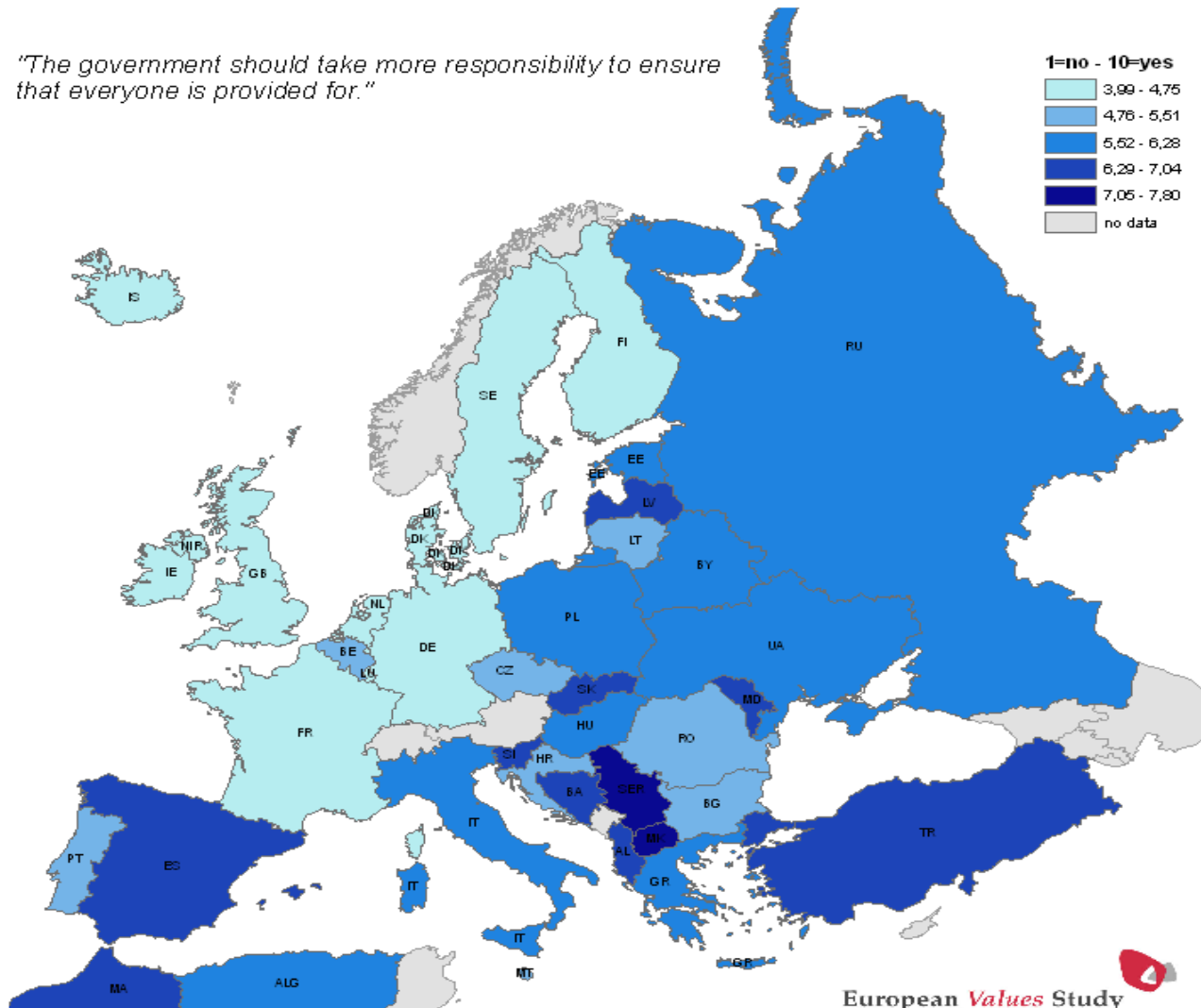
Pensioners
Revolt
Over
Stealth
Taxes
And
Tax
Excesses
Let's get rid of this CANCER



hates the welfare

“Government should take more responsibility to ensure that everyone is provided for”

“The government should take more responsibility to ensure that everyone is provided for.”

