

Assc. Prof.Dr.Arlinda Ymeraj

Lectures:

**1.Social Policy during transition
from socialism to capitalism.**

2. Social Business

**25 April 2016, Öbuda University,
Budapest.**

Explanation

- ✓ Both suggested themes are seen as two parts of the same topic.
- ✓ Theme 1: Social Policy during transition from socialism to capitalism advances arguments about the necessity to bring in a new model of social policy in our region.
- ✓ Theme 2: Social Business suggests the new qualities of the new social policy.
- ✓ Therefore, there is one hypothesis which guides both themes, despite different concluding remarks.
- ✓ However, at the end of theme 2, the proof vis-à-vis the hypothesis is also formulated.

Core Rationale

- ✓ Why to discuss Social Policy with students of Economics?
 - ✓ Because Social Policy is a “product” of economic policies.
 - ✓ Because Social Policy is a “supplier” of economic policies,
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- ✓ Do you agree? Think about it.....

Lecture: Social Policy during transition from socialism to capitalism.

Asc.Prof.Dr.Arlinda Ymeraj, UET - April 25,
2016, Obuda University, Budapest

Plan of Presentation

I. Key concepts, definitions.

II. EEC after the 90s.

III. Results.

IV. Analysis of SP in EEC vs Traditional market Economies.

V. Analysis of SP in EEC versus economic policy

VI. Concluding remarks.

Purpose

The lecture “Social Policy during transition from socialism to capitalism” tackles the role that social policy may play to guide the political, economic and social transformation, ensuring that citizens equally enjoy their rights.

Key concepts:

- ✓ Social Policy.
- ✓ Political, economic and social transition.
- ✓ Citizens’ rights.

The Rationale - why to study the role of social policy?

1. Academic interest: Looking in depth into the relationship among the state and the market, we can figure out how and where the citizen is positioned vis-à-vis of both, in the new reality of CEE countries.
2. Social interest: We may be able to explain the reasons why the current model of state's power organization do not produce enough social welfare and do not ensure equal opportunities to access it.

Hypothesis:

Social Policy in post communist countries can and should play a fundamental role by:

- ✓ Transforming the current protection systems into ‘protection, integration and development mechanism’,
- ✓ Promoting self-responsibility alongside the encouragement of solidarity,
- ✓ Combating social exclusion to develop social capital.

Critical issues

1. Why is so different the analysis of Social Policy role in EEC compared to Traditional Market Economies?
2. Why to blame Social Policy rather than Economic Policy?

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Critical issues

Prior to advancing the arguments that respond to the above formulated issues, let us:

