



Social Investment In Europe



Social Situation Monitor
Research Seminar

Tuesday 29 January 2019
9:30 – 16:40

Crowne Plaza Hotel
'Clarity' Room, 8th floor
Rue Gineste 3
1210 Brussels
Belgium

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About the seminar

The Social Situation Monitor

Each year the Social Situation Monitor (SSM):

- Carries out policy-relevant analysis and research on the current socio-economic situation in the EU on the basis of the most recent available data;
- Examines major issues which are features of the situation or affect it with the aim of providing evidence on which to base policy-making across the EU.

This initiative is directed by the London School of Economics (LSE), in consortium with ICF, on behalf of the European Commission. The team is led by the Academic Director, Dr. Bob Hancké from LSE, and the Project Director, Dr. Simona Milio from ICF. The team is composed of renowned academics and researchers from the consortium organisations reflecting a wide range of expertise.

More information can be found at:

<http://ec.europa.eu/social/main.jsp?catId=1049&>

The SSM seminar series

SSM seminars are research seminars. Their aim is to provide a forum to discuss the theoretical, methodological and policy implications of the latest economic and social research. More specifically, SSM seminars aim to inform:

- The economic and social analysis of the European Commission in general, and the Commission's *Employment and Social Developments in Europe* review in particular*.
- The economic and social analysis of the European Commission's stakeholders.
- The economic and social policies of the European Commission and its stakeholders.

SSM seminars are primarily intended to:

- Economists and analysts working in policy-making organisations;
- Academic researchers;
- Policy officers with an interest in economic and social analysis.

(*) The *Employment and Social Developments in Europe* reviews can be found in the European Commission's publications catalogue:

<http://ec.europa.eu/social/main.jsp?catId=1285&langId=en>

Seminar agenda

09:00 – 09:30 Registration

09:30 – 09:40 Welcome words
By Barbara Kauffmann (European Commission)

09:40 – 09:50 Introduction
By Bob Hancké (LSE)

Part 1 – Moderated by Ralitsa Donkova (ICF Consulting)

09:50 – 10:30 *Social Investment Wellbeing Returns (SIWell)*
By Anton Hemerijck (European University Institute)

10:30 – 11:10 *The politics and policies of social investment at the EU level: a longitudinal analysis*
By Bruno Palier (Sciences Po Paris)

11:10 – 11:40 Coffee break

11:40 – 12:20 *Towards more inclusive social protection and active labour market policies in the EU: A social investment perspective*
By Ides Nicaise (KU Leuven)

12:20 – 13:00 *Social Investment, Institutional Complementarity and Employment: A Comparative Analysis across 26 OECD countries*
By Vincent Bakker (Leiden University)

13:00 – 14:00 Lunch break

Part 2 – Moderated by Bob Hancké (LSE)

14:00 – 14:40 *Using economic evidence to help make the case for investing in health promotion and disease prevention – social investment worth consideration by budget holders and social policy researchers*
By David McDaid (LSE)

14:40 – 15:20 *Combining a minim cash transfer and active social policies in reducing poverty and inequality in deprived areas of Barcelona*
By Bru Laín (Barcelona City Council)

15:20 – 15:50 Coffee break

15:50 – 16:30 *The World Politics of Social Investment - A Global
Theoretical Framework*
By Julian Garritzmann (European University Institute and
University of Zurich)

16:30 – 16:40 Concluding remarks
By Loukas Stemitsiotis (European Commission)

Speakers & abstracts

Social Investment Wellbeing Returns (SIWell)

Speaker Anton Hemerijck
Professor of Political Science and Sociology
European University Institute

Bio Anton Hemerijck took his doctorate in politics from Oxford University in 1993. He is widely recognized as a political-institutionalist scholar in comparative welfare state research. Over the past decade, Anton Hemerijck has been based in Italy, the UK and the Netherlands. Currently he is professor of Political Science and Sociology at the European University Institute (EUI) in Florence, while on leave as Professor of Institutional Policy Analysis from the Vrije Universiteit Amsterdam. Since the late 1990s he frequently advised the European Commission and other EU institutions on social policy, social investment and the future of the welfare state. Since 2008 Anton Hemerijck has published one single-authored book, two edited volumes, and a number of book chapters and journal articles. In his latest edited volume, *The Uses of Social Investment* (Oxford UP, 2017) the state-of-the-art discussion between social investment acolytes and critics has generated a plethora of ideas and working hypotheses from many disciplines, which subsequently inspired Hemerijck to develop the 'Social Investment Wellbeing Returns' (SIWell) ERC Advanced Grant project proposal (submitted in August 2018).

