

The Changes and Future of the Slovenian Welfare State: A View from Deliberative Forums

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Abstract

European states are facing challenges how to successfully restructure their welfare systems in times of numerous external and internal pressures, among them especially the demographic pressure and the impact of global economic crisis. Slovenia was one of the European countries hardest hit by the crisis in 2009, and it faced one of the most pronounced recessions in the OECD. Likewise, Slovenia is facing severe challenges regarding population ageing. The focus of this article is studying the direction of the most recent reforms that were put in place during the economic crisis; the reforms can inform the potential new direction of social policy development. In the paper, we will try to discern whether the gradual approach is still present or if there is a paradigmatic shift. We are particularly interested in peoples' attitudes toward the future development of the Slovenian welfare state and whether there are differences in people's attitudes within the social protection paradigm on one side and the social investment paradigm on the other. The analysis utilised data gathered with the method of deliberative forums that were carried out in 2015. Deliberative forums were chosen because they allow a 'bottom-up' approach to research. Our analysis shows that there is a large discrepancy between ordinary citizens' expectations for the future development of the Slovenian welfare state and the actual direction of the reforms, which could become one of the most salient issues for the legitimacy of the future Slovenian welfare state.

Key words: welfare state, reforms, Slovenia, attitudes, deliberative forum

Introduction

European states are facing challenges regarding how to successfully restructure their welfare systems; numerous external and internal pressures, especially demographic pressures and the impact of global economic crisis, are creating these challenges. Several authors have analysed the impact of ‘great recession’ on European welfare systems (Farnsworth and Irving, 2011; Schubert et al., 2016). Greve (2011:334) highlights the ‘explosive cocktail’ as a combination of high levels of public deficit and demographic change. In this regard, the responses of the Slovenian welfare state in times of economic crises are particularly interesting because Slovenia was among those European countries hardest hit by the crisis in 2009, and it faced one of the most pronounced recessions in the OECD. Its GDP growth rate after 2008 was negative, and the country has been slower to recover than other countries in the EU-28 (Eurostat). The government’s gross national debt (as a share of GDP) has risen sharply, growing from 22% of GDP in 2008 to more than 80% of GDP in the last quarter of 2014 (IMAD, 2015). The crisis has revealed critical weaknesses in Slovenia’s pre-crisis economic performance, structural inconsistencies within its welfare system and the country’s limited ability to innovate (OECD, 2011:17). This was further exacerbated by political instability from the constant shifts in both left- and right-wing coalitions. Likewise, Slovenia is facing population ageing challenges. The old age dependency ratio was 24.4% in 2012, slightly below the EU27 average, yet this number is projected to rise to 57.6% in 2060 (Eurostat, 2015). Several Slovene governments have adopted important social policy reforms, with some of the cited goals being stabilising public finances (e.g. pension reforms) and improving economic conditions (e.g. labour-market reforms). Furthermore, the year 2012 was marked by a complete reform of social legislation and changes in the regulation of non-contributory benefits,¹ which came into force together with two austerity laws.²

Up until the recent crisis, Slovenia had gradualist social policy reforms, which contrasted many other CEE countries. During the transition period following Slovenia’s independence, the leftist-oriented political elite opted for gradual reforms of the welfare system rather than the ‘shock therapy’ that was experienced by some other post-socialist countries (Kolarič et al., 2009; Ferge, 2001). Hence, based on the legacy of the well-developed state socialist welfare system and because Slovenia did not experience the so called ‘welfare gap’, the Slovene welfare system in the transition period was a dual model, combining the elements of the Esping-Andersen (1990) typology from a conservative-corporatist model and the social-democratic model. First, showing the characteristics of the conservative regime, the compulsory social insurance systems are the primary instrument for the provision of social protection for employees and their family members. On the other hand, similar to the social-democratic regime, the strong public and state sector maintained the status of the main service provider of all types of services to which all citizens are equally entitled (Kolarič et al., 2009). Bohle and Greskovits (2007) claim that the neo-corporatist regime established after Slovenia’s independence has exhibited a firmly institutionalised balance between marketisation, that is, liberalisation, privatisation and market-oriented institution building, and social protections

¹ The Exercise of Rights of Public Funds Act (2012) and Financial Social Assistance Act (2012),

² Act on Additional Intervention Measures for 2012 (2012) and Fiscal Balance Act (2012).

(based on a welfare system and economic protectionism). This balance differs markedly from the neo-liberal brand of capitalism that emerged concurrently in the Baltic and Visegrád states.