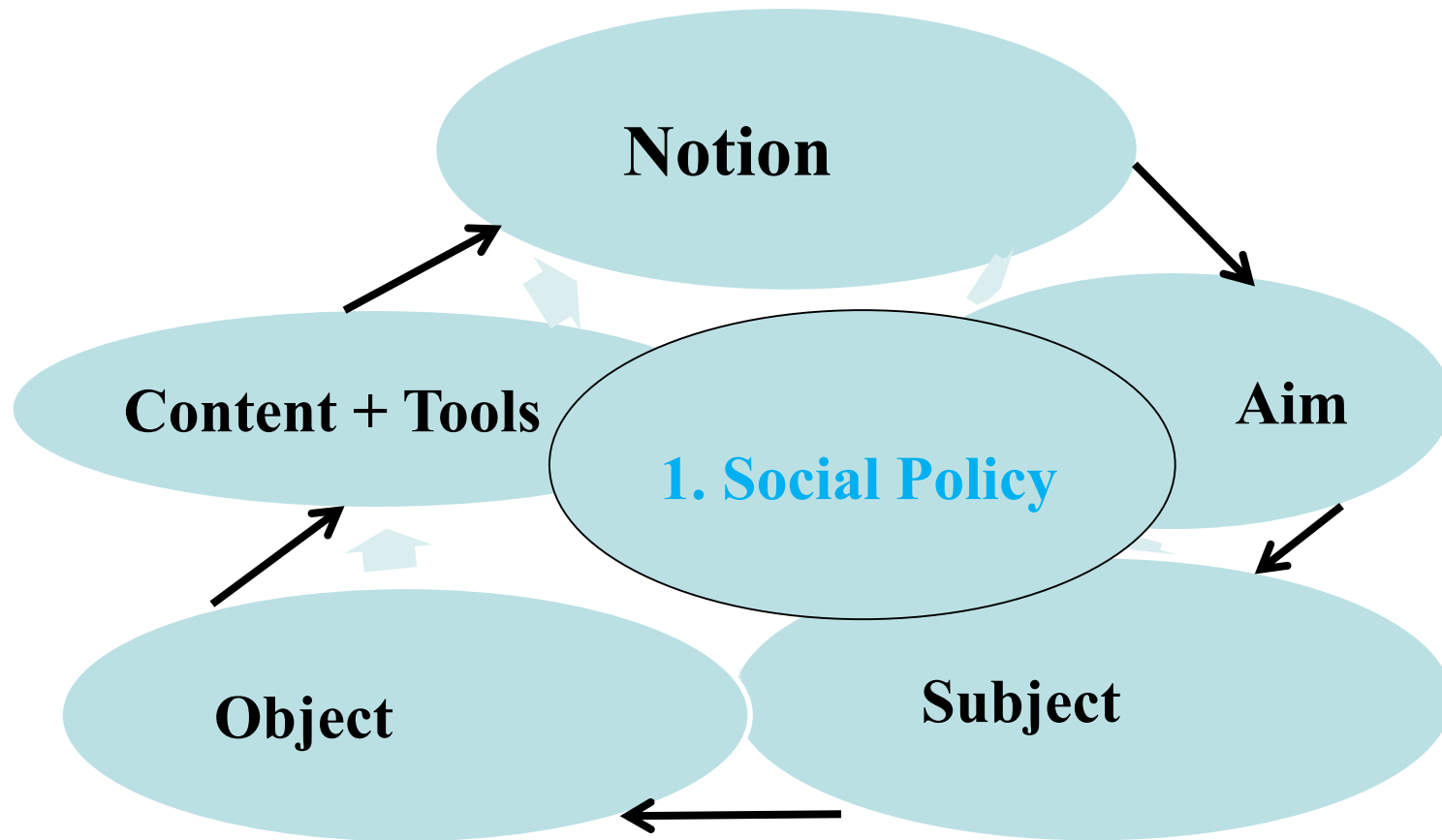
I.Explain the key concepts: Social Policy, Political &Economic & Social Transformation, Citizens'rights.

II.Briefly revise what happened in EEC after the 90s.

III.What the evidence show about the results.

I. KEY CONCEPTS

1. Social Policy



1. Social Policy

A. THE NOTION

There is more than one notion of social policy:

- i) Social policy as an effort to achieve a social change, an attempt to develop a social system (**the dynamic notion**),
- ii) Social policy as a scope of social activities (**the descriptive notion**).

When we consider social policy as an effort to achieve social change, we have to define the aim, the subject, the object and the contents of such an effort.

1.Social Policy

B.THE AIM

The AIM of an effort towards social change is generally nowadays in Europe the **implementation of human rights**.

The implementation can be political or social. The political **implementation** aims to enhance freedom and reduce discrimination, while the **social** implementation efforts aim to improve conditions of human life.

1.Social Policy

C.THE SUBJECT

The SUBJECT is always a **formalized group of people** (state, community, association, political party, trade union, in short a government or non-government organization).

Informal groups can develop pressures upon formal groups, but cannot themselves develop a systematic and consistent social policy without formalizing their structures.

1.Social Policy

D.THE OBJECT

The OBJECT is always human development or preserve human existence, i.e. **human rights are always** involved.

1.Social Policy

E.THE CONTENTS

The CONTENTS developed with time. Originally it was to conserve the life of person. The "father" of the present social welfare concept is BEVERIDGE who, in 1942, declared that modern society is expected to fight:

- i) Want ... social security,
- ii) Disease ... health care,
- iii) Ignorance ... Basic education,
- iv) Squalor ... support to vulnerable groups,
- v) Idleness ... Active and passive labour policies

1.Social Policy

F.THE TOOLS: The TOOLS are always:

- i) to give: (benefits in cash and in kind)
- ii) to serve: (services)
- iii) to forbid: (interdictions and sanctions)
- iv) to tolerate: (orders and sanctions)

Therefore, an activity to develop or conserve **a human being**.

1.Social Policy

G.THE ACHIVEMENT/THE PRODUCT:

To establish and ensure functioning of the State of Social Welfare.

