

## **The politics of redirecting the social policy - towards a double movement**

This chapter examines recent social policy directions in the context of the neo-liberal macro environment and examines how social policy reform can contribute towards a democratic and egalitarian Ireland. The chapter argues that a shift to positive social policy and more equitable outcomes requires a corresponding shift in power and structures of governance. The first section of this chapter briefly outlines the nature of Irish social security system (*the past*) and reflects how Irish income maintenance policy has developed over the last two decades (*the present*) in the context of an increasing neo-liberal macro policy context. The chapter then proceeds by reviewing the debate prompted by NESC's Developmental Welfare State (2005) and subsequent policy proposals to develop active social policy (*the future*). Having reflected on the likely direction for income maintenance policy over the next two decades it argues that the proposed policy direction will not necessarily enhance efficiency or equity but will redefine the concept of citizenship for those on low income and particularly for women. The final section examines social policy governance and asks what governance process might make egalitarian outcomes more likely (*the politics*). The chapter concludes by highlighting what needs to be done to maximize the potential transformative role of civil society.

### ***The past***

Irish income maintenance policy has its roots in 19<sup>th</sup> Century English poor law and in the 1908 National Insurance Act (UK). Post independence Ireland inherited a mixed welfare system based on mean tested social assistance payments and flat rate social insurance payments. Both types of payments were characterised by the focus on 'less eligibility' where social welfare rates, in order to preserve work incentives, were set at rates considerably below the lowest subsistence wage of the time. Post independence Ireland was distinguished from the UK by reference to the Catholic and nationalistic nature of political culture (reflected in the family focus of the 1937 Constitution) and an inability to finance any significant expansion of Irish social security until the 1970's. Catholic social policy principles of self reliance and subsidiarity fitted well with this ungenerous liberal welfare regime. While the transformative UK Beveridge (1942) report was debated in Ireland it was not until the 1960's that economic growth associated with the opening up of the Irish economy afforded some expansion of Irish social security policy (Cousins 2005).

It is difficult to locate most national regimes in welfare state typologies. Irish income maintenance policy has been characterised by Titmuss (1956) as a residual laggard welfare

regime with a heavy reliance on social assistance means-tested payments. Although it has been fairly critiqued on gender and methodological grounds (Van Hoorhis 2004) modern debate about comparative welfare regimes still focuses on Esping-Andersen's Three Worlds of Welfare Capitalism (1990) and his typology of liberal, conservative and social democratic welfare regimes. Many argue conclude Ireland either does not fit into any of Esping-Andersen's (1990) ideal types (Cousins, 1995, O'Donnell, 1999, Boyle, 2005) or is a hybrid system (NESC 2005). Others, while acknowledge the liberal nature of Irish social security, mindful of corporatism, describe Ireland as cross cutting (McLaughlin Eugene, 2001) or moving from a conservative to liberal regime (McCashin, 2004). Castle and Mitchell (1993) stressed the importance of culture in an alternative Families of Nations typology which included a fourth 'radical' category to account for Australia and New Zealand. They concluded that Ireland was a hybrid of liberal and radical welfare regime models. Leibfried (1993), developed a forth 'Latin Rim' category to account for Southern European welfare regimes,. Because of Irish peripherally, Catholicism and its agricultural economy, he associated Ireland, to some degree, with this Latin Rim typology. It can be seen clearly that while Ireland was clearly influenced by the Anglo Saxon models of liberal English speaking regimes, other cultural and political factors opened up other development models.

While the more general welfare state (including health, education housing and social services) may more accurately be described as mixed or hybrid, the social security system has many features one associated with a liberal, residual or Anglo-Saxon welfare regime. These include a Poor Law legacy of 'less eligibility' or keeping social welfare payments below the lowest unskilled wage, ungenerous social welfare payments associated with low Replacement Ratios (RRs<sup>1</sup>), an exceptionally high proportion of means-tested payments (NESC 2005:98) and flat-rate social insurance payments. Even taking into account both public and private spending on social inclusion the OECD finds Ireland is a low spender on social protection by EU standards (NESC 2005;113). Ireland has, relative to wealth as measured by GNP or GDP, low levels of social expenditure or transfer effort. Finally if the proof of the pudding is in the eating, when evidence of welfare outcomes is reviewed Ireland ranks amongst the highest levels of relative poverty and income inequalities in the OECD. Little wonder then that many (Pierson, 2001, Peillion,2001, Dukelow, 2004, O'Connor J. 2003, O'Connor A. 2005, Murphy 2006) classify Ireland as a liberal welfare regime.