Abstract The concept of 'social investment' has gained traction in debates over welfare state futures. Like any notion of investment, social investment posits measurable 'wellbeing returns' on investment in advanced societies. Fundamental to any empirical assessment of social investment is the critical role of three complementary policy functions: (1) improving the stock of human capital; (2) easing the flow of gendered labour market and family life-course transitions; and (3) maintaining and updating inclusive social protection buffers, both in the present and over time. Assessing social investment 'returns' is complex: The multifaceted character of social investment policy interventions, their implications for different

social groups, the effects of policy (in-) complementarities and interactions, and the challenge of delineating effects across different time dimensions are not properly addressed by existing research, still based on methods devised for the analysis of the industrial welfare state.

SIWell develops a diverse methodology using five layers: (1) quantitative-macro analysis of long-term welfare performance; (2) quantitative-micro analysis of individual socioeconomic conditions in in- and out-of-work transitions; (3) quantitative-micro analyses of subjective wellbeing and capabilities over the life-course; (4) qualitative-institutional analysis of temporal sequences of national social investment reform; and (5) qualitative-institutional analysis of subnational social investment policy delivery. Each layer provides distinct inferential leverage for causal explanations about (non-) returns on social investment reform across countries, with a focus on vulnerable groups in the working-age population. The five-layered method will cumulatively provide new insights, ultimately allowing for an assessment of societal wellbeing, and of the political legitimacy and economic sustainability of social investment in the context of the post-recession welfare chauvinist backlash.

The politics and policies of social investment at the EU level: a longitudinal analysis

Speaker Bruno Palier
Professor of political science
Sciences Po Paris

Bio Professor of political science

Abstract In 2013, the EU adopted a comprehensive social investment package (SIP), including policies targeted at children, active labour market policies, education, training and life-long education, but also housing support, rehabilitation, healthcare and long-term care services. The 'social investment' framework is part of a strategy to modernize social policy by supporting human resource development throughout the life-course, while ensuring that welfare states remain financially sustainable. This paper analyses the development of social

investment ideas and policies at the EU level, which has taken place throughout several decades. We argue that it is crucial to focus on the EU level because, on the one hand, it reflects social investment politics in member states, and on the other hand, it partially shapes social investment policies.

This paper explains why and how the EU social investment perspective developed, through the identification of four empirically significant historical institutionalist ‘sequences’, that is significant periods of time, identified through changes in regulation and/or governance. For each sequence, it argues, on the one hand, that politics (both at the national and at the Council level) explains the social policy agenda, and on the other hand, that the policy process/mode of governance explains the interaction between actors at the EU level (Commission bureaucrats, but also member state committees and lobbies). Academic ‘intellectual entrepreneurs’ are active both in the agenda-setting and in the policy process of each sequence, seeking to bridge agenda-setting with policy process. The paper proceeds by presenting key concepts and then briefly presents the four sequences. Thereafter, it analyses the politics and policy process for each sequence.

Towards more inclusive social protection and active labour market policies in the EU: A social investment perspective

Speaker Ides(bald) Nicaise
Professor / Research manager
KU Leuven (HIVA)

Bio Prof. Ides Nicaise has a background in economics and works since 1989 as a research manager at HIVA (Research Institute for Work and Society), a multidisciplinary research institute of the University of Leuven (Flemish Louvain). He further specialised in social policy, more precisely the relationships between education, labour market policy and social inclusion (in rich as well as developing countries). He also has teaching assignments at the Department of Education Sciences of the same university. Besides his professional activities, he is

chairing the Belgian Resource Centre for the Fight against Poverty, a centre created by law as an interface between the government, the civil society and grassroots organisations defending the interests of the poor. At EU level, he leads the Belgian team of the European Social Policy Network.

Abstract

The Re-InVEST project examines the foundations of a social investment strategy for a more inclusive Europe. One of the work packages deals with social protection and active labour market policies (ALMPs) from a social investment perspective (with a focus on medium-term effects). We used dynamic multilevel regression of the complete EU-SILC dataset, combined with country-level data on labour market expenditure. We also carried out 7 qualitative case studies with different vulnerable target groups in different European countries.