The focus of the article is studying the direction of the most recent reforms during the economic crisis and identifying whether they still follow a gradual path or show signs of a paradigmatic shift. We will analyse the policy responses to the recession within four social policy fields: labour market, social assistance and poverty alleviation, family and work–life balance, old age and pensions. A special emphasis will be placed on the comparison of policy changes and people’s attitudes within the social protection paradigm on the one side and the social investment paradigm on the other; this will be done to discern whether the implemented reforms are in accordance with peoples’ attitudes toward the development of the Slovenian welfare state. The analysis of people’s attitudes regarding the development of the welfare state in the field of social protection and social investment will be based on a method of deliberative forums that were carried out in 2015. These are an innovative, methodological tool for observing people's views and attitudes toward the welfare state, with the emphasis resting on their expectations of it and with an orientation toward the future. The forums function as an addition to the presently predominant methodology of public opinion surveys that track in a large degree only present-day people's attitudes. Ideational approaches to the political economy and the welfare state indicate that ideas are important for welfare change and are a core element in explaining the direction of the welfare change (Béland, 2005; Blyth, 2002; Schmidt, 2002; Svallfors, 2010). Deliberative forums were chosen because they allow a ‘bottom-up’ approach to research, meaning that we can examine the process of discussion and potential attitude formation. Attitudes are treated as a social construct of discussions rather than independent individuals’ opinions (Leruth, 2016). Hence, the main contribution of the paper is its analysis of the current changes of the restructuring of the Slovenian welfare system from the view of ordinary citizens and what they believe is needed in future social policy direction by trying to discern divergences and similarities between on one side the direction of ongoing reforms and on the other the aspirations of people for the future Slovenian welfare state.

Policy Responses to the Recession

Theoretical background

With the start of the economic crisis in 2008, the European welfare states were on the ‘unforeseen’ path of restructuring. The question regarding how the crisis has impacted these welfare states has been recently researched by many social policy scholars (Farnsworth and Irving, 2011; Schubert et al., 2016; Taylor-Gobby et al., 2017). Research into European welfare states’ responses to the Great Recession shows the responses have mainly consisted of retrenchment, activation, risk prevention and increased selectivity (Schubert et al., 2016; Borosch et al., 2016; van Kersbergen et al., 2014). Although the challenges of the economic crisis hit the welfare states in different ways and to different extents and the reactions of the welfare states differ, we can identify some common trends or directions, which are seen in the transformations labelled by Bonoli and Natali (2012) as ‘contingent convergence’. Discussions evolved around the notion of neo-liberalism regarding cuts and austerity, as well placing more

emphasis on individual responsibility as a retreat from an interventionist state and the new forms of interventionism, such as reassertion of neo-Keynesianism, social investment, pre-distribution, fightback and welfare chauvinism (see Taylor-Gooby et al., 2017). In our analysis of the changes in the Slovene welfare system, we treated the operationalisation of the reforms by looking at the content of the specific reforms and their aims and taking into consideration the amended framework of policy responses presented by van Kersbergen et al. (2014) that analytically divides the policy changes into: (a) *expansion*, if the measures taken lead to a greater degree of social protection or social investment, (b) *retrenchment*, if the policy cuts back on existing entitlements, (e.g. lowering benefit levels, shortening benefit durations or increasing in entitlement conditions) and (c) *cost containment*, if the policy reduces but does not cut back on formal entitlements (e.g. freezing benefit levels or more strictly implementing existing rules to reduce fraud). Furthermore, we will compare the extents to which Slovenia's social investment and social protection policies have been respectively scaled back because of austerity measures. Even though policies are never purely *protective* or *investment-oriented* (Nolan, 2013), we will utilise these terms as useful analytical tools.³ The latter emphasises the importance of the welfare state's activities in societal development through its investments in human capital via education, lifelong training and active labour-market policies (Greve, 2015). Following Vandebroucke and Vleminckx's (2011) distinction of 'old' and 'new' welfare spending, we relate the first to 'old social risks' and to a social protection paradigm (including old age and survivor pensions, healthcare and cash benefits for the working-age population) while the latter is linked to new social risks and a social investment paradigm (including childcare, primary and secondary education, parental leave, eldercare and active labour-market policies). We analyse the policy responses to the recession within the four social policy fields: labour market, social assistance and poverty alleviation, family and work–life balance, old age and pensions.

Policy responses in Slovenia

Labour market: The government's initial response to the crisis was to soften the recession's impact on the labour market with two temporary measures: (a) a partial subsidy of full-time work for part-time workers and (b) the introduction of a 'temporary waiting-to-work', that is temporary layoff, institute. To overcome increasing dualization in the labour market, the government enacted the new Minimum Wage Act (2010) and the Labour Market Regulation Act (2010) and Employment Relationship Act (2013), implementing changes that decreased protection for the most protected workers that is those in permanent contracts, and increased protections for more vulnerable workers. The government's attempts to improve conditions for vulnerable workers were most evident in raising the national minimum wage and softening the eligibility criteria for receiving unemployment benefits so that those working more irregular, flexible jobs were also eligible. The government also increased the level of unemployment benefits, introduced 'partial unemployment' to enable the unemployed to work 'mini-jobs',

