



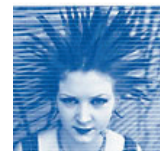
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Minimum Income and Social Integration Institutional Arrangements



on behalf of

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and Equal Opportunities





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INTRODUCTION

This document represents the discussion paper prepared within the frame of the peer review process in Belgium. It aims at providing the peer review process with some basic information on the policy placing it in a comparative European scenario.

Policies against poverty, in particular social assistance schemes, are becoming more important in all European countries. Figures of beneficiaries increased almost everywhere in particular during the first half of the 1980s, in particular in big cities. With a slight delay also activation policies increased in importance. In rhetoric and practice, they are considered – since the mid Nineties – the best possible solution to face budgetary constraints, passive attitudes and for empowering people in a condition of need at the local level.

Despite broad commonalities in this converging trend, differences among European countries persist. This is due mainly to the fact that the overall design of the different welfare settings at the national level embodies regulating principles which extend their influence – down to the local level – also to social assistance schemes and activation programmes.

In order to understand these differences we need to reduce complexity and existing similarities and dissimilarities allow us to construct typologies for this illustrative scope. It is clear that each country has its own specificities which distinguish it from the others and typologies have to be used with the awareness that they do not fully grasp the richness of the single countries experiences and territorial articulations.

Our hypothesis is that within European countries we are undergoing (in relation to social assistance and activation) a deep process of change characterised by an ambivalent *converging path dependency*, that is: particular institutions and narratives (e.g. *contractuality, activation, conditionality, ...*) relating to social policies aimed at combating poverty are converging, but this convergence is occurring within the frame of the overall welfare state settings which are characterising the different welfare models, bringing about an increased differentiation both among countries and among sub-national territorial levels.

Within this frame of analysis we will address the following questions:

- 1) “Why social assistance schemes are becoming more and more important in Europe and in particular those coupled with activation measures?”



- 2) "What are – more generally – the main features of the welfare systems within which social assistance policies are embedded?"
- 3) "What are – more specifically – the characteristics of the Belgian DIS which are relevant in a comparative perspective?"
- 4) "What is the impact of the changes in Belgium and what are the critical issues emerging?"
- 5) "What can we learn from the comparison?"

In order to answer these questions, we divided the discussion paper into three thematically coherent parts in which we will present some of the secondary data available at the European level and a review of the documents we received on the DIS law. Our aim is to locate the Belgian policies in an international perspective highlighting its pros and cons. Furthermore we aim at developing lines of thought towards a clarification of the process through which institutions translate vulnerability and social risk into socially defined conditions of need in European countries and the respective welfare models.

An appendix includes some relevant data available to frame the policy in the European context. All these parts will be further elaborated after the peer review meeting on the 7th-8th November 2005 in Brussels and according to the debates and feedback received by the country representatives.

1. THE EUROPEAN DEVELOPMENT OF MINIMUM INCOME POLICIES

1.1. Why are social assistance schemes becoming more and more important in Europe?

As we have shortly mentioned above, social assistance schemes are becoming more important in all European countries. This does not necessarily entail that claimants are increasing as well, but that it has to be related to some common trends that increased economic and social vulnerability. In particular we can highlight the following trends:

- a) *the growth of unemployment* after the end of the Seventies and the persistence of unemployment and long-term unemployment in the current phase. This brought about the fact that many unemployed had to resort to social assistance schemes when their insurance-based benefit was/is over.



b) *the weakening of family ties* (e.g. growth of divorces, separations, single households and single parents). This reduced the possibility to rely on relational resources in developing strategies to cope with economic breakdowns.

a) The sharp drop of the employment base in the manufacturing sector has been more or less counterbalanced by the increase in highly heterogeneous – and sometimes unstable and badly paid if not in the public sector – forms of employment in services. This occurred in quite different ways in different countries but – in general – it can be said that the socio-economic transformation led overall to more precarious working and living conditions, instability of work careers, and a decreasing trend of the *full-time long-life* job perspective for some social categories. Flexibility, part-time and atypical forms of work are – of course – not synonymous with vulnerability and social exclusion everywhere. It depends on the social and economic context within which the working activity is carried out, as well as on the regulatory frame of reference. Some sub-national levels (namely regions and cities) are hit more prominently by the transformation process than others and the different needs are also met differently in different welfare settings. However, persisting and relatively high long-term unemployment rates, affecting since the early nineties also the Scandinavian countries, changed the overall scenario on the labour market, even in dynamic or highly regulated labour markets.

b) The weakening of family ties is the result of several interlocked socio-demographic processes like the growth of divorces, and separations, the diffusion of single households and single parenthood as well as increased life expectations (implying the growth of elderly in need of care). These changes characterise to a variable degree the ongoing demographic transformations in most industrialised countries. One of their main consequences is the weakening of the *family's protective capacity* along two main lines: 1) an increasing number of individuals that may become socially isolated and hence more vulnerable for longer periods during their life-course (e.g. elderly, lone mothers, single long-term unemployed); 2) an increasing number of subjects is living in households with insufficient resources, for instance large families with dependent members (e.g. elderly, children leaving home at a later age). The risks distribute differently in the different countries and regions, also because of different welfare settings, but the overall vulnerability undoubtedly increased.

Both these changes are more extreme in cities than in rural areas and are, therefore, challenging national and local welfare arrangements.



1.2. What are the characteristics of the European welfare systems within which social assistance policies are embedded?

The above sketched challenges that national and regional (local) welfare systems have to face are, to some extent, similar. However, their institutionalised heritage further contributes to make the picture more complex. Recent debates – in particular when they address also last safety nets in their classification exercise – point to the existence of five European welfare systems. These are characterised by a different equilibrium between the main responsible agencies in the provision of welfare i.e. of resources to individuals in case of need (e.g. State, Family and Market). State regulation (or its absence) has a prominent role as it defines the role of the other agencies and the instruments cities have in facing poverty and social exclusion.

The five systems are:

1) The Liberal welfare system. Here state Welfare is conceived as relatively residual and intervenes only when both the market and the family have failed in allocating resources. The market is, however, the prevailing mechanism of regulation and integration in a highly individualised (see positions on the “x” and “y” axis of graph 1) and competitive society. The main example of this model is represented by the US. Among the European countries, the United Kingdom is the closest one to this model, even though some substantial differences point at a more state centred variant of the model, because of the legacy of the Beveridgean welfare state and the – comparatively to the US – developed social services. However, poverty (mainly urban) and inequality rates are among the highest in Europe. Social policies are often means tested. In this system Social Assistance is a universalistic measure – in the sense that everybody in a condition of need can access it – but with a tight use of the means-test. Generosity and adequacy of income support levels are in Europe on an intermediate position (see “x” axis in graph 1 in appendix), lower than in Scandinavian countries, but definitely higher than in South European ones. In the last decades, a sharp retrenchment of social expenditure was put on the political agenda, but the legacy of a highly developed welfare system allowed maintaining the core of social protection. Differentiation among regions occurs more in relation to activation policies and to the subsequent need of creating local partnerships (for training, stages, motivation, social insertion,...). Social assistance benefits per se are more or less managed homogeneously throughout the country, but the joint PES and Benefits agency management of the new



deals is increasingly fragmented and depends very much on the resources available locally, which are related to the degree of competitiveness regions and cities can achieve on the market.

2) The Social-democratic system. Here state Welfare is pervasive and replaces both family and market responsibilities, and measures are universalistic, addressed to all citizens according to their need. A wide range of in-kind services and monetary transfers is supplied. The welfare State is the prevailing agency and redistribution is the most important allocation form of resources. All Scandinavian cities belong to this model, even if in the last decades also some second-level insurance-based schemes have been introduced. Denmark is by far the most generous Scandinavian country. Market dependency, poverty and inequality in Scandinavian cities are the lowest in the EU. Social assistance is in this system by far the most generous one, not only in the amounts of the benefits, the high replacement ratios on the poverty lines, and on the wage levels (especially in Denmark; see table A.1. in the appendix), but also in the institutional configuration of the measures. Social assistance is a clear right for those who are not able to maintain themselves; the payment is assured according to the persistence of the need. Recipients are entitled to a number of supplementary benefits (housing benefits, family and child allowances) which, in most cases, lift them over the poverty threshold. Social assistance is only a residual part of the Guaranteed Minimum Income (GMI) package, a last-resort measure that intervenes to top up the other benefits to the social assistance threshold. Adequacy of income support is a fact and local differentiation is very little, except for activation measures, which depend on local political and economic arrangements.

3) The Corporatist system. Here state welfare is conceived in a meritocratic way, schemes reproduce the socio-economic status that families achieve in the labour market through the position of the breadwinner(s). The Family is the prevailing social agency and, coherently, it is strongly supported by specific targeted in-kind and monetary state provisions (active subsidiarity). Reciprocity is the most important integration and resources allocation form (see "y" axis in graph 1). Even though the state intervenes extensively, this intervention is mediated by the role of the family. Dependency from the market is higher than in the Social democratic model, but lower than in the liberal one. Germany (together with Austria and France,...) is the example of this welfare system, whose origins are to be found in the Bismarckian reforms in the second half of the 19th century. Social assistance is still a clear right, but the family is its



target much more than the individual. Levels are lower, but still generous¹ (see “x” axis in graph 1). In the cities belonging to that model it is still possible to have a decent standard of living for welfare recipients. Specific monetary and in-kind measures are targeted to families in order to sustain them in the major caring role assigned to them (active subsidiarity). These, however, may vary at the Länder level and, again, activation measures differ considerably, even though within a frame of guaranteed rights.

4) The Familistic system. Here state welfare is conceived in a meritocratic and fragmented way, like in the corporatist model, but it is less generous and very unbalanced in the provision of in-kind services and benefits. Much less resources are targeted to family policies (passive subsidiarity) and to other contributory and means tested schemes. The consequence is that the family is overloaded with social caring responsibilities without or with few resources from the State. All south European countries (I, ES, PT, GR) show a high degree of local variation. Policies are highly segmented and targeted to particular categories. Dependency from the market is higher than in the other models and resembles that of the liberal model with the exception given by the fact that families reduce this dependency (low divorce, low single households, ... etc.) more extensively. As far as social assistance schemes are concerned, the Familistic welfare system is the most problematic one. Levels are much lower in Spain and in the Italian local measures and formal entitlements do not guarantee effective payments. Local differentiation and discretionary power of social workers are much more spread because of heavy budgetary constraints. Moreover, families carry a burden of heavy responsibilities, but are not the target of specific policies (passive subsidiarity). Yet, the experimental Italian RMI is closer to the Conservative cluster as far as levels and features are concerned (see table A.1). Together with the recent reform in Portugal, this innovation goes in a direction towards a converging modernisation of social assistance in the Southern countries, however, in Italy the measure has not yet been implemented at the national level and probably it will not, according to the current right-wing government. All these reforms – given a national framework law of reference – shift responsibilities for any policy aimed at combating social exclusion and poverty towards the local level. This is true, in particular, for activation (or insertion) policies and the respective partnership involved.