Our analysis shows remarkably small effects of both types of policies. By and large across the EU, a 10% increase in the level of social benefits would result in a 0.05% reduction in work intensity in the next year. and a negligible 0.13% increase of the average poverty gap before transfers in the next year. This means that more decent social benefits will not trap people into long-term unemployment. They generate immediate poverty-alleviating effects without increasing, nor perpetuating dependency.

ALMPs have the expected positive effects on employment, but the net effects are small. Fortunately, the most positive employment effects are observed among older, female and less educated groups. On the other hand, increased ALMP expenses also trigger additional exits into inactivity. This may be the consequence of sanctions, or harmful effects of activation programmes on job seekers with a fragile health.

All in all, the modest employment effects found in our statistical research raise doubts about the effectiveness of current ALMPs: can they be attributed to poor targeting or poor quality of the services offered? The findings of our in-depth case studies indeed show very wide differences in quality – and a lot of room for improvement.

Social Investment, Institutional Complementarity and Employment: A Comparative Analysis across 26 OECD countries

Speaker Vincent Bakker
PhD Candidate
Leiden University

Bio Vincent Bakker is a PhD candidate at the department of Economics. His PhD-research is conducted within the programme 'Zelfredzaamheid en sociale bescherming over de levenscyclus' (self-reliance and social protection over the lifecycle) financed by Instituut Gak. In his dissertation (Title: Welfare States in Flux) he investigates how changes in social expenditures and social security programmes across countries and over time affect labour market outcomes.

Abstract Social investment has become a widely debated topic in the comparative welfare state literature. To date, there are, however, only a couple of systematic comparative empirical analyses that focus on the employment outcomes of social investment. This study contributes to the social investment literature by empirically analysing the association between expenditures on five social investment policies and employment in 26 OECD countries over the period 1990-2010, using pooled time-series cross-sectional analyses. The analysis accounts for theoretically relevant confounding variables that were omitted in existing studies, notably labour market institutions. Using various model specifications, we find robust evidence for a positive association between expenditures on active labour market policies and employment; for other policies we obtain mixed results. Subsequently, we explore the role of policy and institutional complementarity in the assessment of the employment effects of social investment policies. We show how social investment policies interact and how their effect is moderated by expenditures on other policies. Finally, our analysis shows that the complementarity of social investment policies varies across welfare state regimes.

Using economic evidence to help make the case for investing in health promotion and disease prevention – social investment worth consideration by budget holders and social policy researchers

Speaker David McDaid
Associate Professorial Research Fellow
London School of Economics and Political Science

Bio David McDaid is Associate Professorial Research Fellow in Health Policy and Health Economics within Personal Social Services Research Unit at London School of Economics. He is involved in a wide range of work on mental health and public health in the UK, Europe and at the global level. He is a co-ordinator of the Mental Health Economics European Network, a member of NICE's Public Health Interventions Advisory Committee since 2007, Co-Convenor of the Cochrane Campbell Economic Methods Group and has acted as an advisor to a range of organisations, including the European Commission and WHO, and national/regional governmental departments. He has published over 300 peer reviewed papers and reports. He is the editor of two books – on economics and wellbeing and the second, a collaboration between the European Observatory on Health Systems and Policies and the OECD, looks at the economic case for investing in health promotion and disease prevention. He is also a past winner of the European Health Management Association's Baxter Award in 2007 for the best book on health policy – Mental Health Policy and Practice across Europe.

Abstract The 2008 Tallinn Charter: Health Systems for Health and Wealth recognized that investing in health means investing in human development, social wellbeing and wealth. Ten years on, investment in health promotion and prevention, within and outside the health system, remains low in many European states. While there are different reasons for this, one systematically prevailing determinant of such underinvestment is that some budget holders in and outside of health systems remain sceptical about the case for focusing more on public health, contending that there is insufficient robust evidence available to justify such an investment. We disagree: investing in health promotion and preventive

measures that contain disease and disability constitutes social investment of substantial social and economic return both of short- and long-term nature.