³ We readily concede that the dichotomy of social protection or social investment only partially overlaps with old and new social risks; we also concede that there is no clear correlation, for example, old social risks can be addressed by social investment policies or *vice versa* (see Borosch et al., 2016; Vandebroucke and Vleminckx, 2011; Nolan, 2013).

disincentivised employers' use of fixed-term contracts by raising contributions, which limited the number of fixed-term contracts an employee could work under to two years and introducing severance-pay requirements if an employee was terminated under a fixed-term contract. Still, many of these positive developments were reversed by austerity measures that again reduced the amount of unemployment benefits and shortened benefit durations. Additionally, further policy changes limited some of the existing rights of the most protected workers even more, specifically by simplifying employment-termination rules, limiting the protected category to older workers and reducing the notice period required for terminations. These retrenchment responses have come in addition to the government implementing some social investment and expansionary active labour-market policies, especially in training and educating the unemployed, while also introducing activation principles for social-benefit recipients.

Social assistance and poverty alleviation: The major welfare policy changes involved the adoption of new social legislation that came into force on 1 January 2012 and were embodied in the following laws: the Exercise of Rights to Public Funds Act and the Financial Social Assistance Act, which regulate the distribution of non-contributory social benefits. Thus, this new social legislation, together with the austerity laws⁴, introduced substantial changes to social and family benefits: these became more targeted measures with stricter criteria, and universalistic rights were abolished for extensive means testing to increase selectivity. This has led to cuts in social benefits that have hit the lower-middle class especially hard. The number of beneficiaries of regular social assistance has increased, and among the people using social assistance, single people account for the largest percentage (Dremelj et al., 2013). Another important change was a stricter pursuance of state mortgages for real estates for social assistance beneficiaries; this was done as a cost-containment strategy, which resulted in a “non-take-up of benefits” gap. These changes to the country's social legislation have worsened the financial situation and well-being of some of the country's most vulnerable groups, including single-parent families, those with large loans, families with school-age children, large families, elderly persons and couples without children (Dremelj et al., 2013). Retrenchment was clearly the dominant policy response.

Family policy and work–life balance: Retrenchment has been particularly evident in family policy, where with the introduction of strict means testing created a shift toward ‘social care’, targeting not at families in general, but only the most disadvantaged groups. This is best seen in the paradigm shifts that have occurred regarding the purpose and function of child benefit, which no longer serves to cover children's extra expenses but has instead become a primary source of income for poor families. Universal benefits, such as large-family allowance and childbirth grant, have become means-tested. Furthermore, although the government's austerity measures regarding family policy have mainly affected cash benefits, these policies have also been connected to reductions in social investments. Only when it came to services such as childcare were no austerity measures introduced. Regarding childcare subsidies, however,

⁴ Intervention measures because of the Economic Crises Act (OG RS 98/2009) and Act of Intervention (OG of RS 94/2010). The first, the Additional Intervention Measures Act of 2012, came into force 1 January 2012, the same day as the new social legislation was passed. The second, the Fiscal Balance Act, came into force 31 May 2012.

austerity measures were introduced because of the government's new calculations of family income, and the second child concurrently enrolled in preschool is no longer free; a reduced fee must be paid for the second child. Likewise, leave policies were affected to some extent, retrenchment was evident as wage compensation for parental and paternity leaves were lowered along with adding in cost containment since the upper ceiling for the maternity-leave benefit was introduced.

These changes to child benefits and the introductions of austerity measures have lowered the number of child-benefit recipients and reduced government expenses. This is in line with increased selectivity as one of the main dimensions of post-crisis policy in European welfare states (Otto and Taylor-Gooby, 2014). It should be noted that this is the first time since Slovenian independence that family policy has been affected by austerity measures.

Other minor changes were adopted later on: in early April 2014, the new Parental Protection and Family Benefits Act was enacted, changing some aspects of parental and paternity leaves, child benefits for single parents and the rights of social parents. In line with earlier social investment strategies, it introduced more gender-equal leave policies, changing parental leave from family entitlement to individual entitlement for each parent, thereby making it consistent with the Council Directive on Parental Leave (2010)⁵. In the social investment field, the expansion was evident in the prolongation of paid paternity leave; however, with a delayed and gradual implementation dependent on GDP growth. The new law also responded to the increases in poverty among single-parent households by increasing benefits for single parents. However, these changes cannot be regarded as necessarily good practice as they affect only a very small percentage of single-parent households because of the narrow definition of a 'single-parent family', thus creating an implementation gap (Rakar, 2015).

