

PERFORM

Performing and Responsive Social Sciences

Regional Research Network Initiates Policy Dialogue on Social Protection Policies

A Western Balkans
Regional Initiative

**The Future of the
Welfare State**



Most Governments in the Western Balkans spend more than 30% of their GDP on welfare state measures, making it the most important budget line. However, the significance of this policy field is in stark contrast to the lack of analytical capacities and the political will in policy institutions dealing with welfare measures. Policy decisions are often based purely on ideological grounds without an evidence base in place. PERFORM supported a group of researchers from the Western Balkan Region to jointly explore opportunities for contributing to strengthening the welfare state through a policy dialogue.

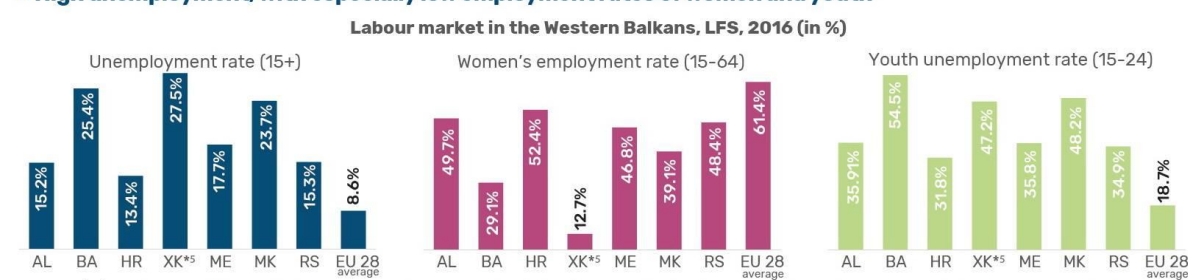
Background

Providing social protection and social services is an important function of a modern state in its efforts to promote the economic and social well-being for its citizens. An encompassing term used is the *welfare state* providing services as diverse as health and education, pensions, care for the elderly, day-care for pre-school children. Apart from the delivery of social benefits and public services, the state also has an important role in developing and managing the regulatory framework for governing an efficient and effective welfare state. Most Governments in the Western Balkans spend more than 30% of their GDP on welfare state measures, and therefore, it tends to be the most important budget title.

The significance of this policy field is in stark contrast to the lack of analytical capacities and the political will in policy institutions dealing with welfare measures. Policy decisions are often based purely on ideological grounds without an evidence base in place. Long-term strategic planning, which takes into account key developments in societies, such as demography, migration or economic development, is often absent. An overarching issue is the lack of a culture that supports a policy dialogue with different stakeholder groups.

In this context, a group of researchers from the Western Balkan Region came together to jointly explore opportunities for contributing to strengthening the welfare state through a policy dialogue.

> High unemployment, with especially low employment rates of women and youth



Source: EU (28) – Eurostat database, Tables Unemployment by sex and age – annual average and Employment and activity by sex and age – annual data; other countries and Kosovo – Labour Force Surveys 2016. Note: EU (28) unemployment rate refers to total population. Note: Youth in Albania are 15-29.⁵ For Kosovo all indicators are 15-64.

*Most challenges facing the mature welfare states globally are also present in the Western Balkans,
but are more pronounced*

Forming a Network

The Belgrade-based think tank [Centre for Social Policies](#) (CSP) proposed to PERFORM to bring together leading researchers and practitioners from the field of social protection policies from Western Balkan countries and fathom out potentials to advocate for a policy dialogue in this important policy field.

CSP's rationale for a regional approach was that there are only few researchers with substantial expertise and practical experience in this policy field in Western Balkan countries, while the

challenges are similar. Bringing together the foremost centres of expertise from Western Balkan countries to one platform will provide a strong and serious partner for a policy dialogue with governments and other stakeholders.

Researchers are able to contribute evidence and offer policy options for sustainable policies, setting a constructive counterpoint to politicians who tend to think rather short-term, applying a linear cause-and-effect thinking while often disregarding the complexity of the field.

In autumn 2016, a group of 10 people from seven countries met on invitation by CSP and PERFORM to reflect on opportunities and challenges for a [regional network](#). The meeting included experts from think tanks, universities and civil society organisations from seven Western Balkan countries (including Croatia). The diversity of people around the table, and their knowledge and experience was significant: professors, activists, former minister, some with very different ideological perspectives.