We set out the challenge of changing patterns in disease burden, all amenable to public health actions. We outline why alleviating this burden can have economic benefits and how to assess them. We describe different actions that can be taken and provide illustrations of some that are either cost-saving or highly cost-effective in different contexts. The strengths and limitations of approaches used to generate this evidence-base are considered (cost-benefit of public return method) before we conclude by returning to some of the challenges that have hindered implementation. We suggest ways in which these challenges may be overcome. We argue that cost saving interventions have both better outcomes and lower costs than the usual intervention, while highly cost-effective actions have an additional cost per quality adjusted life year gained or losses averted. Studies that report cost-benefit analyses or return on investment analyses and those that have a positive return on investment, where the monetary value of benefits outweighs the costs of action are included. These should be explored better for research on social investment in Europe.

Combining a minim cash transfer and active social policies in reducing poverty and inequality in deprived areas of Barcelona

Speaker Bru Laín
Policymaker and Researcher
Barcelona City Council

Bio Bru Laín (Barcelona, 1982) is a Master in Political Science, postgraduate in Politics, Philosophy and Economics, and a PhD in Sociology at the University of Barcelona, where teach Introduction to Sociology, Sociology of Knowledge, and Introduction to Economics. He is also Senior Researcher at Institut d'Estudis Regionals i Metropolitans de Barcelona. He is a member of the board direction of the B-MINCOME project, in

charge of various thematic areas of the project. His main research topics include poverty and inequality, social justice, basic income and minimum income schemas, social policies, and structure and change of welfare state regimes. He has attend multiple workshops on Basic Income and Minimum Incomes, and has delivered a lot of talks and academic and public conferences on these topics.

Abstract

Urban poverty has become the “new urban issue”, particularly due to the 2008 crisis. In facing such an issue, Spanish municipalities find themselves quite restricted, both in political and economic terms due to the particular Spanish governance regime and its economic decentralization rationale. Within this scenario, the city of Barcelona has launched a two years innovative pilot called B-MINCOME with the aim of combating poverty and inequality in some of the most deprived areas of the city. Co-funded by the Urban Innovative Actions of the EU, the project combines a passive policy -a Minimum Cash Transfer schema- for the whole 1.000 recipient-households, with four active social policies were just 550 household of these 1.000 are involved (a professional training and occupation programme; a program of entrepreneurship within the social and cooperative economy; grants to refurbish rooms in order to rent them to get additional income; and a programme of communitarian participation in projects of social interest). The Minimum Cash Transfer is divided along four modalities: conditional and unconditional depending whether active policies participation is mandatory or just optional, and limited and unlimited when the additional income a household might get reduces the amount of the cash transfer benefit, or is just added to it). Overall, the 1.000 recipient-households are divided among ten treatment groups (depending on their modality of cash transfer and whether they are enrolled in one of the four active policies). Additionally, a non-active group has been also selected in order to systematically compare the outputs of this “control group” with the 10 treatment groups’ outputs. The B-MINCOME’s goal is to test which kind of cash transfer (conditional, unconditional, limited, or unlimited) accompanied or not with an active policy, is more effective (in reducing poverty and inequality) and efficient (regards the overall cost of the project implementation).

The World Politics of Social Investment: A Global Theoretical Framework

Speaker Julian Garritzmann
Max-Weber-Fellow/Senior researcher
European University Institute and University of Zurich

Bio Julian Garritzmann is a Max Weber Fellow at the European University Institute (EUI), Florence, and Senior Researcher in Political Science at the University of Zurich, Switzerland. He holds a PhD in Political Science from the University of Konstanz, Germany, and has been Visiting Scholar at Harvard, Duke, and Rutgers.

Julian is a comparative political scientist, working at the intersection of comparative political economy, political sociology, and comparative political institutions. Most of his recent work is on welfare state research, education and social investment policy, global social policy, party politics, and public opinion.

His dissertation on the politics of higher education was awarded the German Political Science Association's (DVPW's) dissertation grant and the ESPAnet/JESP's Doctoral Researcher Prize. Other work has appeared in leading political science, public policy, and sociology journals.

Julian's presentation will be based on a large collaborative research project, the World Politics of Social Investment project (WOPSI), that Julian leads as a co-PI with Silja Häusermann and Bruno Palier.