Old age and pensions: The mentioned intervention legislation introduced temporary austerity measures with indeterminate term limits also in regard to policies for the elderly. It has limited outflows from the public budget and Pension Insurance Institute, by limiting the indexation of pensions as a cost containment response. The first proposed major pension reform (adopted by the government in 2010) was rejected in a referendum in 2011. In 2012, negotiations took place between social partners and policy makers, and the reform was again successfully adopted as the Pension and Disability Insurance Act of 2012. The most significant changes included increasing the retirement age, which made it especially high for women, further strengthening bonuses and maluses to stimulate labour-market participation among elderly workers and implementing different calculations for pensions, basing it on longer period, another retrenchment response. New pension reforms were meant to improve the financial situation of the elderly because the lowering of pensions has led to relatively high poverty rates among the elderly. The data show that poverty rates among the elderly have been relatively stable and even decreased slightly during the crisis (Eurostat, 2015). However, the number of those receiving the lowest pension benefits increased. In 2013, 22% of new pensioners had their pensions calculated based on the minimum pension base.⁶ Furthermore, retrenchment has been evident

⁵ In practical terms, no major changes were made because when parental leave was a family entitlement, parents could choose who would take parental leave; now, parental leave is equally divided between parents, however, the father can transfer all his parental leave to the mother.

⁶ Still, the lowest pension base, per the new act, is higher than previous pension bases.

in the abolishment of state pensions. Previously, such pensions were a universal right and functioned as support for elderly people not eligible for insurance-based pensions. These people have now become dependent on social assistance and supplementary allowance, the latter of which was made a social assistance benefit, thereby significantly decreasing the number of people eligible for it (Trbanc et al., 2014). There were no major changes in the provisions for eldercare or to healthcare policies framed as long-term care.

As presented in Table 1, within the policy changes during the examined period, austerity measures prevailed, and expansions were rare, mainly occurring in the first stages of reforms or under delayed implementation.⁷ The most significant retrenchments involved Slovenia’s longstanding social protection policies—though, its social investment policies did not remain entirely the same either. Increased selectivity and the retrenchment of universal schemes were the most obvious trends in all areas of Slovenian welfare policy. To paraphrase van Kersberger et al. (2014:885), Slovenia’s retrenchment and cost containment in response to the Great Recession affected every aspect of the country’s welfare system. This indicates important directions in future developments because almost none of the changes adopted were temporary, indicating important shifts in policy paradigm. By distinguishing the changes in the two main analysed paradigms, we can conclude that the policy changes within the social protection paradigm could be labelled as paradigmatic while the changes within the social investment paradigm were relatively sheltered from austerity and still followed a more gradual path of restructuring.

Table 1. Crisis-related welfare policy reforms

Policy	Response*
<i>Labour market</i>	
Social investment policies (active labour-market policies)	Expansion
Social protection policies (unemployment benefits)	Expansion and retrenchment
<i>Social assistance and poverty alleviation</i>	
Social protection policies (social assistance; supplementary allowance; state scholarships; school-meal and rent subventions)	Retrenchment (cost containment)
<i>Family and work-life balance</i>	
Social investment policies (childcare subvention and services; primary and secondary education; parental leave)	Retrenchment (cost containment, expansion)
Social protection policies (child benefit; large-family allowance; childbirth grant)	Retrenchment
<i>Old age and pensions</i>	
Social investment policies (long-term care)	No change
Social protection policies (pensions; public pensions)	Retrenchment and cost containment

⁷ For example, prolonged paid paternity leave will only come into force one year following a year in which Slovenia’s sustained economic growth increases to 2.5% of GDP, which was the case in 2014, and parental leave was prolonged for one-third of the envisaged prolongation.

*In brackets are less pronounced policy responses.

We now turn to observe what the participants of the deliberative forums noted about future policy developments.

Citizen's Views on the Future of Slovenian Welfare State

Methodology

Data were gathered within the Norface Welfare State Futures project 'Our Children's Europe'. The project aims to understand the aspirations of the ordinary people regarding future welfare policy and uses the qualitative method of deliberative forums. Contrary to other forms of qualitative research such as focus groups, the deliberative forums approach stresses the importance of a high degree of control being retained by the group rather than the researchers. Differing to a top-down approach of a pre-designed survey questionnaire, the forums allow for a 'bottom-up' approach to research so that researchers can examine the process of discussion and potential attitude formation. The main question examined in the deliberative forums was 'What should be the government priorities for the benefits and services in 2040?'. Hence, our interest was in the future aspirations of what kind of welfare state participants wanted. The deliberative forums in Slovenia were carried out on 14th and on 28th of November 2015 in Ljubljana. The recruitment was done in two phases: first, the potential respondents filled out the screening questionnaire on the Web. An invitation was sent to 3857 persons (18 to 70 years old and who were from the central Slovenia region). In line with the screening criteria, 55 respondents were contacted over the phone, 39 respondents were recruited and 37 came to the event on both days. The participants made up a mini-public and consisted of people of different genders, ages, ethnicities, occupations and political orientations. The deliberative forums were conducted according to the main principles of democratic discussion and were led by a moderator.