1 Some data presented in the tables in the appendix give the impression that Austria is more generous than Germany, but the Austrian data refer to the maximum levels of social assistance, which are seldom granted, whereas in Germany it is the guaranteed minimum that is referred to. Exceptional *una tantum* payments (varying a lot according to local arrangements) stock up those levels quite often.



5) *The transition model* is not yet a consolidated model with clear characteristics. Here both the conditions producing vulnerability and the institutional frame aimed at contrasting them experienced a dramatic change since 1989. Most Central European and East European countries belonging to this model underwent a deep structural change in the economy with sharp GDP decreases followed by high increases. The reforms implemented in the last decade to accompany these changes and to contrast its potentially negative impact, have ambivalent consequences, with countries like Poland, for example, giving a more important role to market regulation, while others like Slovenia investing more in coordinated market and social policies. The starting basis, however, is a quite homogenous distribution of income with – in most cases – below average inequalities. Yet, the dynamic of change and the impact of the policies adopted in the last decade will bear their consequences in the coming years. First signals come from the greater (e.g. Slovenia, Czech Republic) or lesser (e.g. Slovakia) ability of policy transfers to reduce significantly the risk-of-poverty rates.

The five models described so far show a relatively high degree of coherence (see tab. 1 in the appendix for data) with the configurations social assistance and activation policies have in the different local welfare arrangements. We can easily recognise different levels of benefits, sets of opportunities in escaping the condition of economic need and degrees of institutionalisation of local partnerships. These differences reinforce the highly fragmented scenario emerging at the local level as far as activation policies are concerned.

1.3. The impact of changes and the development of activation policies

The overall changes briefly sketched out above brought about an increased pressure on the welfare state settings which set in motion a far reaching reform trend. In fact, social policies faced in the Nineties a deeper shift in regulatory terms. Overall spending did not change accordingly yet, but social assistance schemes with a tighter use of means test become more important. Not being passive anymore is the new rhetoric, cross-cutting the whole of Europe, from the Scandinavian cities to the Southern European ones (Lødemel and Trickey, 2001; Heikkila and Keskitalo, 2001; Nicaise and Groenez, 2004).

The fact that unemployment has become one of the main causes for the increasing figures of Social Assistance recipients since the mid 80s and consolidating in the 90s – in a period in which welfare systems undergo cost containment



and scarce political support – stirred the debate on welfare dependency and how to hinder it (highlighting mainly poverty and employment traps).

Activation has become a magic word for finding a solution to dependency and attaining – at the same time – two goals:

- a) *Getting people off the payrolls* by cutting down public expenditure for social assistance and unemployment measures, reducing the social costs of poverty and unemployment;
- b) *Empowering the people* out of work by improving their life conditions and increasing their opportunities giving wide social support through ad hoc designed accompanying measures.

The attainment of these goals varies considerably from one welfare system to another and according to the political colour of the municipalities and the existing budgetary constraints. In all cases, however, activation changes the relationship between the recipients and the public administration, widening the duties of claimants and – only in some positive cases – also their rights.

The balance between duties and rights is again a matter related to the differences which characterise the European welfare models ². In fact, we can say that differences among welfare models apply also to activation measures, even though the emerging picture is more fragmented and heterogeneous considering the different territorial levels (see below § 3.1.5 for an overview of the impact).

The main institutional forms through which these goals have been pursued are more or less all related to the first and foremost relevant reform addressing this issue: the Revenue Minimum d'Insertion (RMI), which has been introduced in France in 1988. At the very basis of this reform there are two main relevant changes which – according to many scholars – provided a major paradigm shift:

- 2 To legitimise activation policies, different narratives have been developed which are – in line with their contrasting aims – co-present in the public debate in every country. On the one side, activation policies are presented as an absolute necessity to contain financial and social costs of inefficient and passive unemployment measures, in a moment of fiscal crisis that imposes cuts to the public expenditure. Budgetary constraints due to the EU Monetary Union are also used successfully in the rhetoric. In this discourse, the accent is on the duties of the beneficiaries (especially the duty to work and maintain oneself): citizens who receive public assistance have to give something back. On the other side, what is underlined is the fundamental function that work has in shaping the personality and in fostering the social inclusion and integration of persons. According to this narrative, access to activation programs is a right that the unemployed persons should be able to claim in front of the public administration, as activation is a key to enter the labour market (again), thus avoiding falling into poverty and achieving autonomy (again). In this discourse the accent is on the rights (to work, but also to consume: citizens have the right to be defended from poverty by the State according to need, and not depending on their willingness to activate).



- 1) the contractualisation of the relationship between the municipality and the claimant;
- 2) the activating nature of accompanying measures.

All subsequent reforms (e.g. in most south European countries: Spain, Portugal and, at least in the testing phase, Italy, but also in Germany and in Scandinavian countries) followed this pattern of institutionalisation. What differs and – as we will see – it is a substantial difference, are the details according to which these main lines of reform have been implemented and translated into specific regulatory frames. It is, in fact, this exercise of translation, which is related to the complex process of de-contextualising and re-contextualising the institutional arrangements and policies, that has a quite differentiated impact in the different European countries. Mutual learning (see § 3.3 below) and institutional shopping are always filtered by the existing national framework and – more importantly – by the interactions new measures have with the overall welfare system.

1) In the liberal model, a strong accent on workfare (compulsory activation) was put by the former conservative governments during the '80s and early '90s. Despite the fact that present Governments have developed those programs, tailoring them in a very specific way according to the needs of the different risk categories (so called New Deal [compulsory] programs for the young (18-24), the long-term unemployed, for lone mothers,...etc.), this compulsory element seemed to remain and to differentiate British cities increasingly among themselves.

2) In the social-democratic model there is the longest tradition in active labour policies. In the last decade, activating elements have been introduced also into social assistance (which was residual in the overall welfare system up to the 90s), in order to increase employability of benefit recipients and to contain a very high social expenditure. Conditionality and obligation are characterising these measures for the first time in the Scandinavian tradition, raising questions of a possible paradigmatic shift taking place in Nordic social policy. This change, however, has been accompanied by more individualised activation plans with strong empowering character. Again local differentiation is emerging as an important element characterising urban governance solutions.

3) The conservative/corporatist model – to which also Belgium belongs -- followed a similar trend as the social-democratic countries, even if starting from



a much less developed tradition in activation policies. In the second half of the 90s, the measures become increasingly formalised, foreseeing a mixture and balance of punitive and empowering elements giving room to a high degree of local variations and putting often (e.g. in Germany) local administrations under high financial pressure. In Belgium in 1993 a major reform introduced relevant activation elements within the existing Minimex, opening up a process that led in 2002 to the new DIS law, explicitly linking social assistance and activation (see below § 2 for the details).

4) In the Familistic model, characterised so far by fragmented and highly targeted welfare policies, examples of last resort measures (PT, ES) have been recently introduced for the first time. They present innovative activation elements resembling the contractual settings characterising the French RMI. Spanish Autonomous Communities, for instance, introduced regional programs of Renta Minima de Insercion between 1989 and 1995 (Ferrera, 2005). Despite a wide inter and intra regional differentiation (see § 3.1.5 below), these programs filled the existing gap in social assistance in Spain. The 1996 law in Portugal did the same (Capucha in Ferrera, 2005). Italy tested a similar measure in the 1998-2002 period, but never institutionalised it and actually lies back as the only European (EU15) country, without a national last resort measure, together with Greece (Matsaganis et al. in Ferrera, 2005). The Spanish and Portuguese reforms are, from this point of view, an important paradigm shift, aiming at widening the coverage (previously very limited) of people in a condition of need, preventing dependency and containing costs at the same time. Both narratives are considered crucial in the legitimating exercise. On one side we face a process of centralisation (finally rights are homogeneously distributed within the country) on the other side we witness a process of increased differentiation in which the heritage from past arrangements structures actual developments reinforcing existing differences.

5) In the Transitional model, patterns are still unclear and our knowledge is rather limited. Even the NapIncl from the central and eastern European countries do not provide an adequate picture of the reforms and adopt a rather vague rhetoric. The impression is that social assistance is not the top priority vis-à-vis major structural reforms and that old systems still partly persist in the changed scenario. Replacement rates are, comparatively, low and measures have still a categorical structure of intervention, targeting resources to specific groups at risk and not to the whole potential population at risk (e.g. in some countries Roma or families with children, etc.).



In the analysis carried out so far, we can observe common trends throughout European countries towards the institutionalisation of social assistance where it was lacking, the introduction of stricter means-tests, and the shift towards activation policies. At the same time, however, such common trends are constantly filtered by national specificities, historical inheritance and path dependency. Policy changes are therefore less clear cut and convergence and divergence patterns tend to coexist and influence one another. It is within this overall framework that we have to address the Belgian *Droit à l'Intégration Sociale*, which exemplifies quite paradigmatically the changes that have taken place.

2. THE BELGIAN “DROIT A L’INTEGRATION SOCIALE” (DIS)

2.1. *The main characteristics of the Belgian DIS*

The law “Droit à l’intégration sociale” (DIS), approved on the 26th of May 2002 and implemented from the 1st October 2002, explicitly contains a combination of monetary support and services of professional and social integration. It represents a step towards activation policies developed not only within labour market policies, but also within minimum income measures. In this section, we summarize the reasons for developing this policy, the baseline situation against which the policy will be measured, the problems it is intended to solve, as they emerge from official documents and those provided by independent experts. The value added of the text below is that it aims at highlighting what we consider relevant for locating the DIS in an international comparative framework.

2.1.1. The historical background of DIS

Belgium has a long tradition of minimum income guarantee. In 1974 the *Minimex* law was introduced, a measure of monetary support aimed at guaranteeing to every citizen living conditions conforming human dignity. In order to be entitled to the *Minimex*, citizens had to demonstrate to have resources below a given threshold and to be available to work.

In 1976, then, the *Aide Sociale* (Social Help) was introduced, with a multiple set of intervention means: a) monetary benefit ³; b) support services (social guidance, counselling, etc.); c) in kind support (food vouchers, etc.).

3 Not without confusion, the name *Aide Sociale* is also often used with reference to this monetary benefit. Moreover, the difference between the *Minimex* and the *Aide Sociale* is ambiguous. Both target people in a condition of economic need and help them to increase the resources available to them.



In 1993 the law “Programme d’urgence pour une société plus solidaire” introduced within the frame of the Minimex a relevant turn towards active welfare. The implementation of activation programmes was entrusted to the local CPAS (Centres public d’action sociale) that already managed the Minimex. A first distinction by age was introduced: activation became compulsory for claimants under 25.

The adequacy of the Minimex has been challenged by the consequences of the negative economic conjuncture that hit European countries at the beginning of 2000. In particular, the increasing unemployment (also long-term) in Belgium questioned the effectiveness of the existing labour market services as well as the financial sustainability of the existing minimum income measure. Long term unemployment and poverty called attention to the potential poverty traps that the existing measures could eventually imply.

2.1.2. Reasons for change

With the end of the Nineties the “active welfare state” became an explicit political aim and the flagship of the purple-green coalition that came to power in Belgium in 1999 after a long period governed by a Christian-Democratic/Socialist coalition.