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<sup>1</sup> Replacement ratios measure the ratio of income when unemployed to income when in work. (Callan et al 1996)

Gender, racial and health or disability typologies have also been developed to capture how structural features of social security exclude certain groups from forms of social protection. Awareness of how the social security system directly and indirectly discriminates between different social groups will become more relevant as globalisation and associated pressures produces ever more vulnerabilities and social risks. Lewis (1992) firmly locates Ireland as a strong male-breadwinner social security regime with a household payment structure, low female labour market participation and weak childcare provisions. Bradshaw and Shaver (1995) associated Ireland with countries that gave generous support to women's care role in the home. As more women enter the labour market social policy is challenged to play its traditional role of supporting women in the home while and the same time enable greater economic participation of women (Mahon 2004). This ambiguous role is reflected in slow evolution of a childcare infrastructure and the low level of support for women in the labour market (NWC 2005, Coakley 2005). More recently, the Irish social security regime has begun to display a sharp racial segregation or division where habitual residents are defined as the only legitimate receivers of welfare and asylum seekers are segregated from mainstream social security (Gebbes 2003).

The question arises, in reviewing future options for social security development, how can social policy contribute to greater equity. How can Ireland move from a liberal regime that stresses efficiency over equity and results in greater income inequality (Sapir 2005). How can Ireland reduce significant class, gender and racial segregation and develop a regime that can produce more equitable outcomes that lessen rather than strengthen social divisions.

### *The present*

How has Ireland changed over the last 20 years. Has policy become more efficient or more equitable? There is substantial evidence over the last 20 years of movement from a redistributive welfare state to a productivist reordering of social policy to meet economic needs (Murphy 2006, Kirby and Murphy 2008). This is consistent with neo-liberalism. From the mid 1990's the international context of the OECD Jobs Study (1994) and the national context of the Expert Working Group on the Integration of Taxation and Social Welfare (Ireland 1996) signalled a strong productivist agenda. The focus on employment as a key driver of competitiveness means policy has focused on the promotion of work incentives. This is characterised by policy initiatives to reform child income support and Family Income Supplement, to promote individualisation of the tax system, to reduce the value of pay related social insurance benefits and to tax benefits. The focus on employment and activation is also characterised in increased investment in education, training and active labour market

measures and debate about how to promote a more active social policy which not only promotes but obliges people to work. The development of Irish social security is increasingly characterised by a new regulatory approach, privatisation of pensions and new public management-inspired changes in social security delivery (all features of a more neo-liberal policy approach). All of this points to a more efficient regime.

Real levels of expenditure grew substantially over the same period almost doubling in real terms from 2,918m in 1985 to 6.714m in 2000 and 11.291m in 2004. Real increases in social welfare payments have contributed to reductions in the numbers living in deprivation based consistent poverty (living below 60% of median disposable income and experiencing enforced deprivation) reducing from 15% in 1997 (Ireland 1997) to 6% in 2005 (Ireland 2007). However welfare effort, defined as social welfare expenditure as a percentage of GNP, halved from 14.6 per cent GNP in 1985 to 7.8 per cent GNP in 2000 and rising to 9.2 per cent in 2004.<sup>2</sup> Demographic factors and a substantial decrease in unemployment might explain some lower social protection spending in Ireland relative to other OECD countries however Irish social welfare expenditure as a percentage of GNP is still lower than Irish wealth, a situation Alber and Standing (2000) describe as 'arrested development'. With little change in high reliance on means testing payments, there is evidence of significant and growing inequality and a shift in the risk of poverty towards the non labour market poor. All income equality measures point to growing income inequality (NESC 2005). Clearly despite the opportunities offered by economic growth Ireland is a less equitable regime.