Participants were first asked to identify the most important issues for the future development of welfare policy, which was discussed on the first day of the deliberative forums. The second day of the discussions were based around predefined topics made by the researchers. On the last day, participants had to define concrete priorities of the future welfare state, and the forum concluded with voting on the priorities, which are presented in the next section. The data were coded in Nvivo using a comparative coding set. We analysed the participant's views within the policy areas described above: labour market, social assistance and poverty alleviation, family and work-life balance, old age and pensions.

Identified problems and priorities

In this section, we will present the main discussions linked to the policy fields (labour market, social assistance and poverty alleviation, family and work-life balance, old age and pensions) and the main priorities people listed for the government to focus on in the future. The priorities and discussions are analytically divided to social protection and social investment policies so as to draw a parallel with the described recent policy changes and compare them with the perspectives and expectations of the participants. We compare the views on social investment

versus social protection policy in individual fields, as already presented in the first part of the article.

Labour market

The problems in the Slovenian labour market were among one of the most discussed themes at the deliberative forums; the problem of the unemployment (in particular by the young and old) was recognised as one of the most important for the future of the welfare state. In the field of income protection, the focus of discussion was on minimum wage. It was understood as a way to increase equality, reduce poverty and decrease undeclared work, which was seen as something people were often forced to do to survive.

And if the minimum wage is high enough, you'll go to work more, but it should provide at least something because for the majority, if they don't have a place to live, you can't survive on minimum wage (participant no. 88, female, 43 years old).

Social protection benefits were discussed; however, some discussion also revolved around the abuse of unemployment benefits, as evident in the next quote:

I think that the state should somehow limit the solidarity principle. This should apply to the elderly, the pensions, health care. By solidarity principle I mean that everyone – and this way of thinking has been around for some time and will remain for some more time – oh, I'll just register as an unemployed person. We were talking about the calculative mentality between choosing whether to work or not. I think that it should give more stimulation to finding employment. It should still be more profitable for people to work and not to receive benefits on the account of those who do work (participant no. 67, male, 67 years old).

Increasing flexibility and self-employment were seen as negative developments in the current labour market. However, encouraging small enterprises was seen as an important way to stimulate the economy. In general, people supported the notion of decreasing tax burdens of employers and decreasing bureaucracy to stimulate the economy and attracting foreign companies. This seemed to be something taken for granted, a generally known 'truth' and not reflected.

It would be very useful if taxation of labour would be lowered. Our labour taxation is extremely high, among the highest; it costs too much to employ a person to the point it is simply not profitable. If taxation would be lower, businesses could hire two persons instead of one, and one unemployed person would get a job (participant no. 60, female, 40 years old).

On the other hand, social investment policy was recognised as relevant, mainly in emphasising the link between education and employment (and employers). In this sense, the work done by the employment agency was criticised, some saying that it should be more proactive in enabling people to reintegrate into the labour market, as follows:

Requalification training for another profession. To have an opportunity to acquire qualifications for another occupation. Because many of us are eager to work, but are unable to find a job in your profession and cannot afford to pay for training for a new job. But what the employment agency does is send you to 200 trainings to teach you how to write so called job applications (participant no. 53, female, 55 years old).

Here, there was high consensus in the group overall. It reflects a high dissatisfaction with the services provided, their quality and their general goals, which is something that should be reflected on by policy makers.

Say, you go to the employment service, you're unemployed, they say, oh, OK, you're unemployable, we're looking for welders. And you say, fine, I'll go and be a welder. Give me retraining. No, you need to be registered as unemployed for so and so long (participant no. 78, male, 47 years old).

Social assistance and poverty alleviation

Contrary to other fields, the emphasis was on social protection policies. The concern for the working poor was raised, and the raising of minimum wage was seen as a way to ensure a decent standard of living, provide motivation for work and reduce income inequality. This was partially described in the labour-market section.

The point is to provide the people with the basics, so that they'll really have all they need for basic living, if there's something more, well, that's their problem (participants no.81, female, 59 years old)

In a similar way, poverty among the elderly and a need to raise the minimum pension was discussed. The financial social assistance was seen as important; however, people often expressed worries that it reduced incentive to work, which was seen as somewhat problematic. Furthermore, the issue of the abuse of the welfare state was often a part of discussions.

My personal opinion is that if you receive social benefits that amount to, I don't know, EUR 270 – I'm not sure exactly but I know that it's a bit under EUR 300, and you have this alternative, or, I don't know, that you go and get a job somewhere for a minimum wage, where you work like crazy, I understand those that rather go and receive 270... (participant no. 88, female, 43 years old)

That's a different story altogether; I know a case: they receive social support and have nice cars, purchased with leasing, which are not theirs – control should be better enforced in this area. Or people entitled to social housing: I know a case of restaurant owner, she owns a few restaurants, she was building her own house, who lives in social housing. Because on paper, she registered her mother as the owner of all her property (participant no. 71, female, 42 years old).

