

## Shifting from welfare to social investment in controlling work-related risks

**What novel collaborative governance initiatives between public and private actors have emerged in work-related risk control? How do these initiatives impact collective welfare and the suffering from work-related risks? These questions were studied in the research project ‘Shifting from welfare to social investment in controlling work-related risks’.**

Who is or should be responsible when an employee falls ill, becomes disabled, is dismissed, or has become too old to work? In recent decades, government-centred welfare models have been increasingly complemented or supplanted by novel constellations involving private actors. This shift has led to a redefinition of government responsibilities, moving away from social protection towards investment in human resources, and the responsabilisation of private actors in controlling work-related risks such as occupational disease, incapacity, unemployment, or unsustainable employability. Core members of the Erasmus School of Law research programme Behavioural Approaches of Contract and Tort (BACT) and the Erasmus School of Social and Behavioural (ESSB) research programme Family, Work and Welfare (FWW) have carried out a research project funded by the Board of Erasmus University in the period 2016-2020, studying the shift from welfare to social investment in controlling work-related risks. The overall goal of the project was to analyse from a multidisciplinary, international comparative perspective the shift in allocating responsibilities from public to private actors insofar as the control of work-related risks is concerned, and to derive policy implications from these insights, which help employees strengthen their labour market position.

Together with national (University of Groningen) and international researchers from the United Kingdom (University of York), Denmark (Roskilde University) and Sweden (Lund University), this research question was studied from a range of disciplines (such as law, economics, sociology, and political science) and using different methods (such as doctrinal legal research, ethnographic research, surveys, experiments, and meta studies). Studies focused on specific responsabilisation policies and strategies, such as employers’ investment in employability (Koster & Benda 2020), private insurance of occupational accidents and diseases (Philipsen & Faure 2020), municipalities’ investment in start-ups and self-employment (Caraher & Reuter 2020), job centres’ active labour market policies (Pultz 2020), and unions’ unemployment insurance (Lindellee 2020). The results were published in a special issue of the *Zeitschrift für Sozialreform*, in *Social Policy and Administration* and in the inaugural lecture of Niels Philipsen (2017). In addition, an international conference ‘*Shifting from Welfare to Social Investment States*’ was organised in Rotterdam in 2019. This included a panel consisting of former Minister of Education Jet Bussemaker and representatives from the Dutch Association of Insurers, the Dutch National Federation of Christian Trade Unions, the Economic Council of the European Commission and the Directorate of Labour Market and Social-Economic Affairs who clearly reflected on the policy implications of the research findings.

The research revealed that the governance of privatised risk control poses the difficult challenge of finding the right balance between public objectives and (the involvement of) private interests. For example, the regulation of insurance markets may reduce opportunities to differentiate premiums, thereby diminishing incentives for employers to optimise prevention. Another example is that the privatisation of risk control does not always achieve the equality of opportunities targeted by social investment policies because of the exclusion or marginalisation of the most vulnerable groups. These risks of exclusion and marginalisation seem to be particularly salient when the privatisation of social investment policies is embedded in a context of retrenchment or a dualization of the labour market (Mascini & Van der Veen 2020). A contribution by an international comparative study of 22 European countries has shown, for example, that in an era of retrenchment, activation policies

actually worsen the labour market position of disabled people, while measures for facilitation in daily life predict greater employment opportunities, as do measures for sheltered work (Reinders Folmer, Mascini & Van der Veen 2020). These findings raise questions about the value of social investment for disabled people and underline the need to overcome broader barriers in the labour market and in society. Currently, the programme is being continued by a study that reveals that policy reforms in the Netherlands aiming to offer equal opportunities for disabled people actually bring about a competitive disadvantage for them (Focacci, Mascini & Van der Veen under review).

Overall, the programme has produced studies that show that collaborative initiatives between public and private actors do not always succeed in alleviating suffering from work-related risks and explaining why this is the case. Therefore, it may not come as a surprise to learn that the number of people who depend on assistance from the municipality of Rotterdam has remained constant in recent years of increasing labour demand. The programme has achieved its original intention by improving insights into the implementation of social investment policies and the emergence of collaborative governance initiatives between public and private actors in controlling work-related risks, as well as its consequences for stakeholders (e.g., workers at risk, employers, caseworkers).

### Researchers

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### Publications

Caraher, Kevin and Reuter, Enrico. "Risk Privatisation and Social Investment – Self-Employment in the United Kingdom" *Zeitschrift für Sozialreform*, vol. 66, no. 3, 2020, pp. 261-283. <https://doi.org/10.1515/zsr-2020-0012>

Focacci, Chiara, Mascini, Peter and Veen, Romke van der. (under review) "Getting Competitive Disadvantage by Offering Equal Opportunities: A Lotka-Volterra Analysis for Government Expenditures on Disabled Persons in the Netherlands" *Social Policy & Administration*.

Koster, Ferry and Benda, Luc. "Explaining Employer-Provided Training" *Zeitschrift für Sozialreform*, vol. 66, no. 3, 2020, pp. 237-260. <https://doi.org/10.1515/zsr-2020-0011>

Lindellee, Jayeon. "Distributive Consequences of Risk Privatization: The Case of the Swedish Unemployment Insurance System" *Zeitschrift für Sozialreform*, vol. 66, no. 3, 2020, pp. 207-235. <https://doi.org/10.1515/zsr-2020-0010>

Mascini, Peter and Veen, Romke van der. "Editorial: The Privatization of Work-Related Risk Control" *Zeitschrift für Sozialreform*, vol. 66, no. 3, 2020, pp. 195-206. <https://doi.org/10.1515/zsr-2020-0009>

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- Tollenaar, Albertjan and Vonk, Gijsbert. "Access to Justice for Vulnerable Workers and Citizens in Public/Private Governance Regimes: Lessons from the Regulatory Welfare State in the Netherlands" *Zeitschrift für Sozialreform*, vol. 66, no. 3, 2020, pp. 317-334. <https://doi.org/10.1515/zsr-2020-0014>