The adoption of a political programme prioritising activation was legitimised by the potential that the purple-green coalition saw in active labour market measures – in particular in the fact that they are considered to:

1. help prevent long-term dependency on income transfers;
2. be part of a multidimensional strategy to tackle social exclusion;
3. represent a condition for the sustainability of the social protection system;
4. help the promotion of citizens’ participation.

This priority was coherent with the EU Lisbon Strategy (2000) aimed at achieving an economy that should be: dynamic; competitive; knowledge-based; capable of sustainable growth; with more and better jobs; with greater social cohesion. The assumption is that the investment in active welfare is a way of enforcing the Lisbon strategy into concrete policies.

More specifically, three problematic areas deserved the attention of policy makers and required a reform of the existing tools of social intervention: a) youth social exclusion; b) immigrants’ exclusion; and c) educational inequalities.



- a) *Social exclusion of young persons*: the relative weight of people below 25 years of age on the whole of minimum income recipients has been increasing over time – from 12% to 26% between 1990 and 1999 (table A.2. in appendix) – The problem of a significant part of citizens experiencing a long period of dependency from public welfare at the very beginning of their adult life was becoming increasingly worrying, for the consequences that such a socialization can have on the further steps of their life and in terms of waste of human resources. For this reason an extraordinary effort was foreseen in the DIS framework to increase the integration chances for young people.
- b) The *exclusion of registered immigrants* from certain social assistance measures, such as minimum income benefits represented a flagrant inequality that had to be overcome in view of a universalistic and inclusive orientation. Immigrants often accumulate different social problems and ignoring those immigrants that are regularly registered on the population record meant not only ignoring the social needs of a group at major risk, but also weakening the social integration process.
- c) Significant *educational inequalities*, both between geographic areas and between schools in the same local context asked for measures aimed at preventing these inequalities to become paths into poverty. The 2001-2003 Belgian NAP identifies educational inequalities at a territorial level as a major issue to be faced in order to tackle social exclusion. The possibility to link income support and support for school achievements was then at stake, in order to enhance the chances of recipients to reach independence through the insertion in the labour market.

2.1.4. The goals of DIS

As we have seen, in general terms, the goals of the DIS reform were coherent with the European goals of the Lisbon strategy. In particular it targets the development of a multidimensional strategy to address social exclusion and, preventing the rising of other social problems in households hit by poverty and/or unemployment. These goals are common to most reformed social assistance schemes in Europe. The multidimensionality, the strong (but not exclusive) relationship with the labour market, the attempt to fight dependency are crucial elements of all reforms developed between the end of the Nineties and the beginning of the new century.



More specifically, the DIS law aims at:

- preventing long-term dependency on income transfers;
- preventing poverty and unemployment traps;
- increasing the sustainability of the social protection system, and allowing significant savings to the public budget, also through the prevention of other social problems that recipients may develop in absence of social support.
- promoting citizens' participation.

These aims are quite ambitious, and time is needed in order to fully evaluate how far they have been met by the new law.

2.1.5. The target groups of the policy

The previously existing Minimex was a universalistic last resort measure. This means that it was addressed to all citizens with an income under a given threshold, who had expired their right to any other social security measure and who could not count on the help of the family members obliged to family solidarity (les débiteurs d'aliments). This design was coherent with the corporatist-conservative origins of Belgian welfare system and has not changed in the new law: every person⁴ has a right to social integration, but the CPAS may oblige them to turn to their family (parents or children).

With respect to the Minimex, however, the Droit à l'intégration sociale intentionally introduces a further step towards the individualization of social rights: whereas within the Minimex the couple was treated as a whole, within the DIS each of the married or cohabitating partners has an individual right to social assistance.

From this point of view, an important change was introduced in the definition of recipients' categories after a judgement of the Cour d'Arbitrage⁵. As a consequence, nowadays couples with children are again treated as a whole, and the entitlement of the household's person of reference covers the partner's

4 Each adult person effectively living in Belgium and who a) has the Belgium nationality; b) is an EU national; c) is a foreign immigrant registered in the population record, a stateless or a refugee. Young persons are considered as adults if they are married, have children at charge or are pregnant.

5 In the first formulation of the law (2002), couples with or without children were economically treated in the same way, i.e. they were getting the same amount of money. The disposition was sanctioned by the Arbitration Court in January 2004 for reasons of inequality. In order to answer to the Court's condemnation, a new regulation has been introduced. Now households with children are classified in the same way, disregard whether parents are single persons or living in a couple (see table 1) (Circulaire 14/12/2004).



entitlement as well⁶. Table 1. below shows the new categories of recipients with the yearly and monthly level of integration income. Recipients receive the difference between their income and the threshold.

Table 1: DIS benefit levels for the different new recipients' categories (€).

<i>Recipient's category</i>	<i>Recipient's new category</i>	<i>Basic yearly amount 2002</i>	<i>Yearly amount 2005</i>	<i>Monthly amount 2005</i>
Cohabiting person ⁷	Person living with one or more persons (not at his/her charge)	4.400	5.004,83	417,07
Single person	Person living alone	6.600	7.507,25	625,60
Person with family at charge	Person living with: – non married children <18, – life partner.	8.800	10.009,67	834,14

Source: http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html

The critical point of this formulation is that the benefit's level is not differentiated per number of persons at charge, a feature that was controversial in the Minimex law as well, and that represents a relevant point for equity's sake. As a consequence, a couple without children gets the same monetary benefit as a single or a couple with one or more children at charge. The presence of children is rather taken into account through generous family allowances to which social assistance recipients are entitled, differently from what happens in other countries. This might be quite a relevant strategic decision in terms of legitimacy of welfare spending for groups at risk of poverty. Family allowances come from a different budgetary line and will not contribute to the increase of expenditure for social assistance, avoiding undermining the public support for the DIS.

Despite a strong universalistic orientation and an important attempt towards a more individualised approach, the DIS law reaffirms a clear age differentiation

6 In a way, this represents a step backward in the individualization of rights reinforcing the strong role of the family and of the subsidiarity principle, characterising also the other countries of the corporatistic welfare model. Moreover, the change is more formal than substantial. Let's take the case of a couple with two children. In the first formulation of the DIS law, each of the parents would have been entitled to the basic yearly amount of 4.400€, i.e. the household would have been entitled to an overall basic yearly benefit of 8.800€. With the new formulation, one of the adult members of this household is entitled to a basic yearly amount of 8.800€ (category "person with family at charge", see table 1), and his/her entitlement covers his/her partner's as well.

7 Each cohabiting person in the household has an individual right to the social integration benefit.



that was already present in the 1993 law. A particular attention is, in fact, devoted to young people under 25 and to students. For them, activation is at the same time a duty and a right, with a tighter implementation schedule: a concrete project for the insertion on the labour market must be signed within three months from the opening of the recipient's dossier. As already said, this is due to the focus reserved to the young recipients so that they (re)enter the labour market as soon as possible. Yet, the choice of 25 as the age limit rests questionable. Why 25 and not more? Are the persons between 25 and 30 not considered as employable as those between 20 and 25 (see § 3.3.1)?

2.1.6. The resources: legal, financial and human

a) Legal resources

The legal sources for the new measures against social exclusion are manifold:

- the DIS law of 26th May 2002. The law text traces the basic outline of the new measure, the purposes, the target groups and the legal means;
- the implementation regulations and royal decrees that have followed the approval of the law;
- the jurisprudence treating the appeals of claimants, including the judgment of the Arbitration Court (in January 2004), stating that some eligible categories are illegal.

The latter have led to new regulations modifying some dispositions of the 2002 law (<http://www.mi-is.be/FR/Themes/MI/Règlementation.htm>).

From the legal point of view the DIS foresees all options to defend the recipient's and the claimant's rights. The CPAS as well as all others public agencies are obliged to respect a precise deadline for each of the steps (e.g. 30 days to decide whether to accept the claimant's demand, 8 more days to communicate the decision, etc.) and in the clearest form to every application; failure or delay in doing so always implies the right for the claimant to appeal to the Court.

b) Human resources

The implementation of the law is – obviously enough – local, and it is entrusted at the basic local structure of Belgian social assistance, the CPAS. The CPAS were created in 1976 in order to implement the Minimex and the Aide Sociale



at the municipal level. Quite interestingly, in 2004 their name was changed from Public Centre of Social Help to Public Centre of Social Action, a semantic shift underlining the move towards a more activating approach in social policies. The 1976 law did not fix any criteria on the number of beneficiaries per social worker, nor any specific financial budget for the personnel costs. Practice has shown that therefore wide differences exist among CPAS investing on the staff, and CPAS overcharging present workers in order to redistribute the new dossiers. This has evident effects on the quality of social work. As a consequence the 2002 DIS law aims at establishing a first step towards an official treatment of the financial costs for the staff.

For this purpose, the CPAS receive a fixed amount (278 € in 2005) for each new dossier opened, in order to cover the fixed costs necessary to handle the file, realize the first reception steps, initialise the integration project. Nevertheless, the general opinion of CPAS about this way of financing them is not completely favourable.

c) Financial resources

The levels of basic amounts of the monetary benefits have been increased, as it was promised by the Government, by 4% in 2002, and a further increase by 10% is foreseen within the end of the legislature. This is aimed at increasing the life conditions of DIS minimum income recipients, in order to keep them close to a level of human dignity.

The CPAS receive a grant from the State for each person receiving the DIS monetary support. This grant is equal to 50% of the benefit; is increased to 60% in case the CPAS has more than 500 DIS recipients, and to 65% if DIS recipients are more than 1.000. The Centres also receive a grant from the State for each recipient they hire within an employment project (this grant is equal to 100% of the integration income), and for each recipient for whom they pay the training or education costs (this grant is equal to the entire education costs). This funding procedures protects the activity capacity of the CPAS avoiding budgetary constraints limiting the right of access to the measures. This problem, on the contrary affects contexts – like south and some east European countries – where the yearly budget is given, and social workers “must do what they can with it”. In the Belgian case, on the contrary, the financial burden is divided between the State – which will take over at least half of the economic cost of intervention – and the regional and local level which pay the rest.



2.2. The dimensions of implementation

Implementing a complex law is not easy and in this section we will briefly reconstruct the institutional architecture of the DIS and the concrete framework for action in terms of entitlements for the recipients, means and steps foreseen for the integration projects, stakeholders involved.

2.2.1. Right to employment

In order to assess the eligibility of the claimant, the CPAS foresees a preliminary inquiry on family and personal (economic and social) conditions of the claimant and opens an administrative dossier for each individual recipient. If the recipient is considered able to work and ready for a real job, the CPAS will develop – together with the claimant – a job search strategy. The job should fit the recipients' abilities and – as far as possible – the recipients' wishes. It can be found in the private for-profit sector, in the CPAS or in the municipality themselves, that can act as direct employers, or in the non-profit sector. Recipients will sign a real work contract and will be paid at least according to the minimum wage level.