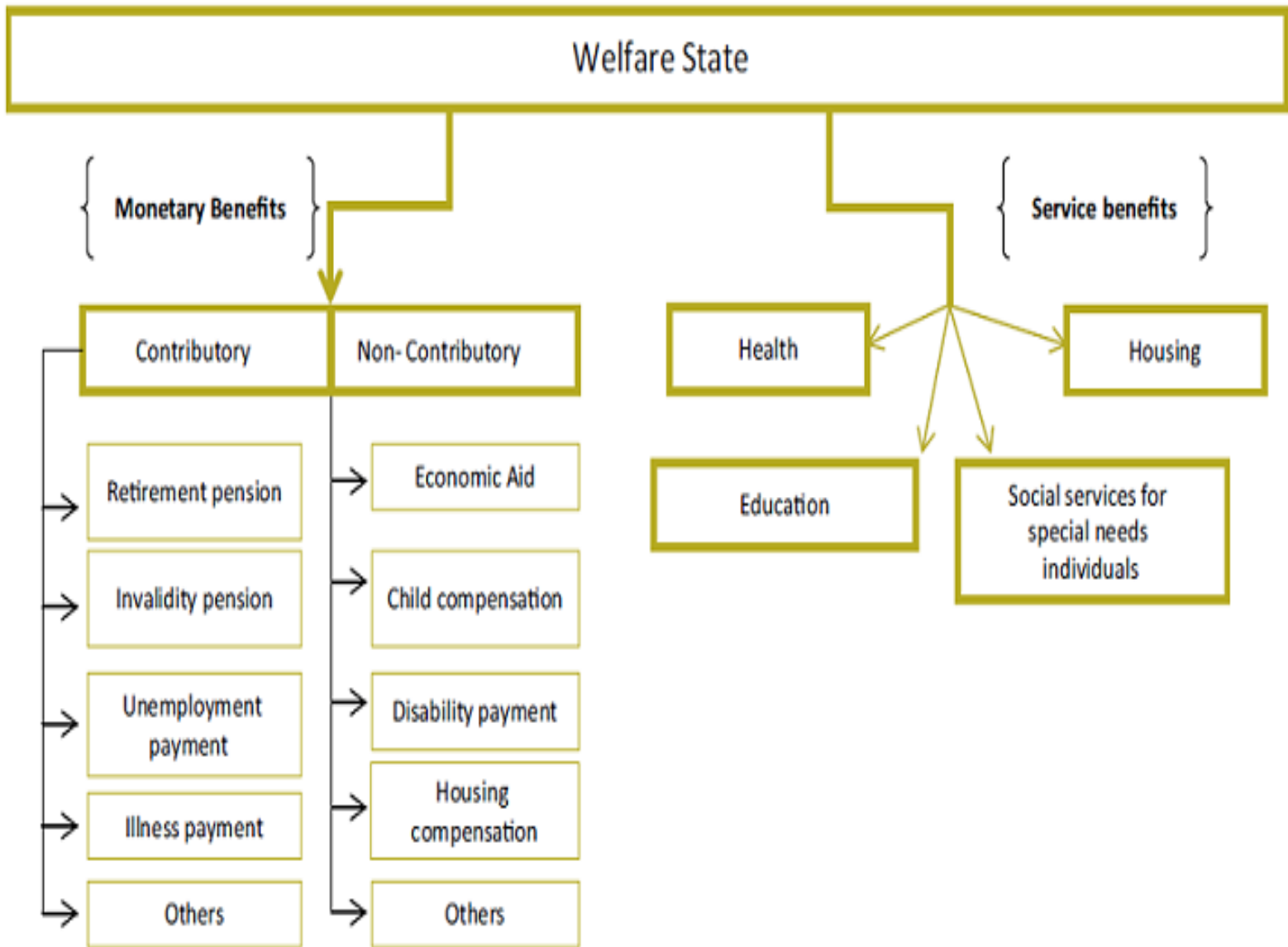
Therefore, the activity aimed at the develop or conservation of a human being through the provision of social welfare services.

2.Social Welfare State

Briggs provides an early and famous definition of the welfare state, which is a state in which power is deliberately used in an effort to modify the play of market forces in at least three directions:

- ✓ Guaranteeing a minimum income,
- ✓ Narrowing the extent of insecurity; and by
- ✓ Offering all citizens a range of social services.

Briggs points out that the first two conditions are concerned with minimum standards, and can be met by a ‘**social service state**’, but the third **goes beyond** this to be concerned with the optimum.



2. Models of approach to Social Welfare

Basically speaking, there are two models:

The **liberal model**: based on the understanding that each and every person is responsible for himself and should take care of his present and future needs and the needs of his family. Social solidarity of the state is a supporting measure which is applied when the all efforts of the citizen and his family has failed to provide him satisfaction of his needs and society provides him the resources of last resort (THE SOCIAL SAFETY NET).