General solidarity with the poor was nevertheless quite strong, especially for the elderly. This reflected the known deservingness order confirmed in research (see Van Oorschot, 2000). Sometimes, also involving nationalist statements stressing welfare chauvinism (e.g. helping our own before helping others), again confirmed that migrants were lower in terms of deservingness, lacking the so-called identity criteria, as the quote below illustrates.

Really help in spirit of solidarity. I'd like a state where there's not a single poor person. And if there is, to help him, really help, help your own people before you... (participant no. 81, female, 59 years old)

A new transfer, currently also frequently discussed in several countries, was a potential introduction of universal basic income. This was not something that the participants would be well-informed about and was not discussed by all participants. However, it seemed that there was some potential for this option to be accepted, and it was proposed as one priority with relatively high support. However, it is unclear whether all participants understood the concept.

If we said all this income, all this relief would be suspended and everyone would be getting this basic universal income. But basically it would all be more transparent ... There'd be no more hiding, it wouldn't pay for that private business owner to hide, so that they'd have free kindergarten, and so on. Those would be the benefits (participant no. 69, male, 43 years old).

Family and work-life balance

The focus on social investment policies was pronounced, with child care and parental and sick leave policy being in the forefront. This might have been somewhat influenced by the framing of discussions under gender equality, where the issue of work–life balance was prominent; however, child care was recognised as one of the vital topics to be discussed in the sessions where they were free to choose the topics themselves.

Child care services were recognised as vital for integrating women into the labour market. It is interesting that this was the main framing of the discussion while, for example, its role in equalising children's opportunity was not at the forefront. The child care services were somewhat criticised of not being flexible enough to allow for the longer working hours quite common in today's labour market, again indicating the focus on productivity and the economy.

More flexibility of kindergartens, that means that the kindergartens, the work time of kindergartens, I'm talking about state kindergartens, it should be adjusted. To these work hours which vary in this country. Some people start work at this hour, finish at that, some start and finish later. Or later still. While the kindergarten is only open until four, half past four, right. So, these kindergartens should be adjusted to the work hours (participant no. 80, male, 67 years old).

One of the proposed solutions here was child care organised by companies; however, this would be done in a regulated manner so that the quality of child care could be ensured. Some participants emphasised that women should have a choice and that the state should put in place policies that a woman can stay at home if she chooses, forwarding the so-called freedom of choice arguments that could be interpreted as a positive and negative re-familiarisation trend (Bloom et al., 2014).

I think that by 2040, I'd want for the family to have the option to decide, the option to have a normal life with one parent being at home. Even though that doesn't completely fit under equality, but at the moment, it's something you can't even think about. In so and so many years I wish the standard was high enough that I could afford being home with the children, raising the quality of life significantly and at the same time having a normal life (participant no. 86, female, 25 years old).

The second discussed topic within social investment policies was the issue of parental and sick leave. Here, there was a general agreement that there are good legislative arrangements; however, people also stressed that legislative arrangements could be often violated in practice

(e.g. parents not being allowed to take sick leave by their employers).

On one side, sick leave is being taken advantage of, on the other, they're sending half-ill children to the kindergarten. The mother should have the option to take sick leave for 14 days until the child is completely healthy (participant no. 87, male, 52 years old).

Also discussed was the need to increase the take-up of parental leave by men and extend paternal leave with the goal of reaching higher gender equality. However, there was less consensus on this point because some participants held more traditional views and put forward the argument of choice.

As stated, social protection policies were recognised as important in the discussions (e.g. children benefits); however, they were less often discussed and were not put forward within any of the priorities (see Table 2). This might also be linked to worries expressed regarding the abuse of these benefits, as illustrated in the citations below.

Here the system of beneficiaries of funding should be checked. I just watched a TV show this week, and a lady, who wished to work, and actually used to work as a kindergarten teacher, but made the calculations to prove that she gets more money if she does not work and stays at home. Because being registered as unemployed, she gets the unemployment benefit, is entitled to state co-funding of rent, her child's kindergarten. She is entitled to so many benefits that she ends up having more being unemployed than she would if she had a job (participant no. 75, male, 38 years old).

Another thing, for example one files an application at the social work centre, for child allowance, whatever: all the applicants withdraw money from the accounts and hide their property. Which leads to the harder you work, the more the state will take from you. That's how things are today (participant no. 65, male, 29 years old).

Old age and pensions

The participants discussed both social protection policies, with the focus being on pensions, and social investment policies, such as the issue of (long-term) care for the elderly, their inclusion in society and the relevance of knowledge transfer from older to young people. The main problem identified by participants in social protection policy was the problem of low pensions and poverty among the elderly. Therefore, not surprising, the proposed priorities followed these identified problems (see Table 2), stressing the need to increase pensions, setting higher minimum pensions and even having pension equalisation.