As far as the claimants under 25 of age are concerned, the main difference with those above that age is that the search for a suitable job or the elaboration of an individualised project is compulsory and must be done within the first three months from the application. If recipients do not fulfil the steps defined in the individualised project, the payment of the monetary support can be temporarily and/or partially suspended on the basis of a discretionary evaluation by social assistants.

2.2.2. Individual project of social integration (professional project)

In all cases in which recipients are not able to work, the CPAS has to prepare an individualised professional project together with them. Such a project will explicitly indicate the steps of the professional integration, and recipients have the right to participate in drafting the project and in defining its contents. In this sense the Belgian measure seems closer to Danish activation policies, in which the co-definition of the integration path has a major importance, than to British ones (Barbier, 2001). Steps may foresee training, stages, protected work periods in social organizations, etc. The CPAS pays the training costs, and



during this period recipients are entitled to an integration income (see table 1), and may also be entitled to an additional help (aide supplémentaire). It is not clear on which basis this is eventually erogated and how discretionary it is.

2.2.3. Study project

Young persons who have not completed compulsory school, or have not attained professional skills to apply on the labour market, can prepare together with the CPAS an individualised integration project aimed at the attainment of compulsory school graduation, professional training, or university graduation in case of university drop out.

The CPAS will verify whether the family of origin can contribute to the educational costs, or whether the person is entitled to a scholarship; otherwise recipients will be entitled to an integration income (see below § 2.1.5.). Conditional to an evaluation by the CPAS, recipients are entitled to an integration income (see table 1).

2.2.4. Sanctions

Sanctions are foreseen in case the recipients give false declarations or omit information about their income status, or any other condition that would affect their right to the DIS. The payment of income integration can be suspended partly or totally for a maximum peiod of 6 months, 12 months in case of fraud.

Yet, sanctions can also be foreseen in case the recipient does not respect – without a legitimate reason – the obligations foreseen in the contract he/she signed. The social worker in charge of the specific dossier has the discretionary power to decide whether to suspend partly or totally the payment of the integration income up to one month at the maximum, and up to three months in case of recidivism within one year.

As we shall see below, it is rather difficult to assess the degree of social workers' discretionary power, and therefore the differential in case management among structures, territories, or categories treated.

2.2.5. Local stakeholders and coordination practices

Aiming at addressing social exclusion as a multi-dimensional phenomenon, the implementation of social integration policies generally involve a number of different institutional and non institutional stakeholders. In Belgium the picture is further complicated by the federal structure, as competencies on training



and labour market mediation for the unemployed have been widely devolved to the regions.

At the local level, the main actors involved in the professional integration projects are: a) the CPAS; b) the PESs and c) Third Sector agencies.

a) The CPAS – established in each municipality by a 1976 law – are the main actors as far as the social work is concerned and the unavoidable starting point of the DIS implementation. Management of the staff, including evaluation of the number of social workers needed, is decentralised. As a consequence, the variability in the organization of the administrative work related to the DIS implementation may be wide. The CPAS can also be involved at another level of the implementation of the integration projects: as direct employers of the recipients, in order to provide them with an opportunity of a social work or of a protected job.

b) The labour market services (PESs) are organised on a regional basis. Their local offices provide mediation between unemployed and employers, counselling and training. In the last years some of their activation programmes for unemployed have been made accessible for social assistance recipients as well.

c) Third Sector organizations are involved in the DIS integration projects in order to provide recipients either with a protected work experience, in the secondary labour market, or with a real paid job. These two kinds of contributions are addressed to different kinds of recipients, presenting a different background and competences assessment. Some social organizations provide both kinds of contracts, while others are more specialised in receiving one specific type of recipients.

No legal framework exists for the coordination of these and other local actors involved in the DIS implementation. As a consequence, great variability is observed in the kind of relations they establish, ranging from the mere exchange of information, up to a real networking on the concrete recipients' cases, with a shared methodology and a coordination of the different steps. Such differences highly depend on the local tradition of cooperation, on the personal role of single social workers and mediators, and on the availability of resources supporting the coordination initiatives (Ditch and Roberts, 2002).

The CPAS need to work closely together with the local labour market services (VDAB, FOREM, ORBEM, BGDA). Yet, CPAS often denounce difficulties in



their relations with these services. On one side the CPAS fear to be perceived as the newcomers on the scene of labour market insertion. On the other side, social workers fear that the labour market services may not be stimulated at working on the insertion of DIS recipients, seen as the most difficult persons to place in the labour market (Ernst & Young, 2004).

Recently initiatives have been taken to enhance coordination on labour market integration projects. Consultative platforms were established at the local level. Moreover, the CPAS have been allowed to outsource some activities and manage other ones in partnership with other local actors. Finally, in Flanders 130 "employment shops" were set up jointly by CPAS, PESs, and Third Sector organizations, presenting together their professional integration activity. Results in terms of stronger coordination are not clear yet.

Private for profit entrepreneurs are involved in the implementation of the integration projects which meet the most ambitious objectives of the CPAS i.e. the collocation of recipients on the "real" labour market, through a non-assisted and non-protected job that guarantees their monetary independence, and that proves their capacity of coping with the everyday tasks.

Municipalities are actively involved as well in the concrete implementation of the integration projects through the supply of work opportunity to DIS claimants in other municipal offices, agencies or sectors, different from the CPAS that cannot absorb the whole demand for paid jobs of the DIS recipients.

Health agencies are involved in order to assure the best possible living conditions but also to assess the ability to work and thus the possibility to enter the labour market.

2.3. The DIS: a quantitative overview

Since 1975, the number of minimum income recipients has been steadily growing. Only in 1999 a decrease had been noticed. Since 2003 a new increase can be observed. Yet, a direct comparison is difficult, as recipients' categories changed a few times since 2002 (see § 2.1.5). Brussels is the region that shows the strongest increase; here the incidence of minimum income recipients has grown from 8,3 every 1.000 inhabitants in 1993, up to 19,2 in 2004, whereas at the national level the increase was less than 3 points every 1.000 (table 2). This is coherent with the fact that big urban areas generally concentrate poverty and social exclusion (Mingione, 1996).



Table 2: Incidence of minimum income recipients per 1.000 inhabitants in the different Belgian Regions (1993-2004).

	<i>Flanders</i>	<i>Wallonie</i>	<i>Brussels</i>	<i>Belgium</i>
1993	3.8	7.9	8.3	5.6
1994	4.2	8.7	9.7	6.2
1995	4.6	9.8	10.9	6.9
1996	4.8	10.7	12.4	7.4
1997	4.9	11.6	13.5	7.9
1998	5.0	12.0	14.3	8.1
1999	5.0	11.9	15.1	8.2
2000	4.6	11.6	14.8	8.0
2001	4.0	10.3	13.5	6.9
2002	3.8	10.2	13.5	6.8
2003	4.3	11.0	17.7	7.7
2004	4.3	11.1	19.2	8.0

Source: http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html

An analysis by recipients' category and sex shows that single persons represent more than half of all Minimex or DIS recipients from 1994 until 2003. Only since 2004 they undergo a small decrease. One observes a predominance of single mother households among female recipients, and a majority of single men living alone among male recipients (table A.4.). This confirms that separation and divorce or lone-parenting represent a strong risk of impoverishment, especially in presence of young children.

An interesting point – given the specificities of the DIS law – is given by the analysis by age of recipients. As it is shown in table A.5., 23% of recipients is represented by persons between 18 and 24 years of age at the national level. This figure is more than 25% in Wallonie. The proportion of recipients under 30 has shown a decrease in 2001-2002, but it is now increasing again in the last years.

An analysis by nationality shows that, although the great majority of recipients is Belgian, over 20% of recipients were foreigners in 2003. Of these, the majority is constituted by non EU immigrants, refugees and stateless, mostly concentrated in Brussels.

As far as the cumulation with other income sources is concerned, in 2003 almost 30% of recipients received only a partial benefit. This benefit can be just slightly lower than the full one, depending on the starting household disposable income. Family allowances are not counted in the household disposable income and thus do not affect the amount of benefit received. 18% of all recipients received also an unemployment benefit.



In order to monitor the trends of the minimum income measures, a monitoring system has been created in 2000, based upon 60 representative CPAS. Table 3 presents data on the evolution of beneficiaries in activation measures, knowing that in 2002 a shift intervened from the pre-existing Minimex to the new DIS.

Article 60 §7 of the 1976 law establishing the CPAS foresees the recipient's placement in an NGO, a municipal or intermunicipal office or agency; article 61 foresees the placement of recipients in a for profit firm; "activation" refers to training and requalification programs. As it is shown in table 3, since the end of the Nineties the number of beneficiaries inserted in some kind of integration programmes has steadily grown, having more than doubled in absolute values. This growth is more important in the small CPAS than in the big or medium sizes ones (Ernst & Young, 2004). We can, then, make the hypothesis that the DIS law has stimulated and helped the small structures to invest in activation more than they could do before. A territorial analysis, then, shows that it is Brussels Region to register the widest growth in recipients activated (*ibidem*).

Nevertheless, in general terms, recipients in integration programs still represent a minority of all minimum income recipients, growing from 5% in 1999 to 13% in 2004. Moreover, despite an increase in the "activation" programs, growing from 5 to 13% of all projects), placement in public offices or NGOs (article 60 §7) remains absolutely predominant, representing the 85,2% of all integration projects realised. These figures are coherent with the results reported for 2003 by the evaluation report by Ernst & Young (2004), which carried out a survey on a sample of CPAS. In view of long term independency, this is a major problem which can be solved only in the labour market, and would therefore need more relations with the private for profit actors (see also § 3.1.4). Moreover, the great majority of these projects are realised directly within the CPAS. This may mean a good capacity of the CPAS in absorbing the demand for working experience, but may as well imply a not as good capacity of building job opportunities in co-ordination with other local stakeholders. Nevertheless, the very low figure referring at article 61 should be partly compensated by the Plan Activa, an working experience programme introduced in 2002, and included here in the data on "activation".

Ernst & Young results show a growth of almost 35% in the number of individualised projects prepared for the minimum income recipients between 2002 and 2003, that is to say the first year of implementation of the DIS law. Coherently with the age dispositions of the law, the great majority (85% in



2002) of individual projects regards recipients under 25. Moreover, individual projects for the over 25 decreased during the first year from 15% to 12%. This seems to confirm the risk that adult recipients are disregarded from the point of view of activation resources. Among the under 25, more than half are involved in a “Student project”, confirming the emphasis put by the law on the maximization of human capital.

Table 3. Recipients in integration programs by type of integration 1999-2004 (V.A.)

Year	1999		2002		2004	
	A.V.	%	A.V.	%	A.V.	%
<i>Art 60 §7</i>	4.495	92,3	7.821	82,6	10.820	85,2
<i>Art 61</i>	116	2,4	304	3,2	170	1,3
<i>Activation</i>	257	5,3	1.348	14,2	1.711	13,5
Tot recipients in integration projects	4.868	100,0	9.473	100,0	12.701	100,0
Total recipients	83.521		69.882		82.786	
% recipients in integration projects	5,8		13,6		15,3	

Source: own calculations on http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html

Evaluation results point at an increase of recipients sent back to obliged family members as well as of CPAS recovering resources from them, and – instead – a decrease in sanctions applied to recipients. Anyway, these data are too faint to allow an analysis of the reasons of this decrease, apart from the fact (confirmed by the qualitative study) that the CPAS seem to make an effort to apply the law in a strict way from the administrative point of view, erogating the monetary benefit only in absence of other resources, including extended family (Ernst & Young, 2004).