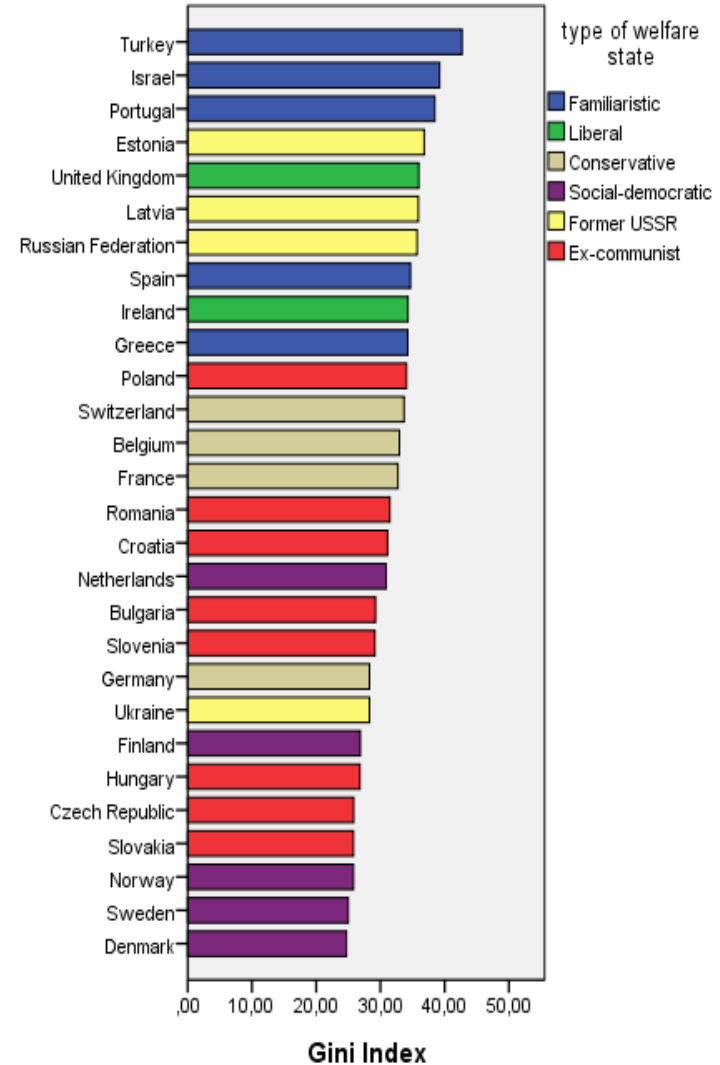
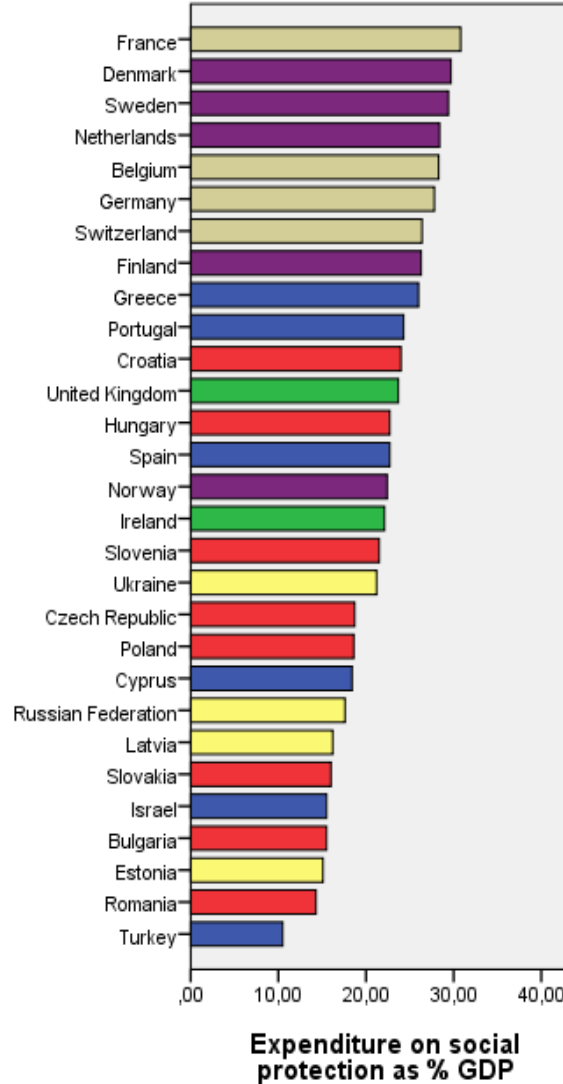
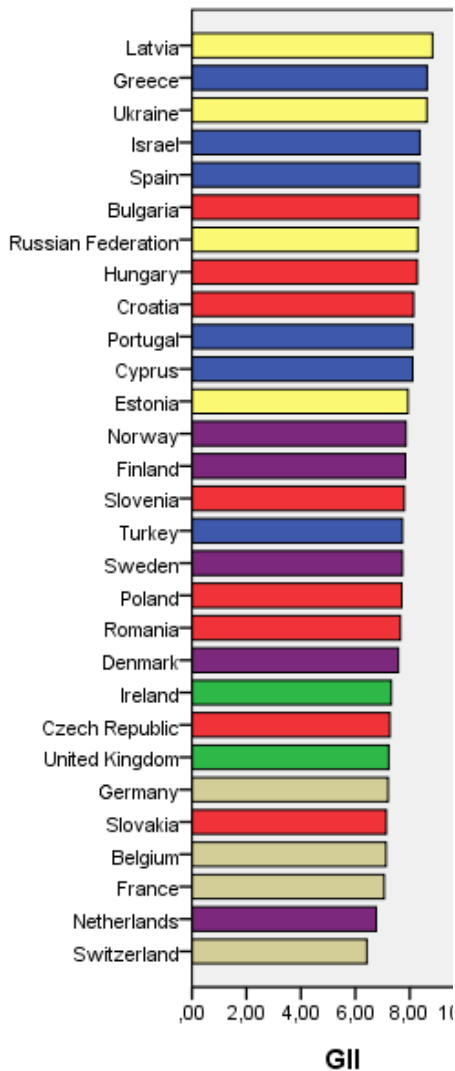


High demand for a state social responsibility can be seen in all the European countries and especially in Mediterranean and ex-communist ones.

