

Social Innovation beyond the State

Towards a smart mix of first and second
(generation) welfare

Maurizio Ferrera

Riunione straordinaria del Gruppo III "Attività diverse" del CESE
Promuovere l'innovazione per il progresso sociale:
Proposte per le politiche europee

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Outline

- *Secondo welfare: what is it?*
- Inspiring principles and main actors
- The Italian situation
- Future perspectives

From FIRST to SECOND welfare

- Budget constraints, increasing needs, call for social investments: **what to do?**
- Extend the perimeter of social protection **by promoting the development of a «second» welfare next to the «first» welfare**

Second welfare: a definition

- Mix of **innovative social programs**, mainly financed by non public resources
- Helping and investing in **vulnerable individuals** faced with (new) social risks
- Provided by a variety of **different actors and stakeholders**
- Rooted in **local territories**, but **mutually connected**
- Local/regional (and EU) authorities: key role to define a new **multi-stakeholder and multi-level governance model**

Second welfare: a new child is born?

- **Temporal connotation:**
 - ✓ it stems from “first” welfare, the one built by the State during the XX Century, especially during «The Glorious Thirties» (1945-1975)
- **Functional connotation:**
 - ✓ 2W adds up to the schemes of first welfare, fills its gaps, stimulates modernization experimenting new organizational, management, financial models and breaches into spaces of unexplored and partly unexplorable needs
- **Financial connotation:**
 - ✓ 2W mobilizes additional non public resources, made available by a variety of economic and social actors

Inspiring principles (1)

«The economic situation of many families nowadays allows to look for a new balance between the services offered and financed by the community and the contribution of people and civil society associations»

(R. Dahrendorf, *The New Liberty*, 1977)

Inspiring principles (2)

- Resources for social policies are not limited to those from the public sector. A non-negligible part comes from people and families
- Non profit organizations and social enterprises can complement public sector efforts, and be pioneers in developing new markets
- The for-profit parts of the private sector would need to be further encouraged to use the potential of social investment

Source: EC Communication on Social Investment, 2013

Inspiring principles (3)

- This is not limited to Corporate Social Responsibility alone and includes for example the job training, in-house childcare facilities, health promotion and accessible and family-friendly workplaces
- In the social area, Member States still make sufficient use of more innovative approaches to financing, including by using participation of the private sector and financial engineering through instruments such as micro finance, policy based guarantees and Social Investment Boards, which should strive for budgetary savings

Source: EC Communication on Social Investment, 2013

Inspiring principles (4)