It is not yet clear what results this law may entail in terms of how many recipients succeed in entering the “real” labour market. It is, however, reasonable to make the hypotheses that for most recipients there is no stable insertion on the labour market at the end of the working experience.

Anyway, previous data referring to the second half of the Nineties (Groenez and Nicaise, 2002) constitute a good starting point for the analysis. First of all, every year, over one third of minimum income recipients move to social security, work or other sources of income. Obvious enough, stronger groups, that is to say male, highly educated, healthy, Belgian, have more chances to



move in this direction. In particular, men generally reach inclusion through work, while women are more likely to do the same through marriage and, in the opposite direction, they are likely to fall into exclusion after separation. Finally, women leave support measures more often because of suspension of benefits, than because they enter the labour market (*ibidem*).

The same study also tells us that in the generous and articulated Belgian welfare system there is a problem of access to measures, mainly due to non take-up: potential recipients who do not claim any support because of fear, shame and/or lack of information (*ibidem*). Unfortunately, we don't know whether and how far the new DIS law improves this situation. Nevertheless, signals from qualitative researches are not fully comforting on the recipients' degree of information about the new law (Ernst & Young, 2004).

3. ASSESSING DIS IN A COMPARATIVE PERSPECTIVE

The Belgian welfare model shows comparatively a good redistributive capacity, and a good risk prevention capacity, better than other countries of the corporatist model, such as for example Germany (table A.1. in appendix). Although its social expenditure is a little lower than the German one, Belgium spends a higher share on labour policies and, in particular, on active labour policies, covering a larger part of the unemployed. As far as social assistance is concerned then, Belgian social assistance performs comparatively well with respect to the redistributive capacity (see graph 3 in the appendix) as well as to the replacement rates of the monetary benefits (table A.7. in the appendix; Cantillon et al, 2003). Finally, the several reforms of the last decade have enriched Belgian social assistance with important activation features.

Activation policies have been assessed in international research by considering their main features and distributing countries on an ideal continuum between "social integration" and "workfare". The first priority focuses on a more general objective, the empowerment of beneficiaries, while the second ones emphasizes the contractual element of activation and the power of sanction, for the underlining idea that recipients must give their availability to work in exchange for social assistance. It seems that the more successful activation experiences in Europe are those in which recipients have more choice between different integration options, a good provision of training tools and a monetary support with a reasonable replacement rate, like for instance the British New Deal (Lødemel and Trickey, 2001; Groenez and Nicaise, 2002). The DIS leg-



islative reform and its implementation seem to have moved Belgium towards the group of countries where the weight of activation is more important, being applied not only to PESs services, but also to social assistance. In particular, it is towards the empowerment and social integration group that the DIS reform moves the Belgian case, as the new law foresees wide free choice and participation of recipients during the integration path, while sanctions seem to be applied in a rather soft way (graph 4 and 5 in the appendix). In this sense, the Belgian measure seems to follow the French RMI orientation, calling for a greater share of responsibility between the individual and the society at large, with an emphasis – even in the name of the measure – on social integration and citizenship rights.

What seems common to many countries is the risk to increasingly conceive social assistance in a “moralistic” way, underlining individual responsibilities against structural causes (Serrano, 2002). The commitment for activation policies is justified by the fact that work provides the best protection against precariousness and poverty (Nicaise et al, 2004). Nevertheless, work is not only made up of good jobs. Bad jobs, like temporary, part-time, low qualified and low paid jobs, are often at the origin of the phenomenon of the working poor, which is steadily confirmed to exist in the EU, including Belgium (Groenez and Nicaise, 2002; Bardone and Guio, 2005).

This reminds us that in order to tackle all the multiple dimensions of social exclusion, activation programs, even though articulated, are not enough. The prevention of social exclusion also depends on, for example, wider labour legislation, family policies helping households to cope with the costs of raising children, and housing policies, given that housing costs are increasingly reported to be a cause of social exclusion in various EU countries even for households with employed members (e.g. Italy, France, Belgium).

3.1. Obstacles and constraints: an assessment

In this paragraph we will address the obstacles and constraints in five areas of implementation of the DIS law, which are most relevant for the international debate:

- a) individualization of rights;
- b) activation and contractualization;
- c) the discretionary power of social assistants;
- d) coordination problems;
- e) territorial differences.



3.1.1. Individualization of rights

The process of individualization of rights fostered by the implementation of DIS has to be assessed positively, in particular in relation to the recognition of individual rights (at least in the case of couples without dependent children, and because it allows to develop an individual project with each family member, with a more specific support and accompanying work, in view of individual autonomy. Moreover, it permits to discern between family members who are complying with the project requirements and those who are not. It is then possible to eventually sanction one member of the family without punishing the other one(s).

Nevertheless, the individualization process increases the administrative work and, above all, it might impede to look at the household as whole, and thus realize a coherent and global social intervention. This may be problematic in a view that aims at taking into consideration the multi-dimensional causes and effects of social exclusion on one side, and – as a consequence – the coordination of different steps of social intervention on the other. This separated treatment of different household members appears somehow artificial, as it is well-known that social problems are often the result of family problems. A possible solution would be to reconcile an individualization of rights and a comprehensive approach of the social intervention.

On the other hand, it has to be kept in mind that despite the modifications introduced in 2004, the number of family members at charge remains insufficiently considered. This calls for more attention particularly because members at charge are most of the times young children. It is demonstrated that economic difficulties experienced during childhood affect one's chances to achieve a school degree and to enter the labour market with the necessary resources, thus decreasing one's chances to reach economic independence during the adult age (CERC, 2004). Eliminating child poverty is a key step in combating the intergenerational transmission of poverty, and it constitutes one of the EU priorities for a more cohesive and competitive European society (see Hoelscher, 2004). Therefore, all efforts should be made so that families with and without children are treated equally from the point of view of the benefit level. It has still to be assessed if family allowances are an adequate mean of considering the size of the family within the DIS.



3.1.2. Activation and contractualization

As far as activation is concerned, a first critical issue is observed in the vague character of some law dispositions. In particular, it is seldom clear whether and how far the activation is compulsory for the recipients of integration income. In the Belgian DIS case, the compulsory character is clear only in the case of young recipients under 25. For those over 25, the law is a bit vague. This difference is observed in the UK as well, with a specific activation measure (New Deal for Young) addressed to young unemployed people.

Although there is wide consensus and grounded evidence about the need to concentrate on the social and professional integration of the youngest in general terms, as already noted the age limit is questionable. Why 25 and not, for instance, 30? Many social workers, in fact, define this age limit as artificial, as it impedes to evaluate the resources and capabilities of every single recipient, and differentiate the recipients on the basis of their chances to be placed (back) on the labour market, rather than a priori on the basis of their age.

The main explanation for this is in fact financial: the activation process is very expensive, and cannot be granted to all the recipients of monetary benefits. This division by age is, then, a way to assure that at least a part of the recipients will effectively be reserved a real accompaniment to social and professional integration. The focus has been put on an age category, the young adults, in order to prevent their fall into the vicious cycle of social assistance dependency. Other countries tackle the youth integration problem in completely different ways. Germany, in particular, has traditionally prevented the phenomenon of high youth unemployment through the development of a very effective dual apprentice system which eases the school-to-work transition. On the contrary, in the Southern European countries, youth unemployment is not specifically targeted by activation measures, as their condition is supported rather by the family of origin, than by the social assistance system. This is particularly true in Italy and Greece, where social assistance is almost non-existent. Here such disregard of the youth condition is, by the way, reinforcing sharp delay in adulthood entry, thus limiting – among other things – the Italian birth rate at a worrying level.

Available data confirm that many more integration projects involve recipients under the age of 25 rather than all other age groups (Ernst and Young, 2004). Such an age differentiation may be interpreted in two different ways: on one side, it could be seen as a “stick” for the youngest, i.e. for whom the avail-



ability to work assumes a much more concrete outline, together with the threat of sanctions. On the other side, it may be seen as less resources and less integration chances for all the other age cohorts. This takes us back to the vagueness of the DIS law about the degree of compulsoriness of the integration project for the over 25. For them, in fact, the payment of an integration income can (and not “has to”) be linked to an integration project. This, together with the data on the distribution of realized projects by age, radically changes the appraisal of the age distinction in the law. As a matter of fact, on one side the DIS law has universalistic ambitions, it upgrades for everyone the level of monetary benefits, individualizes the right to support, etc. On the other side, activation is only in principle stated for everyone; in practice, only the youngest enjoy this opportunity. In other words, budgetary constraints, that in other non universalistic systems are more explicit, here appear to be bypassed through the identification of a priority category that, in fact, concentrates most of the resources and represents the only category for which the intervention is granted/compulsory. This, again, states a problem of equity.

A second, more concrete problem concerning activation is given by the timing. According to the law, the professional integration of under 25 recipients must be realized within three months from the application. Nevertheless, the law is vague on this point as well, as it is not clear whether this deadline refers to the actual employment of the recipient, or rather to the elaboration of an insertion project. This ambiguity affects also the evaluation results.

The CPAS report that three months is a too short period to realize a professional insertion tout court (Ernst & Young, 2004). The whole first month is generally devoted to carrying out the administrative work and to creating a climate of trust and collaboration with the recipient. Beyond that, placing a minimum income recipient who has expired all social security entitlements and therefore is generally a long-term unemployed, is a long process, that requires time and patience to build a network of relations and design a step-by-step path.

Therefore, the result of this ambiguity is that each CPAS interprets this point of the law in its own way, generally in a loose way. As a consequence, the guarantee of integration efficiency for the recipient wanted in the law is lost. On the other hand, the lack of time standards may make the activation programme vague, as no deadline has to be respected (this is the case within the French RMI or the Italian RMI experimentation), thus undermining the effectiveness of the intervention.



3.1.3. The discretionary power of social workers

Significant differences in the application of the law result from the discretionary power that social workers have at different stages. It is a difficult issue to be addressed in a comparative perspective, because in both highly and loosely formalised systems the degrees of freedom (and discretion) that inform the activities of social workers are relatively high. What makes the difference is related to what can be decided and what impact it may have on the claimant. We have already seen that each CPAS works in a different way in relation to staff organization and work load per social assistant; interpretation of the three months period; etc. Beyond that, there are some steps in the integration process that imply per se a high degree of discretionary power. We will mention, in particular, two of them:

- the evaluation of the legitimacy of the lack of accomplishment of the integration contract by recipients, and as a consequence the application of sanctions;
- the payment of the Aide Sociale and/or other “additional” supports.

These are steps in which the discretionary power of the social workers seems particularly important in Belgium. It is, in fact, the result of their personal inquiry and evaluation that makes the difference, and has a direct effect on the type and quantity of support received by citizens. This has been reported in almost all the EU countries, including Scandinavian ones (Ditch and Roberts, 2002). Still, a major difference is given by the possibility for recipients to apply to the Court in case they feel they have been treated unfairly.