So there is a question why it is so.

What are the determinants of this demand?

Why? Quality of performing, welfare culture or individual presuppositions?



1. Key question

What kind of rationality shape demand for different dimensions of government welfare responsibility in six welfare cultures?

This question needs theoretical clarification.

2. Principal questions

- What do we mean by rationality?**
- What kinds of rationality do we mean?**
- Why do we think that demand for government welfare intervention is a type of rational choice action?**
- What is theoretical background for the demand for government welfare support?**

What do we mean by rationality?

Basing on rational choice theories we define
rationality as

**an intention to maximize own utilities in
exchange relations with others**

What kinds of rationality do we mean?

4 ideal types of patterns of rationality (M.Weber)

Formal rationality (following rules)

Substantive rationality (value-rational basis)

Practical rationality (self-interest or survival motivation)

Theoretical rationality (conceptual point of view, from the position of “ordered system”)

Why do we think that demand for government welfare intervention is a type of rational choice action?

Welfare state is an institution established as a result of rational decisions of actors producing a **joint good**, reinforced by normative agreements

Basing on rational choice theories we can say that **macro-level outcomes can be explained by micro-level intentions** (Coleman, 1986)

What is theoretical background for the demand for government welfare support?

- Rational choice and exchange theory (Homans, 1969; Coleman, 1990)
- Distributive justice (Homans, 1961)
- Entitlement (Lerner, 1987)
- The Deprivation-Satiation Proposition (5th) (Homans, 1974)
- Cultural trauma (Sztompka, 2000)

3. Theoretical background

- **The deprivation-satiation proposition** : "The more often in the recent past a person has received a particular reward, the less valuable any further unit of that reward becomes for him." (the deprivation-satiation proposition, Homans, 1974:29)
- **Distributive justice**: "each party to the exchange must perceive that he or she is not paying too high a cost relative to the rewards gained" (Appelrouth and Edles, 2006:125)
- **Standards of entitlement**: "Input-outcome comparisons define what people in certain situations or with certain characteristics are entitled to or deserve" (d'Anjou, 1995:352)
- **Cultural trauma** : "Social change is apt to produce the disruption of the life-world, bringing about several potentially traumatizing events or situations" and there are strategies for coping with cultural trauma (Sztompka, 2000:463).

4. Hypothesis

- **Hypothesis 1:** The more welfare benefits population has received in the recent past, the lower is the level of demand for government welfare intervention.
- **Hypothesis 2:** Unconditional benefits (pensions and medical care) are strongly supported in all welfare cultures. But in family support (child care and paid leave to care for sick relatives) and labor market regulation (guaranteed job and unemployment benefits) are altering across countries.
- **Hypothesis 3:** Citizens of transition countries were effected traumatizing events. In these countries demand for government welfare intervention is shaped by practical rationality. Substantive rationality is a partial mediator of practical rationality in this countries.
- **Hypothesis 4:** Theoretical rationality shape welfare attitudes stronger in well performing welfare states.

5. Basic concepts

- Three dimensions of **demand for government welfare intervention**: unconditional benefits (pensions and medical care), family support (child care and paid leave to care for sick relatives) and labour market regulation (guaranteed job and unemployment benefits)
- **Self-interest** as an example of practical rationality
- **Self-denial** as an example of substantive rationality
- **Idea of joint good** as an example of theoretical rationality

Self-interest – an example of practical rationality

- "individuals **who** objectively **benefit from the stratification** system in comparison with others are more likely to judge its **inequalities to be just**. Conversely, people who are objectively less well off are more likely to judge equality to be fair, since [this]...would result in their receiving more societal goods." (Robinson and Bell, 1978, p. 128)

Self-denial – an example of substantive rationality

- “**Self-denial** or asceticism may be more difficult to explain, but again could result from individual pursuit of spiritual salvation – that is, **given the individual’s values**, it may be that these can be optimally pursued by a life of self-denial”