The NESC Developmental Welfare State acknowledges that more equitable income support systems have more generous welfare rates. The clear correlation between increased social welfare rates and reductions in income inequality means commitments to increase social welfare rates are a litmus test for wider commitments to equality. Despite considerable debate DSFA (2001), NPB (1997) there is no formal commitment to adopt any meaningful social security adequacy benchmarks or indexation formulas that might keep social security incomes on par with growth in average earning and so tackle raising relative poverty (defined as living below 60% of median earnings). The 2007 National Action Plan for Social Inclusion simply commits to maintaining social welfare payments at present levels, even this commitment is contingent on sufficient recourses being available (Ireland 2007). Nor does the plan adopt any target in relation to income inequality. The desire to contain ongoing cost and be flexible in the face of international trends outweighs the benefits that indexation might afford people

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<sup>2</sup> Figures sourced from Department of Social and Family Affairs annual statistical reports

living on low and precarious incomes. Likewise governments have sought to avoid new costs by ignoring emerging social needs including care needs and social needs associated with migration. There has been no decision to individualise social welfare payments, a key requirement to address gender inequality and the increased risk of poverty experienced by women. Nor has been any effective restructuring of child income support arrangements towards a system that can effectively target child income support towards low income families with children.

It seems the recent past has consolidated the Anglo-Saxon variant of social security regime in Ireland. Sapir<sup>3</sup> (2005) distinguished the efficient but unequal UK and Irish models from the efficient and equal Nordic models, the inefficient and unequal Mediterranean models and the equal but inefficient Continental models. This analysis suggests Ireland could do significantly more to address inequality and that this could be done without threatening efficiency.

Table 2.1 European welfare typology (Sapir 2005). Equity –vertical, efficiency – horizontal

|                    | <b>Low Efficiency</b>                            | <b>High Efficiency</b>                                 |
|--------------------|--|--|
| <b>High Equity</b> | Continental Belgium, Germany, France, Luxembourg | Nordic Austria, Denmark Sweden<br>Finland, Netherlands |
| <b>Low Equity</b>  | Mediterranean<br>Spain, Greece, Italy            | Anglo Saxon<br>UK, Ireland, Portugal                   |

### *The Future*

Earlier discussion concluded Irish social policy had moved towards greater efficiency. However, given Ireland's keenly felt pressures of international competitiveness, one might expect that emphasis on welfare to work would have happened sooner and in a stronger fashion (Sweeny and O'Donnell 2003; NESF 2000; Loftus 2005; OPEN, 2006). Specifically there has been little progress relating to women's access to employment and there is no policy

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<sup>3</sup> Sapir (2005) differentiated the equity axis by reference to the inclusiveness of secondary education systems and the generosity of redistribution systems, deregulation or flexibility of labour markets differentiated the efficiency axis.

to index or upgrade income disregards, means tested allowances which protect people from unemployment traps where they are financially worst off from employment. Relative to other liberal regimes there is also less conditionality or work requirements and less extension of work requirements to women, lone parents and people with disabilities. In fact it is only with the publication of the NESC Developmental Welfare State (2005) that Irish income maintenance policy reflected the intensity of debate about welfare to work that other liberal regimes and small open economies had experienced in the mid 1990's.

The NESC Developmental Welfare State (2005) represents a key moment in the social construction of the building of consensus about a new Irish welfare state regime. NESC conceptualises a 'developmental welfare state' with three overlapping domains of welfare state activity; core services, activist measures and income supports. The NESC argues that, in contemporary Ireland, access to core services has "a wholly new resonance; they underpin the social and economic participation of an increasingly diverse population and enhance labour market flexibility and competitiveness" (2005,155). NESC argues for a social dividend to avoid the tipping point where middle classes may be tempted to abandon universal public services. At a local level the Developmental Welfare State requires innovative pro-active measures where non-governmental organisations respond to unmet social needs (NESC; 2005, 157-8). There is an attempt to develop a standards based framework and to rethink governance and regulation issues relating to service contracts for non government organisations in the private and not for profit sector. With regard to income support the NESC DWS reflects an emerging policy consensus that promotes greater social and economic participation and recommends more activation and extension of conditional work requirements to groups traditionally outside the labour market (O'Connor A. 2005).