In other contexts – mainly southern and some of the eastern European countries – discretion plays a major role already in the definition of the amount of the benefit and the duration the recipient can claim it. In this case the joint effect of high levels of discretion and budgetary constraints is rather negative in relation to the people’s ability to claim their right to be helped in conditions of need. The separation of administrative issues (related to the monetary amount) from social work strictu sensu – as it happens in many continental European countries – might help from this point of view. The Scandinavian countries are the context where discretion is used – in most cases – to favour the claimant, but applying mainly to accompanying measures and the definition of insertion plans no general statement can be made.

3.1.4. Coordination and networking

As far as practices of coordination and networking among the local actors involved in the integration projects are concerned, the main criticism observed



has to do with the relations between the CPAS and the labour market services (PESs)⁸. Many CPAS report difficult relations with those services that having long lasting experience in the labour market insertion, should be their major partners in realizing the integration projects. Belgian PESs do not distinguish between unemployment benefit recipients and social assistance beneficiaries. This might be a problem, as their procedures may be rather complex, and their training and stages too demanding for long-term assisted persons (Ditch and Roberts, 2002; Ernst & Young, 2004). As a consequence, social assistance recipients risk to fail and then be identified as “non placeable” unemployed, while real integration efforts might concentrate only on unemployment benefit recipients and on young DIS beneficiaries. This would perpetuate the existing segmentation for citizens out of the labour market, and might make the integration project a compulsory stigmatizing experience surely targeted to failure for a large part of social assistance recipients.

A similar problem has been observed with the implementation of Minimum income measures in other countries (e.g. the Spanish *Renta Minima*, the Italian experiment of RMI, ...), in particular in relation to the various tasks performed by the different actors. For example lacking good relations with those who should control eligibility criteria (e.g. Police, Tax and Income Officials, etc.) might undermine rigorous control and “non-clientelistic” ways of implementing the law. This entails that a long and hard-working process is needed in order to set up a dialogue with those agencies – public and private – that can be involved in managing insertion projects at all stages of the process.

3.1.5. Territorial differences, local inequalities?

The last main critical issue we observed in the implementation of DIS is related to the existing territorial differences. They inform the process of federalization⁹

8 This problem is common to other contexts where many functions of PES, like job placement, have been privatized. In this case the problem is related to the implicit division of labour which sees the PES taking care of the most difficult cases to be placed while the private agencies place the highly skilled labour force.

9 The new federal structures – resulting out of a compromise – foresee, besides the federal level, both Regions (Flanders, Wallony and Brussels) and Communities (Flemish, French and German) with a quite complex division of powers and competences. The overall assignment of competencies is as follows: 1) The Federal State is competent for financial and monetary policy, justice, social security, home and foreign affairs, some aspects of public health care. 2) Regions are competent for regional economic affairs, infrastructure, environment, housing. C) Communities are competent for culture, education, family policy, welfare policy, health policy. As far as social security is concerned, the different institutional levels intervene as follows: a) the Federal State intervenes on child benefits, social assistance (benefit levels and eligibility conditions). The Regions intervene on housing, employment policies. C) Communities intervene on person-related services and policies, including implementation of social assistance.



which Belgium has undergone in the last decades and many of the current debates on social security reform, which range between two options:

- social security should be definitely regionalised, in order to avoid implicit economic transfers from one Region to the other, and make the management of social security more efficient and adequate to the local;
- social security should not be further regionalised, because less affluent regions will become poorer and local differences do not comply with the equality of citizenship rights.

As a matter of fact, as many EU countries, Belgium is characterised by significant regional differences in the economic development. In particular, Wallony is less affluent and shows higher unemployment and poverty rates than Flanders (see appendix A.8.). As a consequence Flanders spends more for social security and get back less in terms of subsidies (De Maesschalck and Verbist, 2005). The same occurs in Italy (with the Mezzogiorno) and Germany (with the eastern Länder).

Despite these debates, social security remains in Belgium still a matter regulated at the federal level. However, its implementation is obviously local and services targeted to persons such as orientation, training, mediation, can be quite diversified. The jurisprudence created by the right of claimants and recipients to appeal to the Court against administrative decisions is particularly useful to monitor such differences (Smeesters et al, 2000). Local variability concerns in particular the following areas:

- the proof of the recipient's condition of need;
- the recipient's obligation to collaborate with the CPAS;
- the recipient's availability to work;
- the recipient's condition of student;
- the supremacy of family solidarity over the social solidarity.

In all these cases, the Flanders jurisprudence seems to interpret the law in a stricter way than the Wallon one, in the sense of individual and family responsibility. In fact, Dutch-speaking courts generally tend to:

- assign to recipients the responsibility of demonstrating the insufficiency of their resources, whereas the law tends to promote a share of such responsibility between the recipients and the CPAS;
- sanction more the lack of collaboration from the recipients, by largely approving the CPAS' decisions about partial temporary suspensions of benefit;
- assign to recipients the responsibility of demonstrating their availability to work;



- not consider the insertion in a school cycle as a sufficient condition to be exempted from the availability to work;

whereas part of the Wallon jurisprudence (e.g. in Liège) one) tends to consider that:

- even though the family solidarity has supremacy over collective solidarity, still it is the society that has the responsibility to keep family and social relations solid (ibidem).

So, the richest and most dynamic region turns out to be also the strictest one from the point of view of the application of sanctions.

Comparative research has shown numerous examples of territorial variability in the implementation of social policies in European countries (see e.g. Saraceno, 2002). In reality, this is not surprising, given the already mentioned local character of the implementation of social assistance and activation policies, which is at the origin of territorial differences clearly observable even in those countries where the national framework of social policies is stronger, such as the Scandinavian countries (Saraceno, 2002), or where the role of the central State is more evident, as France (L'Horty, 2005).

Moreover, plenty of evidence is given of the fact that a local approach to active welfare has positive effects, the most important ones being:

- more correspondence of locally elaborated answers to local specific needs;
- greater efficiency of a subsidiarity approach.

So, why should territorial differentiation of national laws' implementation represent a problem? Even more than this, if practice and research demonstrate that even national measures are implemented differently at the local level, then why not institutionalising this "healthy" difference by a further regionalisation of social assistance?

The main problematic point has to do with the issue of citizens' equality: if welfare answers substantially differ according to the local context where the social need originated, then citizens of the same country are exposed to different opportunities and, in practice, enjoy different rights depending on where they live (Kazepov, 1996; Fargion, 1997).

The most extreme example in this sense is represented by the countries belonging to the Southern European welfare model like Italy and Spain, where a long tradition of local autonomies and weak authoritativeness of central state has been reinforced by the absence of a national framework for social assistance.



In Italy, wide variability in the implementation of the test of RMI was one of the most dangerous risks pointed out in the experimentation evaluation report (Ferrera, 2005). Apart from the basic level of monetary amounts (however differentiated in practice through different ways of calculating the applicants' resources), in fact, the application of RMI resulted almost as differentiated at the territorial level as the previous local measures – where these existed at least.

Spain, as well, is interesting as a case of locally dispersed country that has institutionally assumed such a dispersion, through a decentralised legislation (the *Rentas Minimas*). Anyway, although respectful of regional autonomy and local specificity, these measures seem to reproduce wide territorial inequalities not only in (very low) benefit levels, but also in packages of activation and empowerment services available to citizens (Ferrera, 2005).

The risk of too strong territorial differentiation is, then, that exactly those local areas that are more in need of social assistance and activation programmes, have fewer resources to implement them (Kazepov, 2002; Garcia and Kazepov, 2002). Subsidiarity may be passive or active, with completely different effects. Decentralising responsibilities for social policies to institutional levels that do not receive enough resources to manage them by the higher levels, or do not have enough power of fiscal imposition, may entail a needs/resources short-circuit, ending up in the incapacity of responding to social risks. This could open the floor to an activation approach closer to the "stick" philosophy, rather than to the recipient's empowerment and valorising of human resources and competencies.

These risks are not unknown in the Belgian as well as in the European debate. As a consequence, corrective measures have been proposed in order to reduce the degree of territorial variability of DIS implementation. Still, salient questions remain open:

- are regional and local differences in the implementation of the DIS law a "healthy" proof of the fact that things happen differently in different sub-federal contexts because social needs as well as practices are different, or do they rather represent a challenge to citizens' equality and national coherence?

And more specifically:

- how far are the regional differences observed in the jurisprudence treatment of citizens' appeals a consequence of different political orientation and interpretation of the law?



- what concrete impact does this have on the equal opportunities of Belgian citizens living in different Regions?

Such questions, concerning the desirable compromise in the trade-off between national equality and local specificity, are not easily answered in any European country, and should be borne in mind in the analysis of social policies, and in particular in comparative evaluations of European countries' social policies.

3.2. Stakeholders and evaluation

Comparatively to other countries (in particular south and east European ones), social partners, civil society organisations and local stakeholders enjoy a good degree of participation to the evaluation and discussion on the minimum income measures in Belgium. All evaluation reports are public and highly accessible to everyone, whereas often such documents are considered confidential, at least at a first stage, as they are thought more as a means of internal adjustments, rather than as a contribution to general growth of knowledge and awareness. The evaluation of the Italian RMI testing (1998-2002) is an example in this direction.

The contributions of other stakeholders focus in particular on three main critical points:

- a) structural causes of social exclusion versus individual responsibility;
- b) integration as empowerment versus integration as control;
- c) scant resources versus growing social needs.

In the following we will briefly discuss these issues.

a) First of all, in many social partners' view, activation hides a risk of mystifying the structural causes of social exclusion observable at a macro level, and – as a consequence – of blaming exclusion directly on the claimants, on their wrong life-style, idleness, or – at best – on their misfortune (AlterEchos, 2005; Ernst & Young, 2004). It would be important to bear in mind that activation policies intervene at a micro level, in order to enlarge the individual abilities to face a difficulty to reach or maintain independence which is the result of a combination of micro causes and macro processes.

b) A second critical point about integration, strongly related to the first one, is the tendency towards control. Third Sector organisations as well as CPAS' social workers are strongly concerned with the risk that the contractualisation feature characterising the integration approach may imply a way of exercising control over recipients' choices and – basically – over the course of their



lives. In this view, the discretionary power of social workers to evaluate the legitimacy of the recipients' eventual refusal of activation options (training, working experiences, etc.), and their power to sanction illegitimate refusals, would entail a high risk of normativity and – maybe – of heterodirection of claimants' choices (AlterEchos, 2005; Ernst & Young, 2004). In fact, if social exclusion is seen as depending mainly or exclusively on individual choices, then conditioning those choices may be seen as an effective way of solving the problem. This questions the degree of respect of individual free choice by a policy that officially aims exactly at empowering the beneficiaries, that is to say improve their degree of power over their life course.