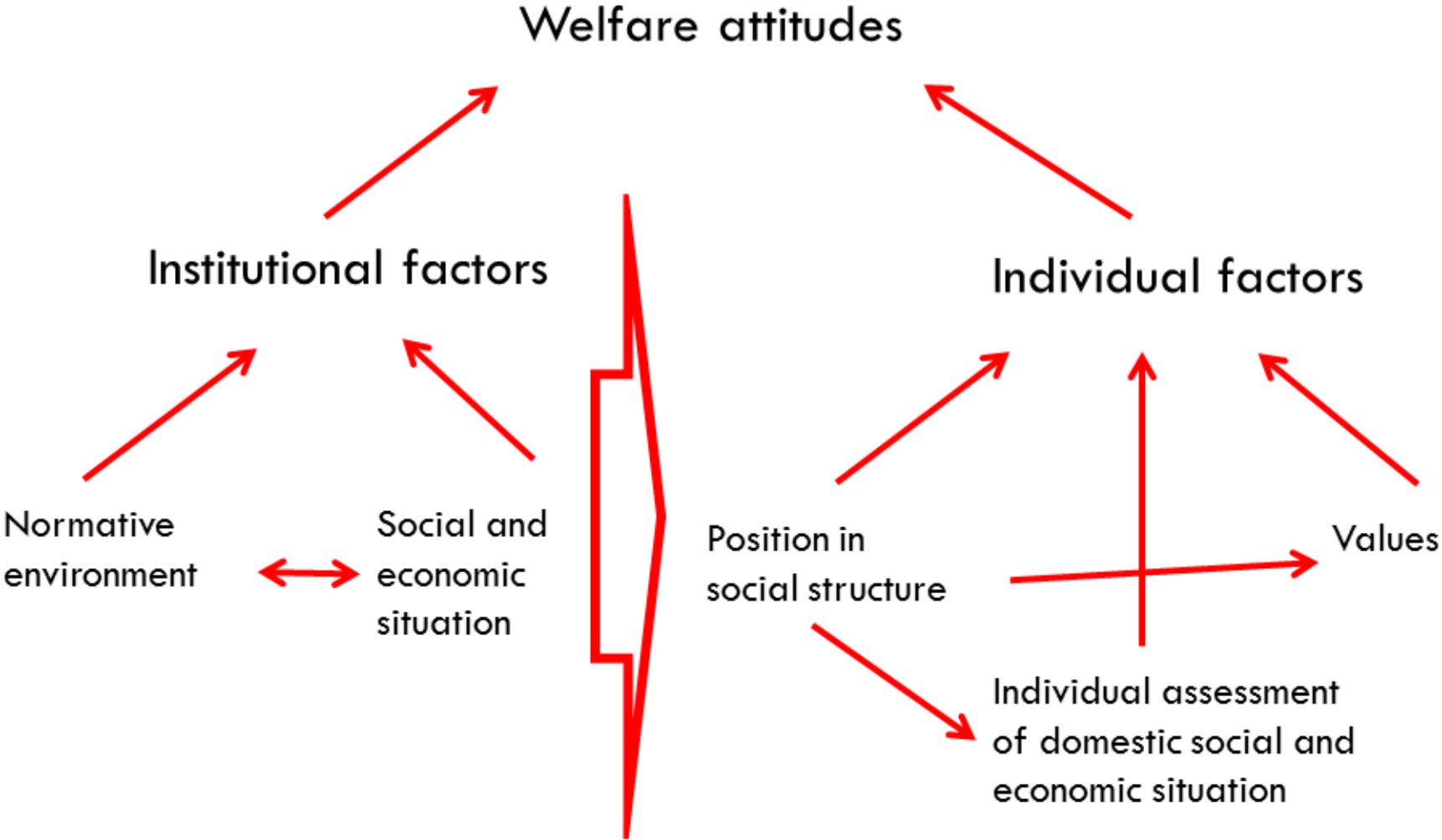
Assessment of consequences - an example of theoretical rationality

- This type of rationality involves a conscious mastery of reality through the constitution of increasingly precise abstract concepts rather than through action (Kalberg, 1980:1152)