NESC propose that income support measures be differentiated based on life stages with particular emphasis on children and the elderly. With regard to the elderly there is a need to ensure that those who have retired from work are not living in poverty and as such state pension such be as accessible and adequate to all retired people. In childhood "parental circumstances should not be the cause of any child being denied access to key developmental opportunities; while all children are supported, some are supported more than others" (2005, 157). All others are 'working age' (Cousins 2005). This focus on working age has shifted Irish social policy into a new paradigm where social policy is expected to support life time attachment to the labour force and participation in employment or other social activities. While the NESC argues for wide interpretation of participation it also stresses social inclusion grounded in participation in the labour force and education arguing that (2005:219)

meaningful participation is a legitimate expectation of people of working age (their expectation of society and society's expectation of them), only in rare cases should it be accepted that an individual does not have some capacity to develop a greater degree of self reliance.

It also recommends a significant structural reform which would reshape all nine working aged social assistance payments into a one 'participation income' which would be paid to all working aged adults (NESC 2005a:204). The payment, NESC argue, should be based on the need to provide adequate subsistence and participation in society. This would be facilitated by the improvements in core services such as transport, education and employment services paid for by higher employment rates amongst the working age population. Such arrangements will be supportive (in work supports that improve take home pay from low paid employment) and punitive (sanctions such as loss of payment for failure to take up offers of employment).

It is reasonable to accept that for most people of working age participation in paid employment is possible. The 2007 National Action Plan for Social Inclusion adopts a strategy to reduce the numbers of working age social welfare claimants by 20%. However what of those who can not participate or who can not participate at a sufficient level of hours or earn enough to lift them from poverty. What of the income needs of those who choose to pursue some other form of unpaid meaningful activity such as full time parenting? Four questions arise here; the level of generosity of the welfare system for those who cannot exercise an employment route out of poverty; the degree to which policy can protect against in work poverty; the degree of autonomy or choice afforded to welfare recipients and the degree of state support for those with parenting obligations. With regard to the first question the DSW recommends people of working age should receive a 'basic payment' to enable a 'minimum threshold of income adequacy' to 'guarantee them access to the basic necessities of life' (NESC 2005:219) and argues the NAPS target (150 euro in 2002 terms by 2007) is 'the minimum justified by the present circumstances'. This policy has been affirmed in the 2007 National Action Plan on Social Inclusion and Towards 2016 commitment. This level of Irish replacement ratios (between 27-30% Gross Average Industrial Earnings) can be compared to relatively high Dutch and Danish replacement ratios of up to 89-96% minimum wage (NESC 2005:19). Such a payment would not offer a decent level of social protection and would lock Ireland into a more liberal type of model with inequitable outcomes.

Irish social policy assumes a job to be an effective route out of poverty. In 2005 only 1.7% of those in employment experiencing consistent poverty however the number of people in

employment at risk of poverty (the working poor are households with some one in employment but where household disposable income is less than 60% of national medium income) has increased from 3.2% in 1994 to 7.4% in 2000 and 9.8% in 2005 (Whelan 2002, CSO 2005). In work poverty is likely when low waged workers are also heads of households with no other adult working and /or with child dependants. Their wages are insufficient to take their household out of poverty. Lone parents are particularly vulnerable in this regard as childcare reduces the possibility of full time work but low paid married men with children and non working spouses are also a high risk group. Those working in non standard employment (neither permanent or full time) are most at risk of being working poor (Nash, 2004 McCabe's, 2006) and lack access to training, pension, health, insurance or sick pay coverage. Policy requires targeted measures at working poor households, for example childcare provision that enables spouses access employment and lone parents increase hours of employment, maximising take home by further improvement in Family Income Supplement or targeted in-work tax-breaks, refundable tax credits or enhanced child income support such as child benefit supplement or taxable child benefit. Education and training policy can play a longer term role by enhancing skills levels of low paid workers and their children and enabling them to break free of occupational segregation Finally, there is no tracking of types of employment unemployed people are accessing through the National Employment Action Plan process. While Indecon (2005) conclude most unemployed are exiting the Live Register to low paid jobs, we know little about employment and wage trends of those exiting the live register. There is no national social policy target to limit the increase in numbers of low paid workings in poverty in the 2007 social inclusion strategy, nor is there a policy objective of monitoring trends in this regard.