<http://politicsofsocialinvestment.org>

Abstract Julian's presentation will be based on a large collaborative research project, the World Politics of Social Investment project (WOPSI), that Julian leads as a co-PI with Silja Häusermann and Bruno Palier*. Bringing together more than 50 internationally renowned scholars, WOPSI seeks to explain the variety of social investment reforms in democratic countries around the globe.

The aim of the project and of the presentation is two-fold: First, we descriptively map the social investment proposals, programs, and strategies in democratic countries around the

globe. In order to allow worldwide and temporal comparisons, as well as to facilitate analytical clarity, we offer a new typology of social investment reform strategies (and welfare state reform strategies more generally). We distinguish three types of social investment policies (inclusive, stratified, and targeted social investment) and explain how these relate to three alternative non-social investment welfare state reform strategies (market liberalism, social protection, basic income strategies).

Second, we propose a theoretical framework to explain the politics of social investment. That is, we explain variation in social investment proposals and programs, as well as resulting social investment strategies and reforms, in democratic countries around the globe. Against the background of changing structural dynamics, the framework points at the interaction of societal demand and political supply in the politicization of social investment, and theorizes the role of domestic politics in the coalition-formation and decisions-making dynamics.

In sum, WOPSI offers a systematic theoretical and empirical analysis of the politics of social investment worldwide that contributes to our understanding of welfare state reform in the century of knowledge and that fully integrates the study of social investment in the existing body of welfare state research.