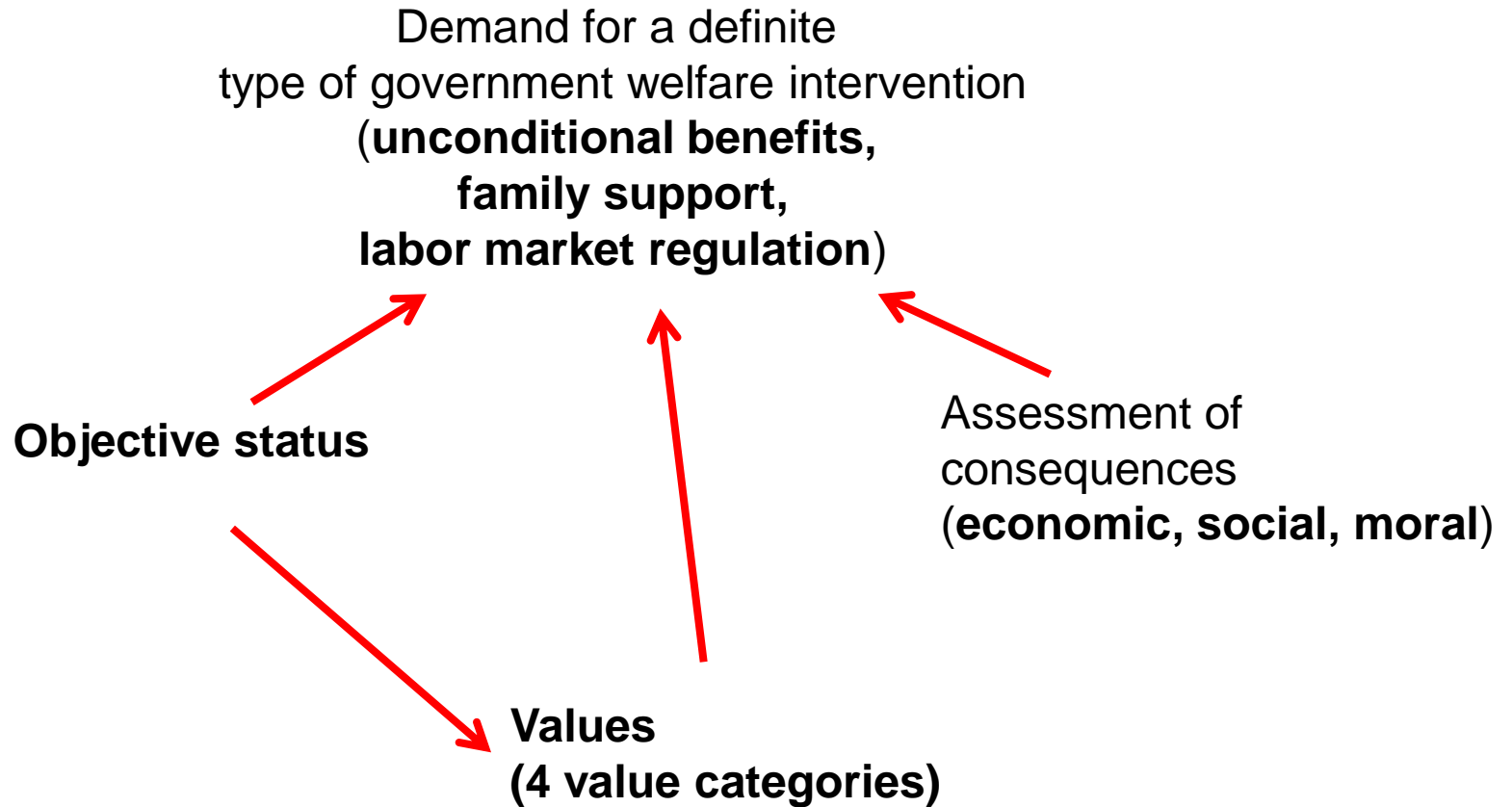
6. Core Variables

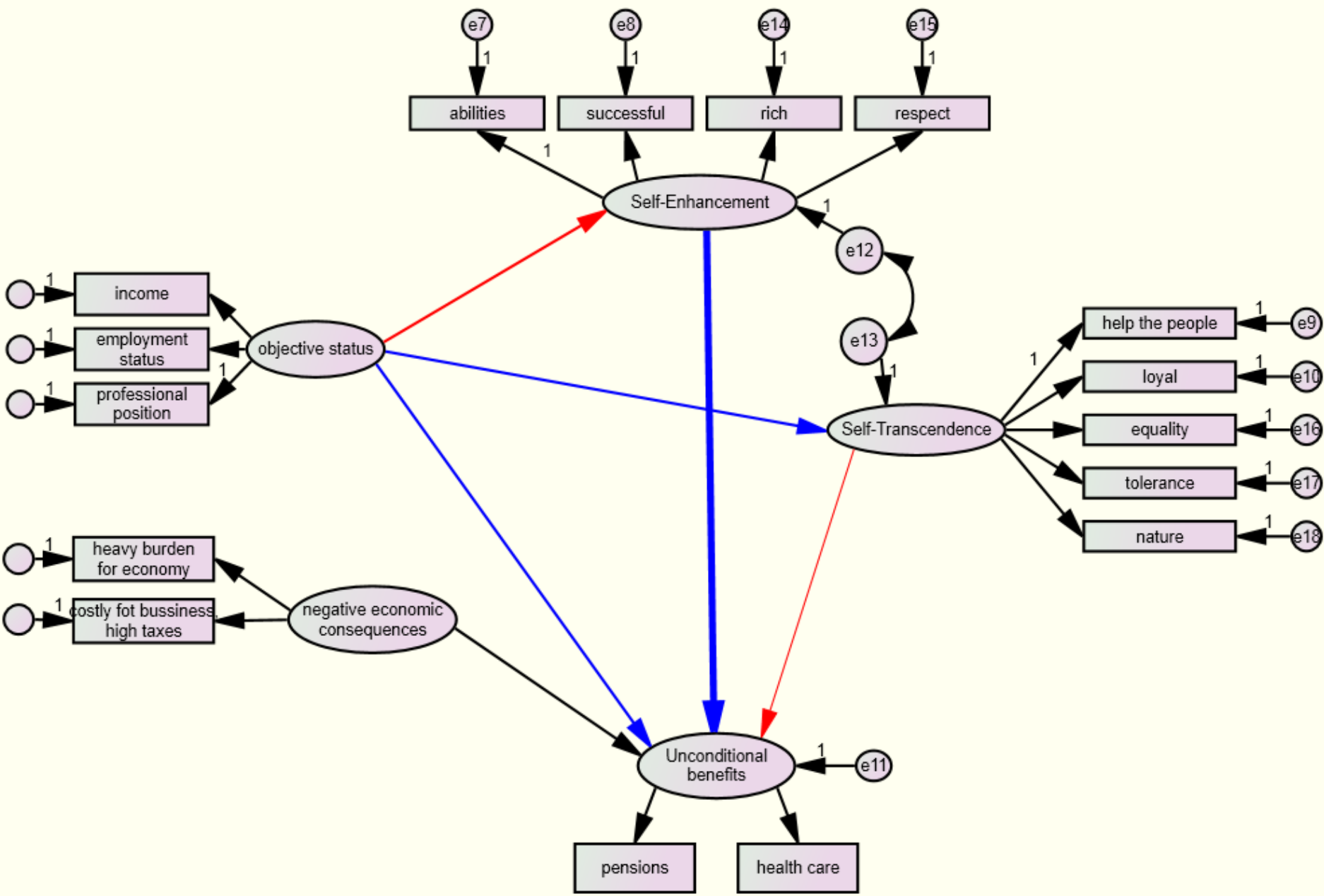
- Three dimensions of demand for government welfare support:
 - **unconditional benefits** (pensions and medical care),
 - **family support** (child care and paid leave to care for sick relatives) and
 - **labor market regulation** (guaranteed job and unemployment benefits).
- **Objective social status** is an individual index calculated on the basic social and demographical characteristics such as income, education, professional position and employment status.
- **Basic human values** are calculated in accordance with Sh. Schwartz methodology (1992).
- Three types of consequences of welfare state are defined by means of principle component analysis
 - **negative economic** consequences,
 - **positive social** consequences,
 - **negative moral** consequences