2. Models of approach to Social Welfare

Basically speaking, there are two models:

The **socialist model** is based on the belief that society has to cater for all needs of the citizen. The socialist model has two alternatives

- ✓ the **democratic alternative**, based on plurality of subjects and tools, with self-governance and non-governmental initiatives,
- ✓ the **paternalistic alternative**, based on the state decision, rationing and governance.

2.Social Welfare State

A state that creates a **consistent** and **comprehensive** set of tools to **develop** or **conserve** the **social potential** of its society is called a Social Welfare State.

The scope and aims of the modern European concept of social policy are defined by the Human Rights Charter, the human rights pacts and the European social charter, the ILO conventions and other related documents.

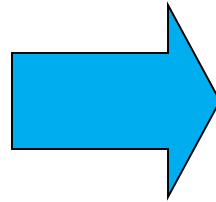
3.Human Rights

The fundamental rights that humans have by the fact of being human, and that are neither created nor can be abrogated by any government.

3. Human Rights vs needs

NEEDS

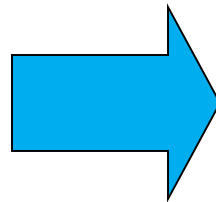
People as
objects with
needs.



RIGHTS

People as a
subject with
rights.

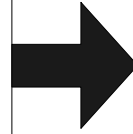
Needs only
imply pr
mises.



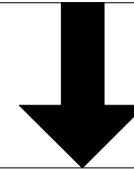
Rights always
imply
obligations

3.The Genesis of Obligations

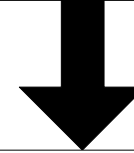
People have **essential needs**



Meeting these essential needs requires the **acceptance of responsibilities** by various players in society

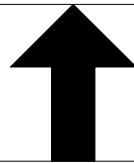
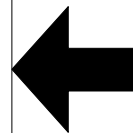


The recognition of essential needs and the acceptance of responsibilities leads to the **definition of standards** of treatment of people



Rights codify such standards adding legal status.

Rights are about just or equitable treatment and fairness in decisions according to standards and codes established by a legitimate authority



Existence of rights places a **legal obligation** on the Government and others to ensure that they are respected and fulfilled (the basis for accountability)

Thus, when a country ratifies an international Convention on rights it accepts its international obligation to its entire population.

4. Political, economic and Social Transformation

Once the society decided to replace the totalitarian regime by:

- ✓ Human respect (POLITICAL LIBERTIES),
- ✓ Competition (THE FREE MARKET), and
- ✓ Freedom (LIBERALIZATION AND PRIVATIZATION),

Therefore, there was an urgent need to changes in the social policy.

II. EEC after the 90s.

1. Political transformation

- ✓ Since the fall of the Communist regimes in 1989, EEC transformed deeply and rapidly.
- ✓ EEC embarked on a new path aimed at establishing democratic regimes through the protection of individual rights, and at raising living standard through a free market economy.

EEC governments during transition have applied almost identical basic principles to transform their societies, mainly suggested by international institutions like the World Bank and the International Monetary Fund (IMF).

1. Social transformation

WHY CHANGES IN SOCIAL POLICY, when the aim of the previous regime was social solidarity and equality ?

Competition needs conditions of a **free market** economy :

- ✓ privatization (private property)
- ✓ liberalization and deregulation (make payments transparent, replace subsidies by direct payments).

3. The need for social reform

The need for social reform was critical because both the processes produced:

- ✓ unemployment due to: restructuring (regions, branches of industries, occupations), abolishing redundant "social" employment.
- ✓ inflation due to: abolishing subsidies (imposed), restructuring process in a free market (natural).
- ✓ poverty of vulnerable groups.

4. Critical issues

However, the inherited system was not equipped to meet the new challenges:

- ✓ there were missing institutions (unemployment benefit, social assistance),
- ✓ the existing systems were not structured to new needs (lack of indexation mechanism, minimum wage mechanism, etc),

4. Critical issues

- ✓ the systems in effect were not rational (distribution, instead of need), too expensive and not containable by the state budget,

- ✓ the inherited system did not provide a safety net to remove social tension (bottlenecks) to economic reform.

This happened in all the East-European countries. All have launched upon reforming their social systems. Their social policies in the transition had in fact the same social policy aims.

III. WHAT THE EVIDENCE SHOWS ABOUT THE RESULTS?

1. A new Social Policy was adopted across EEC:

A. SOCIAL SAFETY NET:

- i) the unemployment support,
- ii) the social insurance act,
 - introducing contributions,
 - tightening eligibility,
 - guaranteeing real levels,
 - enhancing democratic management.