Most of the participants had met in regional events before or cooperated on bilateral projects. This assured a trustful relationship from the beginning. The group started to review the **challenges** related to social protection in the Western Balkan region, highlighting in particular:

- Economic strengths of the countries vs requirements for funding of a welfare state
- The demographic situation now and developments in future
- Poverty and high unemployment
- Low levels of efficiency and effectiveness of the public sector in delivering services.

One issue that was highlighted was that policies and policy principles are often imposed by multilateral agencies such as the IMF or UN. These agencies weigh in particularly strong when analytical capacities in policy institutions are as weak as they are in WB countries.

Challenges and Opportunities for Meaningful Social Policies Dialogue

The importance of social protection policies is undoubted, yet, this policy field ranks low on the political agenda of most Western Balkan countries. The lobby for this policy field is weak. If it is addressed by policy makers, then it is done in a piecemeal and ad-hoc fashion, without a sound evidence base and an understanding of medium to long-term developments. The evidence required is analytical, but it should also include the voice from target groups through public hearings and enquiries.

While in other fields such as public administration, rule of law or environment, the **EU Commission** provides a strong guidance through the accession process, social policies are largely within the responsibility of member countries and not part of the *acquis* process. Yet, the Commission has articulated an interest to push also social policies on the agenda of EU Integration.

The policy field, as mentioned earlier, is extraordinarily complex. Many of the technocrats in ministries are interested, open and keen to take in external support for policy-making. One reason for their interest is that they are aware of the **lack of analytical capacities** within their institutions; another factor is the pressure on governments from current developments such as migration and demography, which forces them to act in fields like education or health care.

In times of austerity, **budget cuts** and weak economic indicators, the focus of political decision makers is rather on cuts in social protection than on increased effectiveness and efficiency of service delivery or long-term perspectives let alone increase.

International players such as UNDP, UNICEF or ILO provide active support to social protection, and are keen to collaborate with experts from the region who can provide evidence to allow policy adjustments.

Being a regional network with members from each country, the group can **contribute** to policy dialogues focusing on the situation of the country, avoiding a one-size-fits-all approach.

Initial Strategies of the Network

The principle issues related to the Welfare State cannot only be addressed with some research evidence, but requires a **dialogue process** among key stakeholders that is based on evidence, is analytical and relies on public consultations. This was one of the conclusions of earlier discussions.

Following this line of thought, the group agreed that the topic of the welfare state has to be brought to the attention of key stakeholders working in the region. Many events organised in the past have focused on particular social protection policies; however, the Welfare State as such and its principles have never been a topic of discussion at a high level.

CSP took the lead in reaching out to institutions from the region and the European Community and to think tanks in Western Europe to **present the ideas of the network** and its future plans. In response, DG Employment, Social Affairs and Inclusion requested the group to provide suggestions on how social protection policies can get more attention in the EU accession process, which several of the WB countries have embarked on.

Key Events: Peer-Review Workshop and the Future of the Welfare State

In November 2017, PERFORM supported the network to organise a **peer review workshop** in Tirana, gathering more than 70 participants from think tanks, civil society and government, discussing the governance of social services, service delivery, minimum basket of services and social reintegration. For the first time, such a diversity of stakeholders from the region met to talk about different aspects of social services in a very practical and tangible way.

“There is a need for more evidence-based research in the Western Balkan region. Social dynamics are changing, which condition us all to look into the future needs and respond to challenges ahead.”

- Debora Kern, Head of Local Governance at the Swiss Embassy in Albania



Peer Review Workshop in Tirana, December 2017

First Game Changer: The Regional Conference on Welfare State

The idea of a high-level regional conference emerged early from the discussions of the group. A “**Social Davos**” type of event should provide a relatively informal frame for discussing principle issues related to the welfare state by people from key institutions. This is particularly important for bringing together people who would normally not sit around a table if the event has to follow strict political protocols.

The regional conference ***The Future of the Welfare State*** held in Belgrade June 6-8, 2018, attracted over 200 participants, coming from policy institutions, civil society, academia, think tanks and the international development community. The objective was to engage leading researchers and opinion- / decision-makers from the political, business and civil society arenas to help shape a regional social welfare state agenda and contribute to improving the social dimension in the Western Balkans.