7. Analyses and Modeling



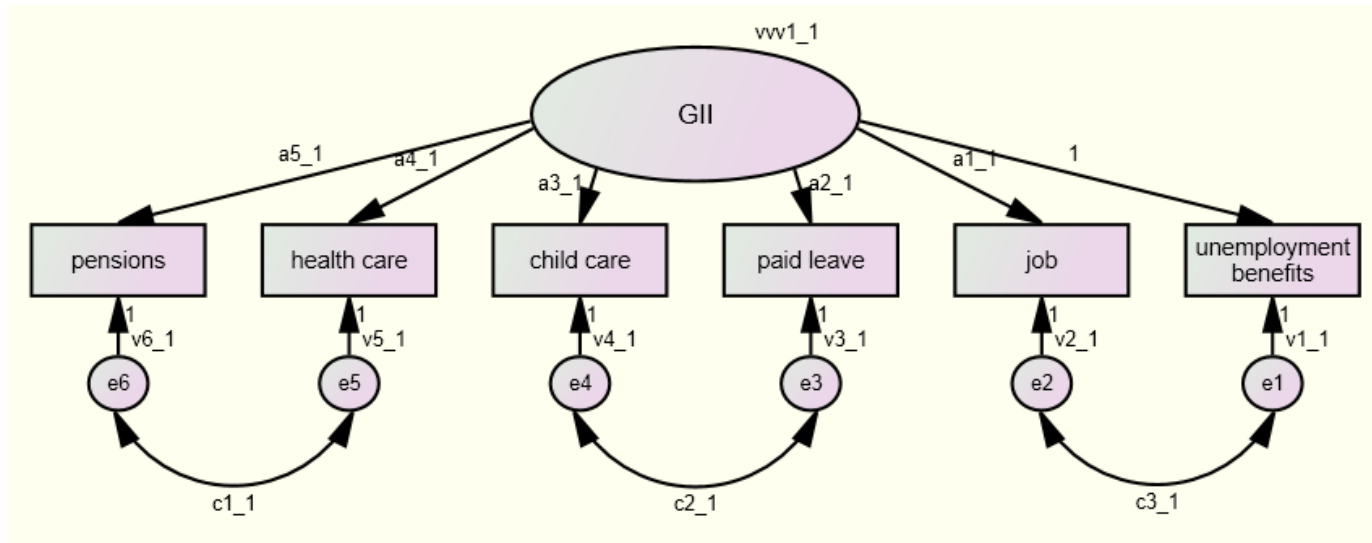
18 models of the research





Why multidimensionality?
What are the dimensions?

Government intervention index



People have different views on what the responsibilities of governments should or should not be. For each of the tasks I read out please tell me on a score of 0-10 how much responsibility you think governments should have

D15 ...ensure a job for everyone who wants one?

D16 ...ensure adequate health care for the sick?

D17 ...ensure a reasonable standard of living for the old?