Framing the anti poverty debate around work requirements can reinforce a type of 'neo liberal individualism' which fails to acknowledge the constraints implied by human interdependency. To date women are being asked to change their expectations and place themselves on a work continuum. However little has been done to change the world of care or work to accommodate women's care and employment needs. Without restructuring the world of work to accommodate care women are likely to end up in non standard and part time employment, such employment we have already seen is not a route out of poverty (Nash 2004). The accommodation of a care ethic in labour market and employment policy is thus key for women. Ireland has been identified having one of the least egalitarian share of household functions with women working an average 20 hours per week more than men on unpaid household tasks (McGinnity 2005). Initiatives to increase the number of working aged in paid employment need to increase the number of hours men spend in unpaid activity and

encourage of indeed compel men need to change their behaviour or broaden the scope of their household activities (Williams, 2004:13)<sup>4</sup>.

One of the major obstacles to achieving better work life balance or family friendly policy is the attitudes of employers who fear greater flexibility for employees will threaten competitiveness. The evidence from Nordic countries shows high levels of compatibility between competitiveness and work-life balance. However such is the national reverence of competitiveness in the Irish national psyche that even the principle of ‘an opportunity to balance work and family commitments’ in the 2007 social inclusion strategy has been deliberately qualified and made contingent on being ‘consistent with employers needs’ (2007:X). Employers, rather than providing flexible employment, are increasingly requiring the employee to be more and more flexible to suit the employers needs (Murphy 2007, Duggan and Loftus 2006). Consideration should now be given to a stronger legislative approach and a regulatory framework for work life balance (Irvine 2007).

Full time family commitments are not on offer in this social inclusion strategy. A labour market strategy that obliges work participation is not necessarily gender or child sensitive and there are potentially negative consequences for child and family well being from over concentrating on work solutions to poverty (Niciase 2005, Sweeney 2002, O’Brien 2004). Various social rights (to care for or to be cared, to child and family well being, to minimum income) could be threatened by an over zealous or unbalanced approach to employment based social inclusion. Indeed this would be the case if DSFA 2006 policy initiative to extend part time work obligations to social payments for welfare dependant lone mothers and partners of social security claimants is implemented without safeguards exempting people in certain circumstances from work requirements (Murphy 2007). A social policy that obliges part time work without enabling progression to better working conditions will simply lock in poverty (Nash 2004). It is questionable, from the perspective of the poor, whether present policy consensus (based on a more conditional but ungenerous means tested social security system) is a useful direction for Irish income maintenance policy. This is disappointing given the obvious motivation of the NESC report authors to develop an improved social policy that can contribute to efficiency and equity objectives.

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<sup>4</sup> In 2005 Spain introduced a statutory obligation which obliges men who marry in civil ceremonies to pledge to share domestic responsibilities and the care and attention of children and elderly family members.

NESC discourse often refers to the tensions between efficiency and equity or competitiveness and social inclusion. While arguing that economic and social policy can be made support each other NESC also argues that ‘the social dividend of strong economic performance must however take forms that are supportive of the country’s ongoing ability to trade advantageously in the world economy’. This suggests social policy is in some way subordinate to economic policy or that efficiency is required before equity.<sup>5</sup> This is of course consistent with a neo liberal state which affords primacy to international competitiveness and neo liberal macro policies of low tax and low social expenditure. An attempt to challenge serious social deficits and inequalities or conceptualise a social investment state is restricted by an over emphasis on welfare reform that primarily promotes productivist work focused values at the expense of care roles. This is consistent with the values of a patriarchal state which undervalues care and which passively allows a significant under representation of women in the political and policy processes the NESC board which approved the Developmental Welfare State had a 80:20 gender balance in favour of men. Subsequent political mediation of policy choices offered by NESC will determine the future direction of welfare reform. But how can change be mediated in a way that rebalances the tendency of a patriarchal competition state away from an overly productivist and inequitable social policy.

### ***The Politics***

This section considers the political mediation of policy change. Having reflected on recent Irish income support policy and reviewed the content of the NESC Developmental Welfare State and associated policy proposals the discussion now turns to the dynamic of Irish social policy and what can be done to change it. The discussion focuses on two aspects of social security policy change. Why Irish income policy appears to develop at a slower and less ambitious pace than other OECD countries and what can be done in governance or institutional terms to develop more equitable policy.