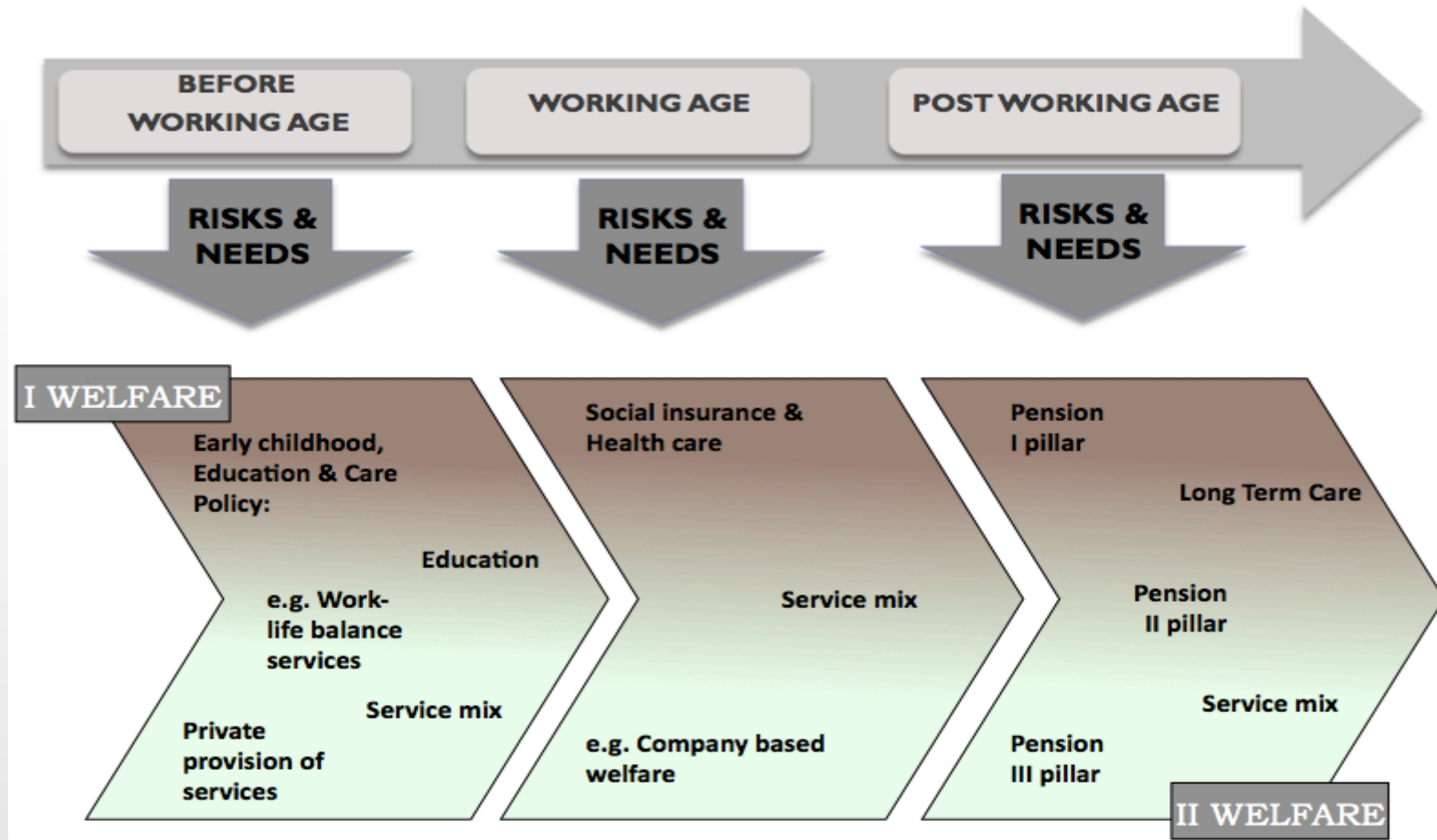
A strong link with social investment

- Enabling individuals to live up to their full potential to take part in social and economic life in society entails supporting people at critical junctions in their lives
- This starts with investing in children and youth, and continues thereafter
- Social innovation must be an integral part of necessary adjustments by testing new policy approaches and selecting the most effective ones

Source: EC Communication on Social Investment, 2013

A strong link with social investment

Lifecycle



The second welfare arena: new protagonists

- ✓ Insurance companies
- ✓ Mutual aid associations
- ✓ Private Companies
- ✓ Trade unions
- ✓ Trade associations
- ✓ Banks and other financial institutions
- ✓ Charities and Foundations