It is, however, to be noticed, that the DIS law decidedly widens the claimants' rights in terms of possibility to participate in the elaboration of the individual project, time to reflect about the activation proposals, possibility to refuse options that are too far away from one's expectations. Moreover, the emphasis on education and training should – at least in abstract terms – grant an enlargement of recipients' power of choice, assuming that a person with more certified abilities has more opportunities on the labour market, as well as more personal capacity of deciding for herself.

c) The limits of attempting to cope with growing social needs on the basis of scant resources is a classical criticism of social policies and social work. This is all the more true in the case of activation policies which, in order not to be limited at mere working experience representing an end in itself, needs huge economic investments in order to support orientation activities, training programmes and co-ordination patterns. The Italian RMI test is an example in point, as the limited disposable resources were not enough to assure activation and close social accompaniment to all eligible claimants, at detriment of the quality level of social work (Ferrera, 2005).

The financial gap is also challenged by the fact that a good integration policy may reduce the non take-up rate, stimulating persons in need to verify their eligibility, thus increasing the number of claimants (Nicaise, 2002).

All this said, the new DIS law is positively evaluated by stakeholders on a number of points that we already analysed and that we therefore only list here:

- focus on young recipients, with a caution on the risk to exclude the over 25;
- emphasis on human capital advancement;
- effort to increase the replacement rates of the monetary benefits, as a basis on which to build the integration project.



3.3 *Mutual learning and transferability*

This section deals with the elements of mutual learning that may be drawn from the comparative analysis of the Belgian DIS, and with possible ways of transferability to other contexts. A premise about transferability is necessary here. Transferability is a tricky concept as well as a risky practice.

Due to different initial conditions and presence of path dependency patterns, applying similar policy reforms to different contexts may well lead to unintended results (Boeri, 2003). Importing a foreign good practice is a complex process, in which the input will be filtered not only by initial conditions and path dependency, but also by creative management and implementation, adapting the new practice to the specific context, leading to a different output than the expected one. Moreover, treating in a similar way different contexts may give rise to new inequalities, as far as it may not be fair – nor efficient – to give similar answers to different social needs.

It is, therefore, wise to be aware of these risks. In any event, this awareness cannot prevent to look for features that might be useful for mutual learning that arise from comparative analyses (Atkinson et al 2005).

In particular, the DIS implementation gives us important hints concerning the following main issues:

- 1) age targeting versus equality of treatment;
- 2) social integration vs economic integration (human development);
- 3) replacement rates level;
- 4) coordination procedures among local actors.

Let us analyse them in this order.

3.3.1. The age targeting is a double-face feature of social integration policies

On the one side, focussing the attention on the youngest recipients implies a set of positive premises:

- it allows to prevent the fall into poverty traps and long-term unemployment and social assistance dependency, by attempting to interrupt the downwards path at an early stage;
- it concentrates efforts and resources on that group of recipients that a priori has most chances to achieve independence through labour market participation, thus increasing the probability of the integration programs to be successful.



On the other side, this approach risks to exclude from integration opportunities more adult recipients, thus raising the issue of equal opportunities across age cohorts.

This dilemma is related to targeting per se and emerges out of the budget constraints that characterize social policies in general (and activation measures are not an exception). It is a classical zero-sum-game and quality/quantity trade-off, where it is hard to provide high quality intervention to high numbers of recipients. Activation of multi-problematic social assistance recipients is more complex and needs more time than activation of unemployment benefit recipients. Thus, widening the number of activation beneficiaries in absence of important public financial investments may imply a decrease in activation efficiency. In this case, the (unintended?) result is that those with less personal resources and cumulating more causes of social exclusion, will lay behind in the (re)integration process and the feeling of relative deprivation might be even more extreme.

The European scenario is in this respect particularly differentiated.

The French Revenue Minimum d'insertion (RMI) – as mentioned previously – represented a prototype of minimum income benefits with activation measures for all the countries where this area of policy remained uncovered. The target focus in this case was applied in a completely different way, that is to say excluding from the measure the citizens under 25 without children at charge. In this case activation was left to the citizens' initiative, implying that young persons should be stimulated to search for their economic independency through their participation in the labour market by not granting minimum income in case of economic need. Young unemployed are rather oriented towards specific PESs tools, such as the *Emplois Jeunes* (Youth Jobs), foreseeing tax relieves for employers (Belorgey, 2000).

Other countries, with a national universalistic minimum income measure, have tackled the rising youth unemployment of the Nineties through specific activation programmes, often implemented at the local level, targeted at the young social assistance recipients – e.g. the municipal programme for 20-24 year recipients introduced in Sweden in 1997 (Palme and Wennemo, 1998), or the *New Deal for the Young* in the UK.

Therefore, different answers can be observed to the problem of youth long-term unemployment and dependency risk. It is not self-evident which answer is more efficient. Anyway, a universalistic measure diminishes its intervention potential if it is corrected by the introduction of target groups. Particular groups concentrating social needs or cumulating different causes of exclusion could be better supported through ad hoc integrative programs, implemented at the local level (e.g. the Swedish case).



3.3.2. Social integration (human development) vs economic integration

Partly related to the young age target is the requirement of the achievement of more socially oriented forms of integration. Primarily school degrees and training certificates, etc. This approach satisfies two needs at one time:

- it represents a formal way of having evidence that an activation step was followed and completed by the recipient. This is important also in view of the management of the contract between CPAS and the recipients;
- it is a means to enrich the personal resources that recipients can spend on the labour market and – more broadly – in their life, and at the same a means to enhance human capital of society at large, coherently with the EU Lisbon strategy, beginning with its weakest group.

This dimension cuts across most activation programmes in most European countries, not referring only to young people, but also to other age cohorts and targets. There are however important differences which need to be considered and which are related to the overall regulatory principles informing also the management of social assistance and its accompanying measures. Lødemel and Trickey (2000) use the analytical category “human resource development” contrasting it to “labour market attachment” and distributing countries according to the degree to which labour market insertion is compulsory within activation programmes. The distribution of countries along that continuum reflects the main characteristics of the respective welfare state (see § 1.2.). Belgium could be located between France and Germany (see fig. 4 in the appendix). In those contexts where recipients are characterised by multidimensional problems policy patterns with a strong emphasis on social and human development seem more adequate, with an integrated approach that tackles the whole of social problems. As said, these are expensive policies, but their effects on the recipients’ empowerment have a chance to be more long-lasting.

3.3.3. Replacement rates levels

In presence of activation measures, it is even more important than it is in general terms to keep the benefit levels adequate, in order to assure conditions of human dignity, also necessary to afford in proper conditions the activation path. The Belgian commitment to keep DIS monetary level not only indexed to the increase of life cost, but also periodically updated, witnesses of an effort of social solidarity in the broader sense, in which the living conditions of assisted citizens are gradually improved, as far as the society can reach given the overall economic trends. This is indeed an increasingly shared concern of most European countries, but the way in which it is translated into gener-



ous benefit levels, i.e. with a high level of replacement, is – not surprisingly – related again to the overall regulation model and the respective principles informing both the policy design and management.

Comparative research on these issues has been carried out relatively recently by several scholars in Europe (Kazepov and Sabatinelli, 2001; Bradshaw, 2002; Nicaise and Groenez, 2004; Cantillon et al., 2003; etc.), none of them however considers the DIS, just the state of the art around 2001-2002 at a maximum. Even in the pre-DIS scenario, however, the overall redistributive capacity of the Belgian welfare system is fairly good (see table A.1. in the appendix), and replacement rates were fairly similar to most countries belonging to the conservative/corporative welfare model (table A.7 in the appendix). Too generous replacement rates are considered – by a part of the literature – to produce unemployment or poverty traps, diminishing the availability of recipients to participate in the labour market. Nevertheless, the lowest unemployment rates are to be found exactly in those countries, such as Scandinavian countries, and above all Denmark, but also in some continental countries where monetary benefits are more generous and combined with empowering measures (Heikkilä and Keskitalo, 2001). Moreover, strict workfare measures with low replacement rates (US) are rather ineffective in decreasing poverty, and they rather increase social inequalities (Barbier, 2001).

3.3.4. The patterns of coordination

The patterns of coordination among the local actors involved in activation of social assistance recipients are not evident, and they are strongly dependent on formerly existing co-ordination traditions and resources (human, monetary, relational, informative and normative) available in the specific context (Ditch and Roberts, 2002; Kazepov and Sabatinelli, 2001; Jessop, 2002; Kazepov, 2004).

In particular, the Belgian case highlights the difficulties of coordination at three following stages of the activation process:

1. *application reception and analysis of eligibility conditions:*

in this preliminary phase, it is crucial that efficient relations between local social assistance agencies and other relevant offices are established, in order to allow on one side stricter controls and thus a more equal application of the measures and on the other side a more fluent and therefore less expensive procedure. Official procedures of co-operation should be established at the higher institutional levels, and explicitly foreseen in offi-



cial regulations concerning the social assistance law; otherwise, it is left to the individual ability of each social worker to establish useful contacts.

2. *design and identification of resources for the individualised integration project:*

in this central phase, it is fundamental that local social assistance agencies can count on the experience, competencies and services provided by the PESs, in order to widen the fan of integration chances that it is possible to provide to recipients (see § 3.1.4);

3. *job experiences, job achievement:*

in this final crucial phase, stronger relations are necessary between local social assistance agencies and actors working on the labour market. In fact, for a significant part of recipients the integration projects should aim at achieving or recovering independence through labour market participation. Otherwise, activation risks to be limited at the narrow scope of exercising the “stick and carrot” philosophy.

The Belgian DIS confirms that coordination patterns are crucial for the implementation of activation measures that, by definition, involve different stakeholders, belonging to different sectors (public, for-profit and non-for-profit) and at different institutional levels. In a very synthetic way, then, we can identify the factors improving the success of the local co-ordination as follows (Kazepov and Sabatinelli, 2001):

- the political imprimatur, that makes co-ordination more authoritative;
- the availability of adequate resources (human, financial, cultural);
- the presence of charismatic persons, motivating partners and keeping the focus on the mission;
- continuity of the network over time;
- evaluation tools, in order to improve weak steps.

Such changes are ongoing transversally throughout all welfare models. Nevertheless, in the different countries it is possible to observe a quite strong coherence between the general orientation of the national welfare system, the degree of development of activation policies and the patterns of co-ordination developed underneath (Kazepov, 2004).

In the *liberal welfare model* (e.g. the UK), we find broad, multi-actor partnerships, with a strong presence of private actors that provide a wide array of training and job insertion opportunities. Efficiency, accountability, competitiveness and contractual forms of relations regulate claimant’s activation in a trend towards increased use of compulsory work activity and conditionality in defining access to means-tested benefits (Trickey and Walker 2000, Evans 2001).



In the *social-democratic model* (e.g. Denmark), we find partnerships in which the main partners are state agencies (collaboration between employment services and social assistance agencies) and, to a lesser but increasing extent, the social partners, operating under strict guidance of the local authority (Lødemel and Trickey 2000; Kauto et al. 2001). Compulsion exists, but is less relevant than in other regimes and accompanying measures include a wide range of empowering services, with participation of claimants in the definition of the implementation.