D18 ...ensure a Reasonable standard of living for the unemployed?

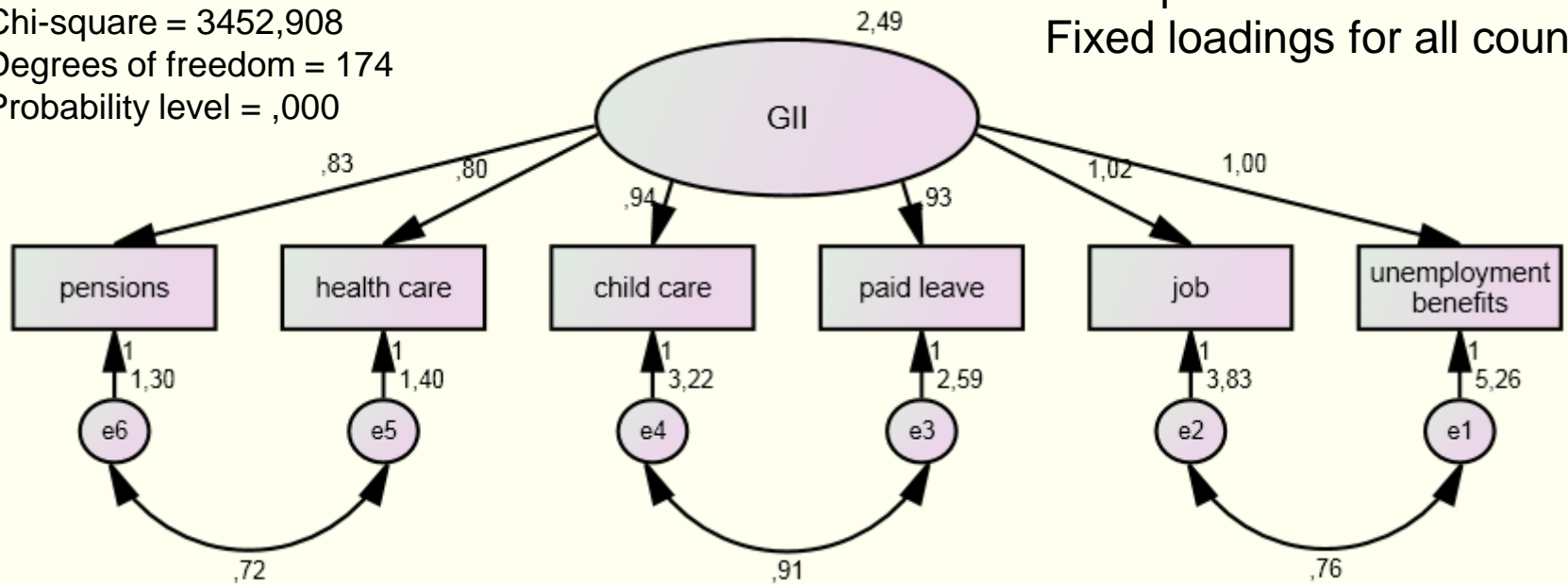
D19 ...ensure sufficient child care services for working parents?

D20 ...provide paid leave from work for people who temporarily have to care for sick family members?