Mobilize non public actors as service providers and planners

✓ Citizens

Mobilize private earnings in efficient forms

✓ Social business

✓ Cooperatives

Mobilize non public service providers

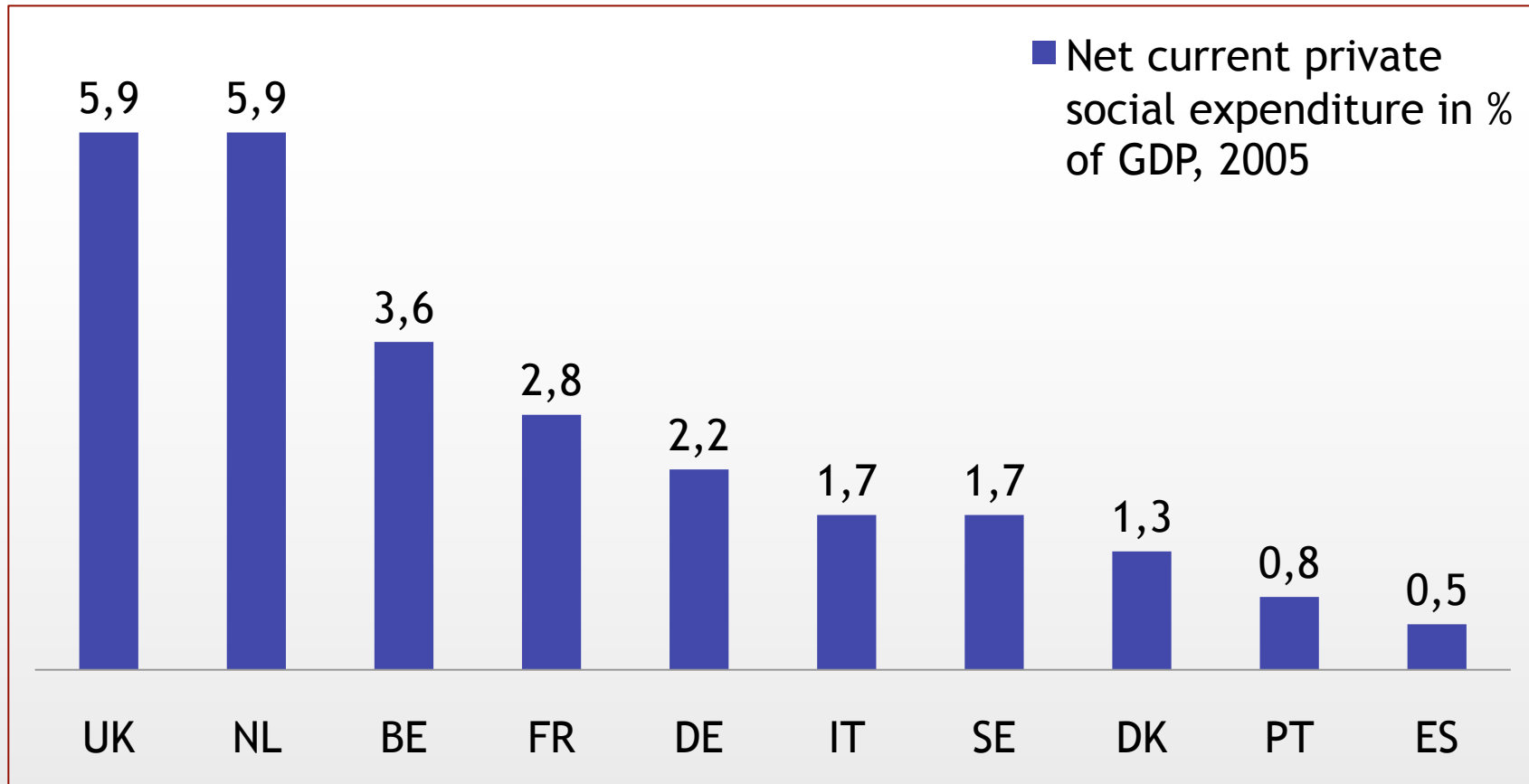
✓ Charities, faith based organizations

✓ Regions

✓ Local governments

Coordination/
regulation/
monitoring/
estimation

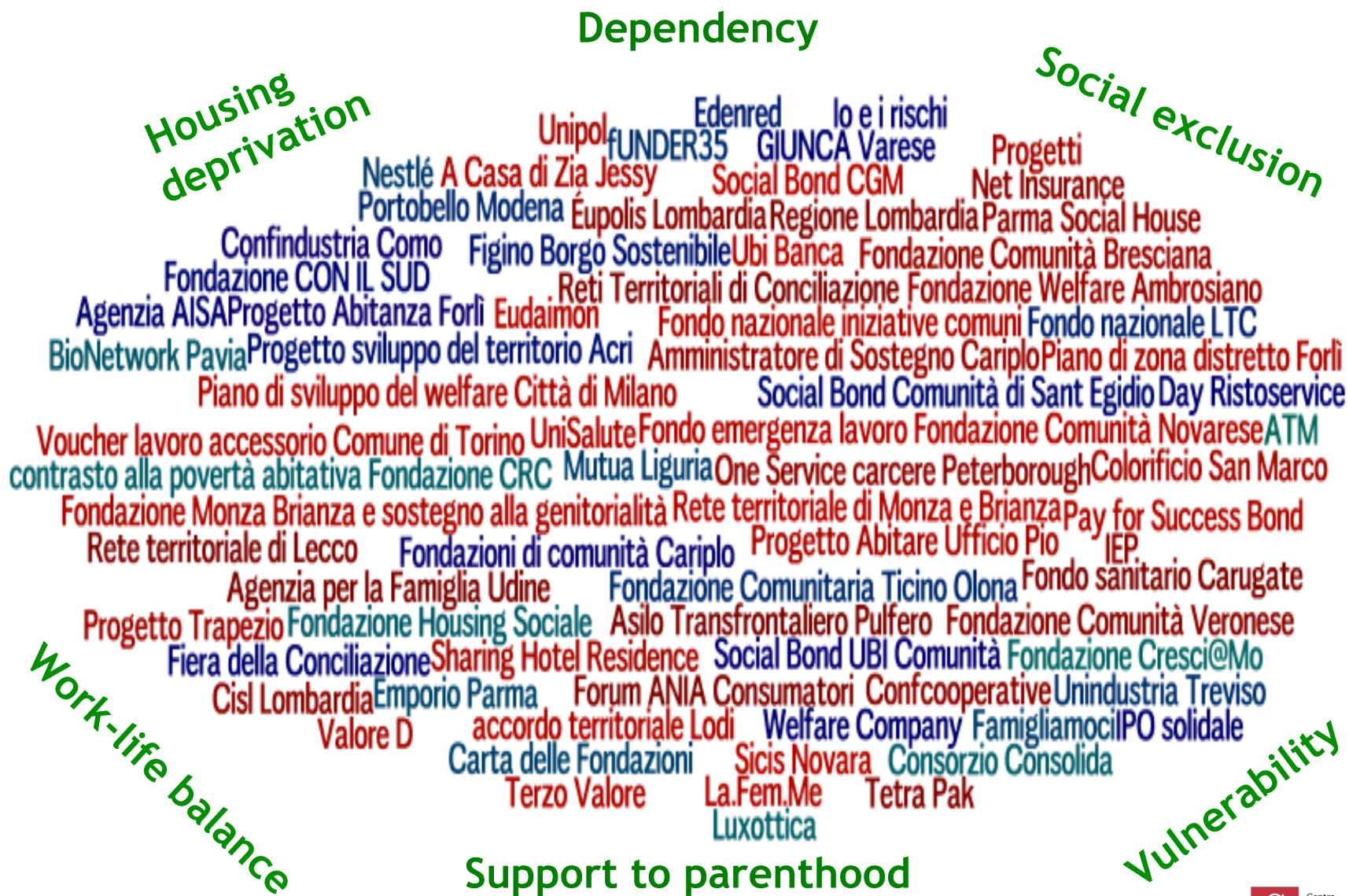
Second welfare: some data



Second welfare: some data from Italy (late 2000s)

- Third sector activities: **4% of GDP**
- Foundations:
 - ✓ Assets (2012) : **42 billion euros**
 - ✓ Grants (2012): **1 billion euro**
- Third sector employment. **670 000 (3,7% of total labour force)**
- Voluntary workers: **5 millions**
- No. of social cooperatives: **11:000**
- Private companies (500+) with company based welfare schemes: **80% of total**
- Household's savings
 - ✓ Households which have been able to put aside savings in 2012: **38,9%**
 - ✓ Savings stock in 2012: **450% of GDP**
 - ✓ Home ownership among 65+: **80%**

The second welfare «cloud»: an Italian illustration



Second welfare in Italy: first achievements

- Important role in responding to «uncovered» needs (e.g. work-life balance, long term care, extreme exclusion)
- Innovative governance tools and instruments for social interventions (e.g. mixed social partnerships, social bonds)
- Mitigation of the social consequences of the crisis

1. Risk of «twisted» mix between first and second welfare
2. “Networking” difficulties
3. Territorial differentiations
4. Weakness of monitoring and evaluating mechanisms
5. Incomplete understanding and subscription to the social investment paradigm



PERCORSI DI
secondo
welfare

HOME
PROGETTO
CHI SIAMO
PARTNER

CONTATTI
OUR PROJECT
NEWSLETTER
WORKING PAPER



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FONDAZIONE
CON IL SUD



FONDAZIONE
CASSA DI RISPARMIO
DI CUNEO



Fondazione
Cassa di Risparmio di Padova e Rovigo

I protagonisti del secondo welfare