The main messages from the conference were the following:

- Platforms for fostering collaboration and connecting people and ideas are imperative to addressing social problems and co-production of new narratives and options for different reality and future;
- Interconnectedness of societal aspects requires not only addressing specific issue, but also considering wider context when tailoring and delivering solutions for sustainable social systems;
- Mobilising knowledge and strengthening capacities is necessary for creating a vision and implementation of policies for improving the social dimension.

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“It is important to bring the issue of social welfare closer to the EU integration agenda of our countries, and to invest wisely the funds we have into priorities and areas that will yield positive results.”

– Zarko Sunderic, Director of the Centre for Social Policy

The Change

An informal network of social science researchers and think tankers committed to seeing the principles of a welfare state strengthened and developed in Western Balkan countries have taken an **initiative** to raise the issue of a fair and sustainable social protection system to people from key institutions. The initiative did not come from a UN agency or another multilateral institution, nor from a well-meaning development organisation taking a think tank under contract to organise a conference. Rather, PERFORM provided the resources for a group of researchers to take up and develop the issue, while at the same time PERFORM took on the role of a sounding board, providing critical feedback.

The network members all speak with an authentic voice. They bring in a mix of competencies which are hard to find in other groups: a deep knowledge of the policy field, long experience in research, a sound understanding of politics and the political economy and networks in the region and internationally. The network is diverse in their ideological perspectives on social protection, but committed to providing a sustainable and fair system of support, particularly for vulnerable groups.

The network has a common understanding that moving towards a **sustainable welfare state** is not just the matter of policy institutions, but different societal stakeholders must be involved to discuss and tackle such complex issue.

This case provides good example of how **social science research** can effectively contribute to “the big issues”, offer options to decision makers for complex policy areas and provide the base for an effective, evidence-based advocacy.

Change has started to take place in a different level: key stakeholders are recognising the network as a competent partner that will help them to support their agenda. The EU Commission wants to collaborate with the network in future to bring social issues to the accession agenda. Policy institutions and high-level political decision makers in Macedonia, Serbia and Kosovo have recognised the group as **capable dialogue partner** and invited them to collaborate.

The Role of PERFORM

PERFORM contributed to the developments in three spheres:

Funding: PERFORM supported the group to meet and exchange among them. The project supported a small secretariat to prepare meetings and conduct logistics. The funding also covered the cost of developing the position paper. PERFORM also contributed funds toward organising The Social Davos event.

Linking: PERFORM supported the network to deepen their contacts with international think tanks in Western Europe and covered travel costs.

Sounding board: PERFORM took the role of a sounding board, particularly for CSP: we asked questions about the directions, we gave critical feedback to conclusions. We engaged in dialogues on the future strategic direction of the group, considering the complexity of the environment, the urgency of action in some fields, and the diverse composition of the group. However, the lead was always with CSP and other Network members.

Future Impact

The process of dialogue has just started. We assume that one impact of the network will be that the welfare state will be considered and discussed more in its entirety. Furthermore, we expect that the network will contribute to moving social protection policies up on the political agenda of countries in the Western Balkans.

Next Steps

The members of the Network will now have to chart their future direction. An overarching goal of the group is to enable institutions in the region to adjust and develop policies based on evidence in support of a sustainable welfare state. National actors will lead the process; international / multilateral agencies will provide the support for the change process.

A detailed analysis of the two events will provide the base for developing a strategic orientation. The Network will take time to develop a strategic plan for the coming three to five years. The group is likely to focus on policy dialogue events and on specific thematic areas where evidence will contribute to better policy decisions. Another field will include experimenting with innovative mechanisms and methods for interacting with policy institutions and political decision makers.

Additional Sources

18/01/2018 [Regional Balkan Initiative: Future of the Welfare State](#)

07/06/2018 [Zorana Mihajlovic: More Investments Needed in Social Policies](#)

11/12/2017 [Peer Review Workshop on the Future of the Welfare State](#)

16/11/2017 [Position Paper: The Welfare State in Western Balkan Countries](#)

21/08/2017 [The Future of the Welfare State \(article by Z.Sunderic\)](#)