Guaranteed minimum pension. You shouldn't have less than that, 500 or 600 should be the lowest pension. Even if you worked for fewer years or had a lower salary (participant no. 82, female, 44 years old).

The role of state was emphasised as the guarantor of a decent standard of living in old age while individual responsibility was less pronounced in the discussion, as the quotes below illustrate. Individual savings were listed as possible solution and potential priority for the welfare state; however, the low number of positive votes indicates that it was not strongly supported by participants (see Table 2).

The state should take care of the disabled, the ill, above all those, the elderly, because for the young we can still say: he could work but won't for minimum wage. But for the elderly really – in the field the state should, handicapped or otherwise, the disabled, with mental and mobility issues, for this – I'll say the most vulnerable group of people, here the state should... (participant no. 88, female, 43 years old).

Let's look at the role of the state in this area, care for the elderly, the state should take over the role of the guarantor, I mean in a way that it should guarantee each elderly person a decent pension (participant no. 50, male, 35 years old).

In the field of social investment, the focus was on institutional care and the development of home care. However, its affordability was a concern while the quality issues were not that prominent; there was limited discussion on the introduction and development of care alternatives (e.g. sheltered housing).

Let's see, the elderly home costs 1500 EUR for people who are chained to the bed. I think that is the price. So the person should receive 1500 EUR pension, end of story) (participant no. 62, male, 44 years old).

From the social investment perspective, the value of elderly was emphasised in the discussions, and there was a concern that not enough recognition was given to the role of the elderly in transferring knowledge and experience (also in the workplace) to the young.

And not that the elderly would take the work from younger people, but that there's no opportunity for them to pass their rich knowledge on the younger generations. Because people simply cut them off - go retire, bye, you go and then the knowledge is lost because there's no opportunity for them to pass it on (participant no. 84, female, 36 years old).

Policy priorities: discussion

Based on the analysis of the discussions in individual policy fields, we can conclude that these encompassed both social protection and social investment policies. Only in the field of poverty alleviation were the social investment policies not seen as relevant; however, they might be linked to social investment policies in other areas, which also indirectly targets poverty alleviation (e.g. in the labour market field). Table 2 summarises the agreed priorities and shows how consensual these were in the end. In general, all suggested priorities were supported by the majority of the participants. The only two rejected priorities were 'equal pensions for all' and 'encouraging individual savings for old age'. In addition, three policies received only marginal support — only 20 of 38 votes — and these were 'encouraging studies in the field of ageing', 'defeminisation of professions' and 'longer paternity leave'.

Table 2: Proposed policy priorities by field and type

	Social protection policies	Social investment policies
Labour market	Security and flexibility of labour market (31 Y) Raising minimum wage (36 Y)	Improving the link between education and economy (37 Y) Proactive role of employment service (32 Y)
Social assistance and poverty alleviation	Raising minimum wage (36 Y) Change of taxes – more tax brackets (37 Y) Higher taxes for luxury (35 Y) Universal basic income (30 Y)	
Family and work-life balance		Longer paternity or parental leave for fathers (20 Y) Flexibility in childcare (31 Y) Childcare provision within enterprises (27)
Old age and pensions	Raising minimum pension (34 Y) Raising pensions in general (28 Y) Encouraging individual savings (16Y) Equal pensions for all (14 Y)	Home care services, development of services for elderly (35 Y) Mentorship, cooperation with young and old (35 Y) Subsidies for institutional care (26 Y) Studies in the field of ageing (20 Y)

Source: Deliberative forums, Slovenia, November 2015

Note: The number in the brackets is the number of support votes for the proposed policy (YES) from the total number of participants (38)

Note: We excluded the proposed policy ‘Gender should not be a condition for a job and defeminisation of professions’ (20 Y) and ‘Same job, same pay’ (27 Y) in the family policy field because they did not relate to the discussion to the same degree as the other policies; and in the labour market, we excluded proposed policies ‘Encouraging small enterprises’ (34 Y) and ‘Stimulating shorter working hours’ (29Y) because they less clearly related to social protection or social investment.

The general conclusion is that people expressed a certain dissatisfaction with the level of social protection, especially of the most vulnerable and focused on improving their position by raising the minimum wage, minimum pensions and even new transfers, such as universal basic income. However, the abuse of social protection benefits was commonly present in the discussions, potentially paving the way for cuts in this area. The focus of the participants on social investment policies was also quite strong. The discussions revealed some dissatisfaction with the services, especially their effectiveness (e.g. employment service), their flexibility (child care service) and their cost (institutional and other care services for the elderly). Therefore, several of the suggested priorities were addressing these perceived shortcomings (e.g. flexibility in child care provision, development of services for the elderly).