PRIVATI

PARTI SOCIALI

TERZO SETTORE

GOVERNI LOCALI

primo welfare

PRIMO RAPPORTO 2W

divisi in

Dossier

Interviste

Segnalazioni

UE

Mondo

Recensioni

Rassegna Stampa

Opinioni

Working Paper

PRIMO RAPPORTO 2W / Di cosa si parla nel rapporto?

Il prossimo 28 novembre, presso l'Auditorium di Fondazione Cariplo a Milano, verrà presentato il Primo rapporto sul secondo welfare in Italia, frutto delle ricerche svolte dal nostro laboratorio nei suoi primi due anni di attività. In attesa della versione completa del nostro lavoro di ricerca, che sarà presentata e discussa con importanti esponenti di imprese, sindacati, fondazioni, enti locali, università e mondo assicurativo, alcune informazioni per farsi un'idea dei temi trattati.

LEGGI


Commenti

PRIMO RAPPORTO 2W /



*Presentazione
Primo Rapporto
Secondo Welfare*

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Commenti

FONDAZIONI /



*FWA: via alle
richieste per
l'anticipo della
cassa integrazione*

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PRIMO RAPPORTO 2W /



*La crisi e la
sorpresa del
Welfare (non di
Stato)*

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Proposals from the Milan Declaration

- 5) Facilitate **knowledge-sharing** by researching social innovation and social policy innovation, the opportunities, challenges and risks they present, relative to the development of and interconnection with public policies
- 8) Remove barriers to social innovation and closely **monitor the effects, transferability and contributions** of new partnerships in the broadest sense
- 12) Create a **framework for learning**, by facilitating an exchange of best practices and policy experiences, possibly in the context of a new "Open Method of Coordination". This will facilitate the establishment of benchmarks for the renewed European semester and Europe 2020 strategy

Possible follow up

From Italy's «Percorsi di Secondo Welfare» to a EU wide observatory?