In relation to the first question path dependence has some explanatory power. The high number of means tested payments inherited from the past makes restructuring quite complex, limits the scope and pace of social security reform options. This enables those resisting reform to hide behind the complexity of the reform. Change is also rendered less urgent because the Irish social security system is ‘lean and mean’ and its employment orientation already broadly consistent with a liberal market economy. High economic growth and the

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<sup>5</sup> The document does acknowledge that a society is more than its economy and that there are legitimate objectives for social policy independent of fostering productivity (NESC 2005a: xiv) but stresses how social policy should contribute to the economy.

significant growth in employment meant less pressure to reform and the availability of inward migration to resolve labour market and skills shortages lessened the pressure to move social security claimants and women into employment.

The nature of the policy system in which policy is developed and decided also impacts on the type of change that is possible. NESD DWS (2005) reflects the difficulty of promoting debate in a pragmatic political culture with a relatively small under resourced social security policy community. Three observations can be made about the political culture in which policy is developed. Ireland is characterised by a number of strong *veto*s, this leads to a strong consensus style of governance which can restrict change to small scale incremental policy change and limit capacity to implement more significant structural policy reform. Ireland has a narrow form of *co-coordinative governance* which engages only a small policy community. A more communicative style of governance is needed to create the type of societal debate that might shift core values and attitudes toward more egalitarian, progressive policy choices. Capacity to 'reinvent' Irish social policy is limited by a '*cognitive lock*' which limits policy makers to examining only that which can be achieved in a low tax neo liberal development model (Blyth, 2002). These three features, *vetos*, *coordinative discourse* and *cognitive locks* are now discussed in turn. They combine to reinforce a strong consensus style of governance.

Swank (2002) argues that the type of domestic political institutions and the number of veto points are crucial variables that determine domestic capacity to negotiate restructuring of social security systems. Institutional features of the electoral and political system (proportional representation, coalition government, a written constitution) and in the behaviour of interest groups (civil servants, social partners and civic society) mean Irish political culture with a significant number of vetoes has a more difficult time negotiating and implementing either regressive or progressive change. Ireland's more conservative or consensus based political culture leans towards consolidation and away from innovation. Tsebelis (2002) and Lijphart (1999) highlight the difference between these Irish consensus institutional features and those found in majoritarian liberal welfare regimes (UK, US, NZ, Canada and Australia). None of the other liberal regimes have this combination of PR electoral system, coalition government or corporatist governance, all of which constitute veto points on more radical change.

This institutional combination is a strong causal factor accounting for Irish path departure from the stronger activation models found in Anglo-Saxon or liberal welfare regimes. In Ditch and Oldfield's (1999) differentiation between 'consolidating' continental European countries, and 'radical innovators' in the English speaking Anglo-Saxon countries Ireland

appears as the exception an English speaking liberal regime more inclined to consolidation than radical innovation. An example of this type of consolidation oriented policy making can be seen in the establishment of the Commission on Social Welfare (CSW) in 1983, the first structural attempt to comment on future options for the social welfare system. Compared with the more negative and threatening UK Fowler Report (Lister 1988) which reviewed UK social security policy options, the CSW was a positive report protecting basic concepts of the system and arguing for greater generosity at a time when neoliberal monetarist thinking dominated international debate. It was a relatively conservative but safe consensus report that has been a positive force in Irish social policy governance. With over 100 recommendations CSW was sufficiently detailed to serve as a ‘bible’ for senior departmental officials who regularly turned to it as a source for how to incrementally change social security policy. The CSW’s strong focus on consensus protected Irish policy from the more extreme types of change (both progressive and regressive).

This culture of consensus politics pushes the policy making community away from ideational communicative discourse and towards less controversial problem solving and pragmatic co-ordinative policy discourse. A dominant governance process which underscores the political culture of consensus is the Irish model of social partnership where social partners representing the business, trade union, farming and, since 1994, community and voluntary pillars work in common institutions<sup>6</sup> with government to deliberate about economic and social policy<sup>7</sup>. While Cousins (2005:205) concludes ‘with or without social partnership the

<sup>6</sup> National Economic and Social Council, National Economic and Social Forum and The National Centre for Partnership and Performance, all of which are constituted under the umbrella of the National Economic and Social Development Office and the institutional arrangements to negotiate and monitor national agreements .