(*) <http://politicsofsocialinvestment.org>

The venue

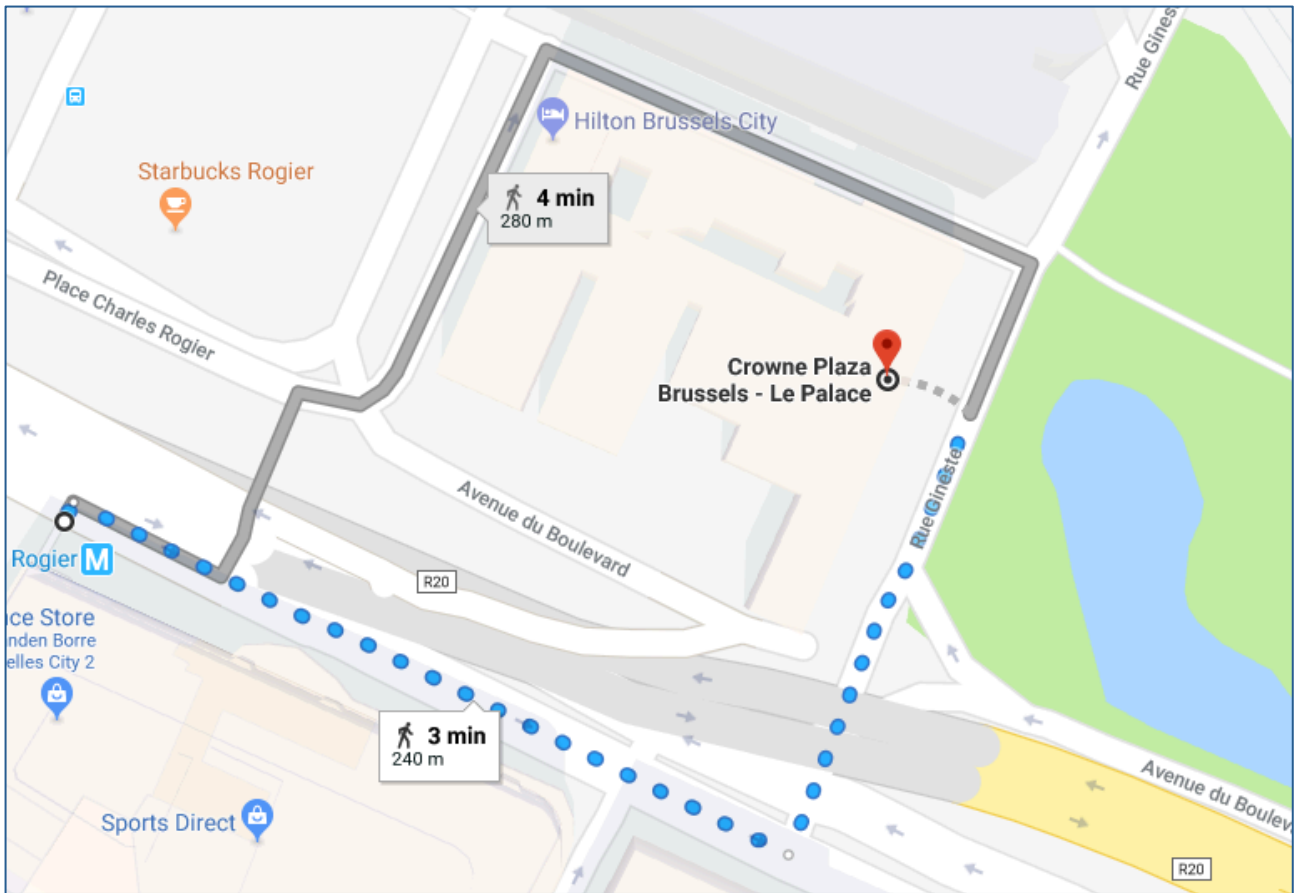


Crowne Plaza Brussels
'Clarity' Room
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Rue Gineste 3,
1210 Brussels, Belgium

Metro: Rogier

Travel information



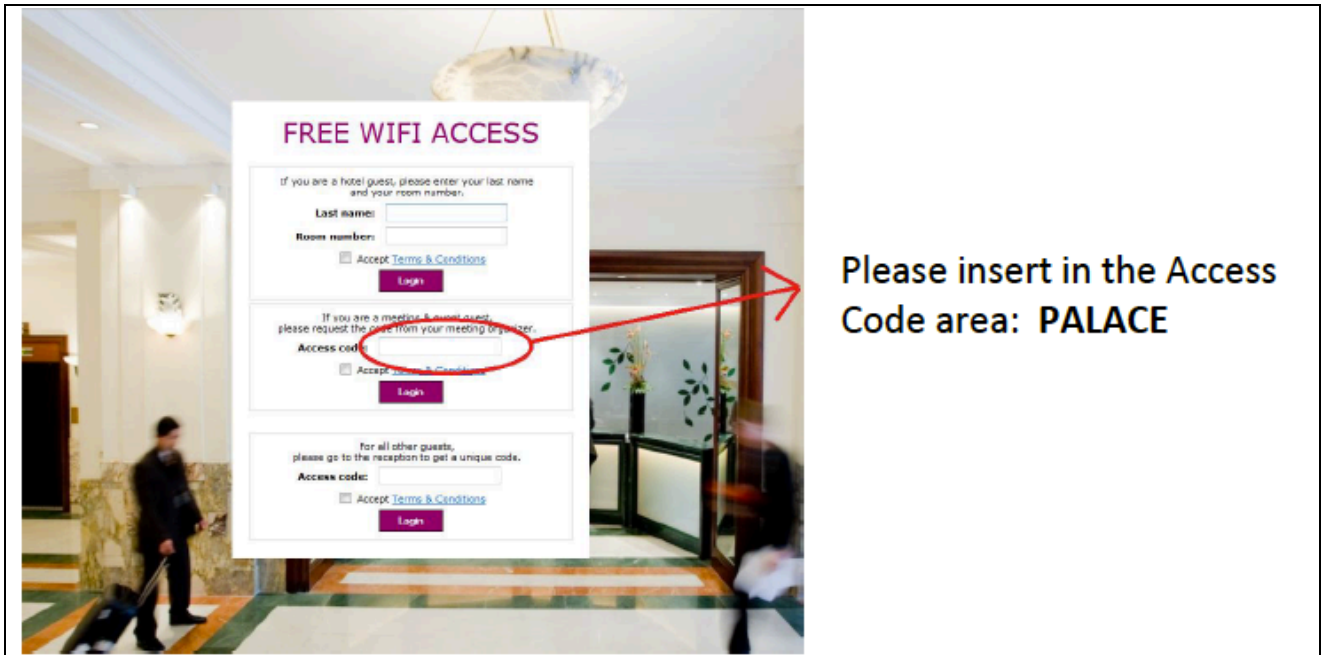
Starting point	Time to Crowne Plaza	How
Metro Rogier	3 min	Walk
Brussels North Station	6 min	Walk
Brussels Midi Station	18 min	Tram 3 or 4
DG Employment	14 min	Metro 2 or 6

On-site services

Wifi

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Catering

A lunch will be served.

Contact and registration

Arnaud Vaganay
LSE Enterprise
a.vaganay@lse.ac.uk