In the *corporatist model* (e.g. Germany), we find partnerships in which the main actors are social partners, third-sector voluntary agencies and state agencies that increasingly negotiate with the local authority on the design of the active policies. Most of them follow a carrot and stick strategy, within a framework of diffuse conditionality and increasingly fragmented provision of accompanying measures, also at the territorial level.

In the transition welfare model the coordination patterns are still unclear. Some countries go in the direction of market coordination (e.g. Poland), others follow the familistic path of heterogeneity and particularism, while some attempt to go in the direction of the corporatist model, with a negotiated framework for action (Slovenia). In the medium term, we will be able to assess their consequences.

Finally, in the *familistic model* (e.g. South European countries), we find an extensive and heterogeneous presence of third-sector voluntary and non-profit agencies. Relations with the public agencies can range from particularistic and clientelistic forms to highly advanced empowering and participatory arrangements, creating a highly fragmented landscape in the context of an overall tightening of resources.



APPENDIX

Tab. A.1: Socio-economic and social expenditure indicators for selected EU countries

2004	Univer- salistic	Conservative		Fami- listic IT	Neo- liberal UK	EU	
		BE	GER			EU-15	EU-25
Population	DK						
Old age index ¹	22,3	26,0	25,9	26,9	23,7	25,0	24,1
% population aged > 65	14,9	17,1	18,0	19,2	17,1	17,0	16,5
Fertility rate ³	1,18	1,61	1,34	1,29	1,71	1,48	1,52
Births out of wedlock ⁴	44,8	29,5	26,2	10,8	43,1	31,4	30,2
Divorce ⁵	2,8	3,0	2,5	0,7	2,7	2,0	2,0
Employment rates ⁶							
Male (15-64)	79,7	67,9	70,8	70,1	77,8	72,7	70,9
Female (15-64)	71,6	52,6	59,2	45,2	65,6	56,8	55,7
Youth (15-24)	8,4	19,8	15,1	23,6	12,1	16,6	18,6
% of fixed term contracts*	9,5	8,7	12,6	11,8	6,0	13,6	13,7
Unemployment rates							
Male (15-64) ⁷	5,1	7,0	8,7	6,4	5,1	7,1	8,1
Female(15-64) ⁷	5,6	8,8	10,5	10,5	4,2	9,3	10,2
Youth (15-24) ⁷	8,2	19,8	15,1	23,6	12,1	16,6	18,6
Long-term (15-64) ⁸	22,9	50,8	50,0	49,4	20,2	43,4	n.a
Expenditure on social protection							
Per capita in PPS ¹⁰	8095,4	7131,0	7291,7	6266,3	7002,0	6270,0	6747,6
As % of GDP ¹¹	29,5	27,5	29,8	25,6	27,2	27,5	n.a
(2002) On Family/ children ¹²	13,4	8,5	10,7	3,9	6,7	8,0	n.a.
On old age and survivors ¹²	37,6	43,8	42,5	61,9	46,4	45,8	46,2
On labour policies ¹³	4,63	3,65	3,31	1,20	0,75	n.a	n.a
On active labour policies ¹³	1,58	1,25	1,18	0,57	0,37	n.a	n.a
Unemployed covered ¹⁴	63,8	85,5	72,3	4,4	26,2	n.a	n.a
Poverty							
60% median pre-transfers ¹⁶	32	29	24	22 (2001)	26	24 (2001)	24 (2001)
60% median post-transfers ¹⁶	12	15	15	19 (2001)	18	16 (2001)	15 (2001)
Gini index	22	28	25	29	31	n.a	n.a
Competitiveness ¹⁷							
Growth 2003-ranking	5	25	13	47	11	n.a	n.a
Business 2003-ranking	7	14	3	34	6	n.a	n.a



- 1 Old age index: people over 65 as a percentage of the working age population (15-64) (source: Eurostat 2003a).
- 2 Children (0-14) living in families with only one adult as a percentage of all children living in families with two adults (source: Eurostat 2003b).
- 3 Estimated values for 2003. Source: Eurostat (2005) .
- 4 As a percentage of all live births. DK GER UK EU-15 EU-25 estimated values for 2003. BE and IT Estimated values for 2002 (source: Eurostat 2005).
- 5 Per 1000 persons in 2002. IT, UK, EU-15 and EU-25 estimated values (source: Eurostat 2005).
- 6 Source: Eurostat (2005) Employed persons as a share of the total population aged 15-64 data referred to 2004.
* source Eurostat Labour force survey 2004
- 7 Source: Eurostat (2005).
8. Long term unemployed (12 months or more) as percentage of all unemployed Eurostat Labour Force statistics 2004
- 9
- 10 In PPS (purchasing power standards) Estimated values for 2002 (source: Eurostat 2005).
- 11 Estimated values for 2001 source: Eurostat (2005) Year book 2004.
- 12 As a percentage of social benefits (source: Eurostat 2003b)
- 13 As a percentage of GDP. Years: BE 2003, DK 2000, GER 2002, IT 2002, OECD Employment outlook 2005
- 14 Unemployed covered by unemployment benefits. Source: ECHP version 2001, data are referred to 1998 (wave 5). Calculations by Carbone (2003).
- 15 Guaranteed Minimum Income (social assistance and existing relevant benefits/allowances) for one parent plus one child aged 2 years 11 months. PPP = purchasing power parities (Euro = 1). Situation 31st July 2001 (source: Bradshaw and Finch 2002).
- 16 Eurostat (2003a). First year 1995, last year 2000.
- 17 Source: World economic Forum (2005). The CGI (Competitiveness Growth Index) and the the BCI (Business Competitiveness Index) aim at ranking countries according to the factors that favour the growth and business of an economy. It considers at its very basis a mix of qualitative and quantitative set of indicators and a survey conducted on 7,707 senior business leaders in 101 countries. The report and full methodological details are available online at: www.weforum.org. Retrieved: 15 September 2005.

Table A.2: Evolution in the distribution of minimum income beneficiaries by age (%)

<i>Age</i>	<i>1990</i>	<i>1999</i>
< 25	11,7	26,0
25-29	11,4	11,8
30-34	11,8	9,8
35-39	12,6	10,5
40-44	12,8	10,4
45-49	9,4	9,5
50-54	10,1	8,7
55-59	9,7	6,6
60-64	5,4	3,7
> 65	5,0	2,9
Total	100,0	100,0

Source: Ministry of Social affairs, quoted in Groenez and Nicaise, 2002.



Table A.3: Minimum income dependency over a period of 3 years by age in 1996 (%).

<i>Dependency spell</i>	<i>18-24 years</i>	<i>25+</i>	<i>All ages</i>
6 months	19	11	13
7-12 months	31	17	20
13-24 months	30	22	24
25-35 months	12	15	14
36 months	8	36	29
Total	100 (N = 18,957)	100 (N = 54,583)	100 (N = 73,540)

Source: Ministry of Social affairs, quoted in Groenez and Nicaise, 2002.

Table A.4. DIS recipients by sex and category, 2003.

	<i>Men</i>	<i>Women</i>
Cohabiting person	47,97%	52,03%
Single person	53,95%	46,05%
Single parent with non cohabit. children	72,67%	27,33%
Single parent with children at charge	5,64%	94,36%

Source: http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html

Table A.5. DIS recipients by age in the different Regions, 2003

	<i>Flanders</i>	<i>Wallonie</i>	<i>Brussels</i>	<i>Belgium</i>
0 - 17	0,08%	0,12%	0,04%	0,09%
18 - 19	4,18%	5,54%	2,72%	4,48%
20 - 24	17,28%	20,21%	16,99%	18,56%
25 - 29	8,87%	8,47%	13,34%	9,68%
30 - 34	8,30%	8,52%	12,44%	9,32%
35 - 39	9,68%	10,02%	11,99%	10,35%
40 - 44	10,67%	11,40%	10,78%	11,03%
45 - 49	9,36%	11,07%	8,53%	9,96%
50 - 54	9,29%	9,93%	7,62%	9,21%
55 - 59	10,00%	8,62%	6,93%	8,68%
60 - 64	8,08%	4,28%	4,97%	5,64%
65 - 69	2,29%	1,03%	1,78%	1,60%
70+	1,93%	0,80%	1,87%	1,40%
TOT	100,01%	100,01%	100,00%	100,00%

Source: http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html



Table A.6: DIS recipients by nationality, 2003

	Belgian	EU	Non EU
Flandre	81,28%	4,18%	14,54%
Wallonie	84,99%	7,07%	7,93%
Bruxelles	63,11%	8,62%	28,27%
Belgique	78,93%	6,51%	14,56%

Source: http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html

Table A.7: Disposable income and replacement rate for households on minimum income, in selected EU countries, 2001.

		<i>Pt</i>	<i>No</i>	<i>De</i>	<i>Ie</i>	<i>Be</i>	<i>Fr</i>	<i>At</i>	<i>Se</i>	<i>Uk</i>	<i>Nl</i>	<i>Dk</i>	<i>Lu</i>	<i>ME</i>
couple, no child.	PPP	362	658	689	708	719	767	835	849	854	992	1.313	1.339	801
	%	45	36	34	39	42	45	51	58	39	49	76	61	45
Lone parent, 2 child.	PPP	430	1.187	1.100	904	1.047	991	1.202	1.089	1.138	1.054	1.326	1.487	1.094
	%	51	50	53	45	56	52	61	58	47	46	66	57	53

Source: Centre for Social Policy Herman Deleeck, UA, quoted in Cantillon et al, 2003.

Table A.8: Basic socio-economic indicators by Region, 1990 and 2003

		Primary income of households per capita (Belgium = 100)	Unemployment rate
Flanders			
	1990	105,1	9,7
	2003	108,2	7,9
Wallonia			
	1990	87,7	21,4
	2003	85,7	19,9

Source: Van Gompel, 2004



LIST OF ABBREVIATIONS (to be completed)

CPAS	Centre Public d'Action Sociale
DIS	Droit a l'Integration Sociale
FOREM	Office communautaire et régional de la FORmation et de l'EMploi
Minimex	Minimum de moyen d'existence
ORBEM/BGDA	Office Régional Bruxellois de l'Emploi
PES	Public employment service
RMI (France)	Revenue Minimum d'Insertion
RMI (Italy)	Reddito Minimo d'Inserimento
VDAB	Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding

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WEBSITES (to be completed)

BELGIAN MINISTRY OF SOCIAL AFFAIRS

http://socialassistance.fgov.be/Fr/themes/Stats/Beleidsnota/RMI_3.html

EUROPEAN FOUNDATION FOR THE IMPROVEMENT OF LIVING AND WORKING CONDITIONS

www.eurofound.eu.int/

EUROSTAT

<http://epp.eurostat.cec.eu.int/>

OECD

www.oecd.org

Important Link: www.mi-is.be

This is the website of the S.P.P. Intégration Sociale and contains most relevant information on the best practice investigated and presented in this paper. The information is on both the legal framework of reference as well as the data produced so far and on the evaluation studies. The website is constantly updated with new legislative dispositions.

Municipalities, public offices and local stakeholders use a protected part of this website as an interface to exchange informations.