In overall, one could say that both social protection and social investment policies received significant attention from people, and both seem to be supported. Currently, the concept of

financing benefits through high social security contributions⁸ continues to enjoy strong support among Slovenians, according to public opinion polls most Slovenians still feel that the state should provide a safety net. The perception of the state as a 'safety net' in Slovenia increased significantly after the crisis, from 23.4% feeling that the government should provide safety against all threats to 44% in 2012. People also consider that the state is primarily responsible for the well-being of its citizens; in 2013, 53% of the respondents answered that this is primarily the responsibility of the state while only 17.2% answered that this is primarily the responsibility of the individual (Toš et al., 2014).

Conclusion

We have analysed the direction of the most recent reforms during the economic crisis to discern whether a gradual approach is still present or if there is a paradigmatic shift in the policy changes. Furthermore, our conclusions highlight deliberative forums data to disclose the policy directions that are favoured by citizens and whether those are in line with the pursued reforms.

First, our analysis of policy changes in the recent decade shows that compared to social protection policies, social investment policies have remained less affected by the government's austerity measures. Slovenia's history of post-crisis reforms so far indicates that although it already predominates 'retrenchment is not the only game left in town', as is the case for several other EU countries (see van Kersbergen et al., 2014). Reforms in line with a social investment strategy (e.g. long-term care and active labour-market policies) are still pursued but remain relatively weak compared to those established in the past (e.g. childcare and education). This might be framed as social investment of the 'lean type', which goes hand-in-hand with retrenchment (van Kersbergen et al., 2014:894).

Second, as shown in our analysis of deliberative forums discussions about the future developments of the Slovenian welfare state, the reforms are not in line with the peoples' expectations of their desired future welfare state. However, the discrepancies between the peoples' preferred scenario and the actual reforms are mitigated because of the sheltering of major cuts within more gradual reforms in social investment policies, making more blurred and hence acceptable some of the paradigmatic cuts in social protection policies. In this sense, we could also see how the discourse of social investment has been accepted by people in the deliberative forums; several of the proposed priorities have been in line with the so-called social investment perspective. This can be explained from the view of the long tradition of social investment policies, also indicating a path dependency evident in the pursued crisis reforms. But this might point out that changes in the field of social protection are seen as less problematic if accompanied with some development of social investment policies. However, several authors have pointed out that social investment strategies are less redistributive and less protective of the most vulnerable (Cantillon, 2011; Cantillon and Van Lancker, 2013; Vandenbroucke and

⁸ In Slovenia, social contributions account for 40.1% of total tax revenue and are the fourth highest in the EU while employees' social contributions are the highest in the EU (Eurostat).

Vleminickx, 2011). Furthermore, as indicated by Hemerijck (2015), the social investment paradigm is a useful tool for political parties wanting to break away from ‘failed neoliberal orthodoxy’ because it ‘serves to positively re-legitimise the role of the state in the (mixed) economy, driving up quality standards in family policy, education, and employment service, to support economic development and social progress in the aftermath of global financial crisis, thus allowing for, what Bonoli calls, “affordable credit-claiming” (2013)’ (Hemerijck, 2015:254).

Still, social protection policies were strongly put forward by citizens, especially policies targeted at the lowest income groups (like raising minimum pensions and minimum wages). This most likely reflects the poor financial situation and high poverty rates among these groups and the recognised need by all participants that the state should address this. The focus on maintaining a strong minimum-income universal safety net as social protection and economic stabilisation ‘buffets’ can be also interpreted as one of the key social investment functions. According to Hemerijck (2015) adequate minimum income protection is a critical precondition for an effective social investment strategy and what he labels as ‘Keynesianism through the back door’ (Hemerijck, 2015:248). An increased reliance on the role of the state also regarding future investments, which was clearly indicated in deliberative forums participants’ preferences in all areas of welfare, is perhaps even more prominent in the former socialist states, where people traditionally perceive the role of the state as a safeguard for their welfare. Svallfors (2012) concludes that on average, people from Eastern European countries ask for the most wide-range of government responsibility in terms of welfare provision. Rus and Toš (2005) link this not only to the historical inertia of attitudes, but also existential necessity because people in the process of transition are exposed to a much higher uncertainty than people in traditional capitalist societies (Rus and Toš, 2005:75). Hence, the discrepancy between the withdrawal of the welfare state and peoples’ expectations in those countries could become much more pronounced. However, despite the fact that the state in Slovenia is seen as one that should maintain a strong role in social protection policies, the significant presence of talking about abuse of social protection benefits in deliberative forums is potentially paving the way for cuts in this area, mitigating the clash between actual reform policy of the ‘shrinking welfare state’ and peoples’ expectations of the ‘all-encompassing welfare state’. Nevertheless, if not addressed sufficiently, this could become one of the most salient issues for the legitimacy of the future Slovenian welfare state.

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