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| <b>Date</b> | <b>NESC Strategy</b>  | <b>National Agreement</b>                               |
|-------------|---|---|
| 1986        | A Strategy for Development: Growth, Employment and Fiscal Balance     | Programme for National Recovery (1987)                  |
| 1990        | A strategy for the Nineties: Economic Stability and Structural Change | Programme for Economic and Social Progress (1990)       |
| 1993        | A Strategy for Competitiveness, Growth and Employment                 | Programme for Competitiveness and Work (1994)           |
| 1996        | A Strategy into the 21st Century                                      | P2000, Inclusion, Competitiveness and Employment (1997) |

Irish social security system would look more or less the same' it is important not to dismiss how social partnership is used by government to garner consensus about reform options. Where such consensus is not found disagreement on direction can be used to effectively veto change (NESC, 2006:14). P2000 for example committed to over 41 social inclusion focused problem solving processes (working groups, task forces, committees) some of which serve to take 'off the boil' key policy issues which might otherwise create distributional conflict. NESC (2006:13) recognise that social partnership tendency towards vetoes and towards ruling out radical change can produce the 'lowest common denominator'. However such vetoes on change may of course be a positive function. McCashin (2002) attributes the absence of neo-liberal rhetoric in Irish social security discourse to social partnership. More broadly it may be attributed to the 'soft and gentle' (Lijphart; 1999) consensus culture at the heart of Irish policy making.

A core characteristic of the Irish policy style is a conservative approach to policy. Social partnership determines little direct social security change but, since 1987, has played a significant ideational role building consensus or legitimating the economic development model that sets the context for Irish social policy. Social Partnership's plays this ideational role by cognitively locking the Irish policy community into a shared understanding based on an economic framework designed to maintain the international competitiveness (Kirby 2002, Murphy 2006). This shared understanding is comfortable accommodating high levels of inequality. The early years of the state were dominated by a form of Catholic social teaching which focused on more absolutist forms of poverty reduction and charity (Acheson et al 2004, Mahon 1987, McLaughlin 2002). Addressing equality has never been a core objective of Irish social security policy rather there is political acceptance of a 'solidarity without equality' (O'Riain and O Connell 2000:39). The impact of a shift to more individual values associated with neo-liberalism is likely to have further eroded societal support for equality. The patriarchal nature of the state remains markedly ambivalent about women's employment and this is reinforced by unequal gender participation in decision-making matters (O'Connor

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|------|---|--|
| 1999 | Strategy: Opportunities, Challenges and Choices                       | Programme for Prosperity and Fairness (2000) |
| 2003 | Strategy: An Investment in Quality Services, Inclusion and Enterprise | Sustaining Progress (2003)                   |
| 2005 | Strategy: People, Productivity, Places                                | Towards 2016                                 |

2008). The absence of women and vulnerable groups in such governance processes lead to a focus on protecting the status quo and a limited and conservative menu of policy options. The type of low tax constraints associated with neo liberal economic models and the lack of commitment to the core value of equality differentiates Ireland from other consensus oriented regimes that place a higher premium on equality outcomes and achieve a greater equilibrium between social and economic objectives (for example the Netherlands and Nordic countries).

The Irish social policy governance process has been transformed in a number of ways including shifts in participation and the role of social partnership. The international policy community has also had an influence through for example the focus on evidence based policy making. However central to governance are the three features identified earlier, the presence of strong institutional and interest based vetoes, a coordinative policy discourse embedded in a strong cognitive lock which restricts policy options to those compatible with a strong variant of a low tax, flexible political economy. The remaining question is how the governance of income maintenance policy can be changed to enable the likelihood of more egalitarian outcomes. How can Irish institutions and governance be transformed in a way that make more ambitious but progressive social policy.

It is not proposed in answering this question to take the reader into the political debate about reform of proportional representation or social partnership, although both debates are central to answering the question. One less ventilated theme that merits discussion however is the participation of civic society and their role in the political construction of policy discourse (Cerny et al, 2005). This space is vital as it is from here that Polanyi's (2001) 'double movement' or societal reaction to a more productivist or commodified economy and society is likely to emerge.