MGCFA: GII (29 countries) unstandardized estimates

Chi-square = 3452,908
Degrees of freedom = 174
Probability level = ,000

Example on RU
Fixed loadings for all countries

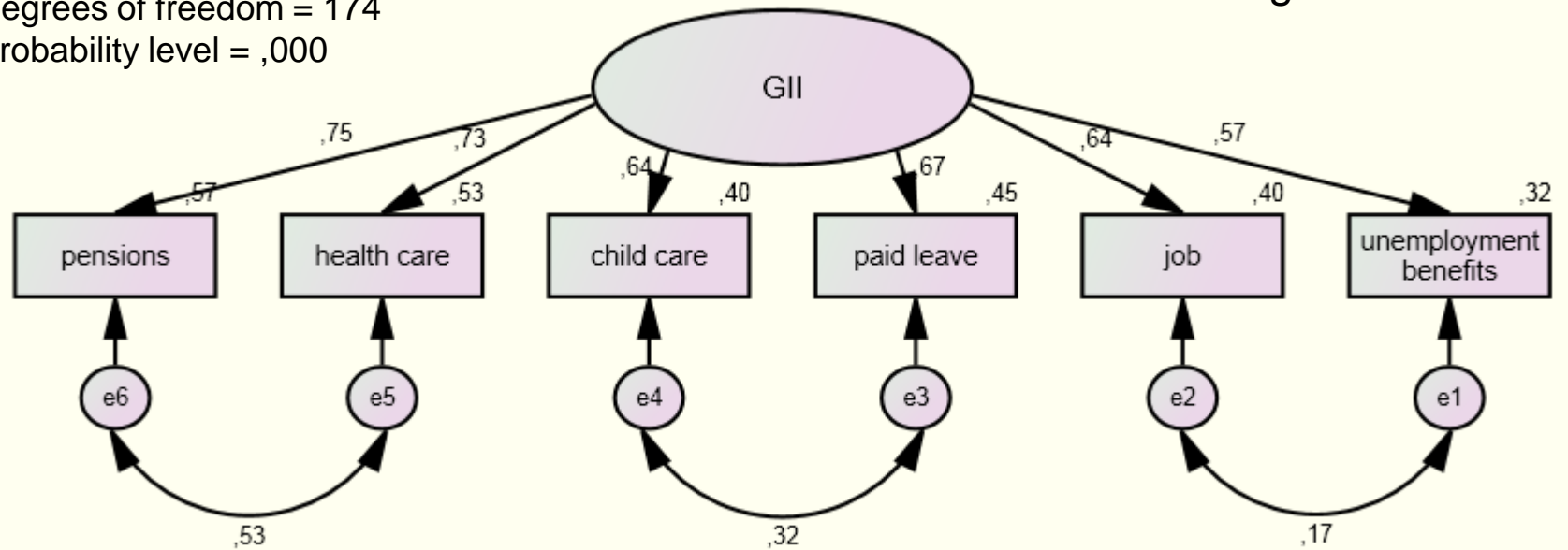


Model	CMIN	DF	P	CMIN/DF	CFI	RMSEA
Unconstrained	3452,908	174	0	19,844	0,975	0,019
Measurement weights	5235,834	314	0	16,675	0,963	0,017
Delta	-1782,93	-140	0	3,169	0,012	0,002

MGCFA: GII (29 countries) standardized estimates

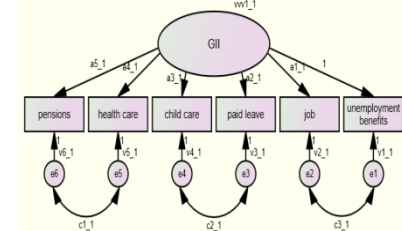
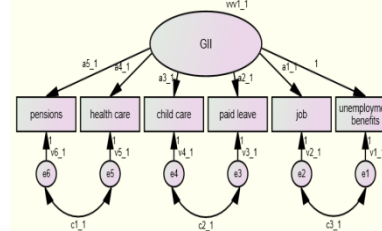
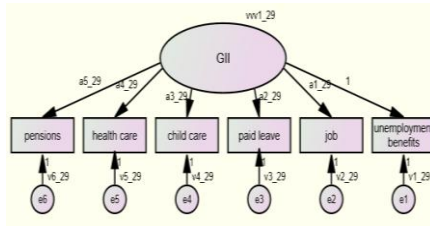
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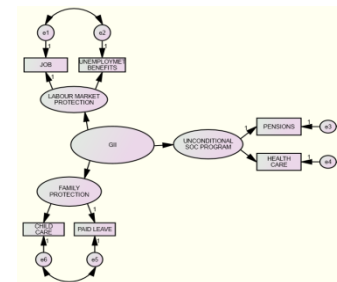
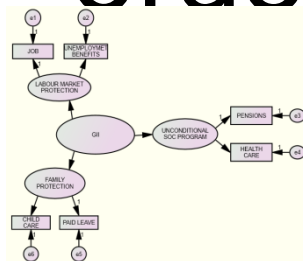
1st order CFA



Factor loadings	M ₁ : MGCF without errors correlations	M ₂ : MGCF with errors correlations	M ₃ : CFA with errors correlations, data centered around country mean
Job	1.000	1.000	1.000
Health care	0.918	0.673	0.744
Pensions	0.928	0.721	0.792
Unemployment benefit	0.928	0.927	0.951
Child care	0.903	0.860	0.913
Paid leave	0.918	0.836	0.901

Model fit measures	M ₁	M ₂	M ₃
Chi-Square	21610.964	12403.058	602.923
P-Value	0.0000	0.0000	0.0000
Degrees of Freedom	541	454	6
RMSEA	0.141	0.116	0.042
CFI	0.665	0.810	0.990

2nd order CFA



Factor loadings	M4: 2 nd order CFA, pulled data	M5: 2 nd order CFA, pulled data centered around country mean	M6: 2 nd order MGCF (The 1 st order factor indicator intercepts are fixed to zero)	M7: 2 nd order MGCF with errors correlations, (The 1 st order factor indicator intercepts are fixed to zero)
Health care	1.000	1.000	1.000	
Pensions	1.093	1.065	1.065	
Job	1.000	1.000	1.000	
Unemployment benefit	0.907	0.950	0.922	THE MODEL MAY NOT BE IDENTIFIED
Child care	1.000	1.000	1.000	(WHY?)
Paid leave	0.979	0.987	0.964	
Model fit measures	M4	M5	M6	M7
Chi-Square	1244.115	602.914	10036.111	
P-Value	0.0000	0.0000	0.0000	
Degrees of Freedom	6	6	398	
RMSEA	0.060	0.042	0.111	
CFI	0.991	0.990	0.847	

Thank you for your attention!