Frazer (1992:3) argues 'that public support for the social welfare system is cultivated by open debate and political leadership'. There has been significant debate about the tension over the role of civil society and the community and voluntary sector and how participation in social partnership has impacted on civic society. Policy debate presently happens among a narrow sub group of policy actors in a tightly controlled coordinative technical discourse in social partnership and other expert forums. Hardiman (1998:141) concludes the Community and Voluntary Pillar's impact is of the 'residual category' and that the growing consultative voice of the sector within and outside formal social partnership 'has not proved enough to change policy priorities'. Whitley and Winyard (1987) and Lister (1988) observed the ease with which governments consciously play groups off against each other. Acheson et al (2004:197) argue the state plays a key role 'in structuring the civic space in which voluntary action

occurs' and that 'interaction of state drivers with cultural and ideological forces' shape voluntary action and development. This sector's capacity to be an effective driver of change has been curtailed both by state strategies to control or limit the development of the sector (McCashin 2004). Whitley and Winyard (1987) also observe the importance of members of the British anti-poverty sector acting as a single unified lobby, Acheson et al (2004) observe the sector's failure to act cohesively<sup>8</sup> The Irish state has proactively, by way of funding, regulation and institutional reform, attempted to orientate the Community and Voluntary sector (and hence civil society) towards a particular development model where it manages its relationship with the state within the narrow confines of membership of social partnership. Since Towards 2016, the sector has been even more corralled into the confines of a consensus co-ordinative governance process. This brings considerable opportunity cost for the sector because such participation is restricted to policy debate that can be progressed within the cognitive lock or shared understanding of the Irish development model. There is less opportunity for more substantive change that requires ideas processed in the type of wide communicative political discourse that is capable of generating social learning and attitudinal change.

One case study illustrates how the political power of the community and voluntary sector is perhaps more powerful outside the formal confines of social partnership. All partnership agreements have contained at least a symbolic reference to at least maintaining and more recently to real increases in the level of social welfare payment. While some genuine progress was evident from 1987 to 2003 arguably the real progress was made in the years 2004-2006 when the lowest payment increased by over 45 euro in three years. This progress has been attributed to social partnership agreements. However it is not without coincidence that considerable losses incurred by Fianna Fail in the 2004 local elections prompted greater political focus on social inclusion. Various changes followed the 2004 losses including the removal of the then Minister for Finance and the invitation of key community and voluntary activists to key political meetings (for example CORI's invitation to address the 2004 Fianna Fail meeting in Inchedoney, July 2004). Arguably (despite how it has been presented and spun) the dynamic behind subsequent social welfare rate increases was driven by this political rather than social partnership dynamic. While CORI's role as a social partner overlapped in a complementary fashion it was CORI's wider social actor role in the context of a strong communicative discourse that contributed to the momentum for increased rates.

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<sup>8</sup> The evidence suggests that advocacy coalitions (1996 National Campaign for Welfare Reform, the Community Platform, the Community and Voluntary pillar or ad hoc campaigns against the Dirty Dozen and Savage Sixteen or the late 1990's Open Your Eyes to Child Poverty Initiative) were effective in the short term goals they set themselves (WRC, 2001).

## Conclusion

The chapter argues that a shift to positive social policy and more equitable outcomes requires a shift in power and structures of governance. Irish social policy is mediated between bureaucrats and policy elites in state controlled patriarchal, exclusive institutional space, which prioritises consensus incremental problem solving over larger scale structural change. A value-led debate in a more communicative discourse is needed to change priorities at a political level and identify alternative policy agendas. A key Irish challenge is increasing the capacity of civic society to organise into a more proactive strong vested interest capable of generating public debate about alternative development models (Coleman, 2006). Social policy requires a more public, political discourse that is capable of generating conflict and energy about social change. Progressive political parties and social groups need to build local and national communicative forums to encourage progressive policy actors, including those effected by inequality, to work more in politically open advocacy coalitions – it is only in communicative discourse that the sufficient social energy can be created to effect the scale of double movement required to achieve a more equitable development model.

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