1. A new Social Policy was adopted across EEC:

A. SOCIAL SAFETY NET:

- iii) the social assistance act,
 - adequacy - introducing the minimum level,
 - family based approach - strengthening traditional family ties,
 - democracy - involving the local authorities,
- iv) the health insurance
- v) the supplementary pensions

1.A new Social Policy was adopted across EEC:

B. ENHANCEMENT OF LABOUR CONDITIONS:

- i) the labor code,
- ii) the state labour inspection,
- iii) the employment act,
- iv) minimum wage,
- v) tripartite mechanism for wages assessment
(collective bargaining and collective agreements.

2.Key Political Opportunities

- ✓ Drive to reach European acquis to meet accession target as well as focus on norms and standards of international human rights law.
- ✓ Advancement of HR agenda, norms, standards as well as the formulation of Sustainable Development Goals (SDGs)
- ✓ EU Acquis/Road Map/EU 2020.
- ✓ Globalization, intensive economic, political and social cooperation/integration.

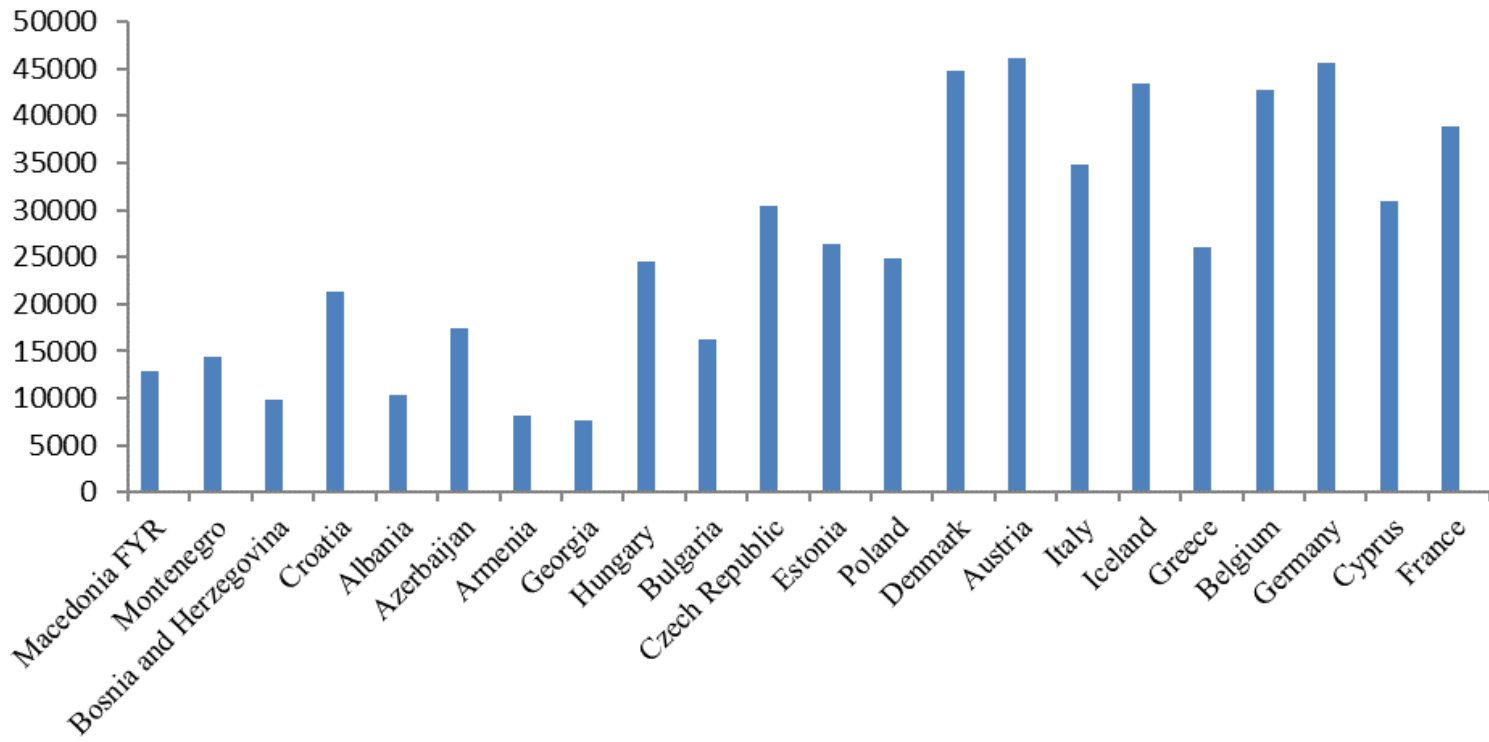
3. Negative socio economic dynamics.

- ✓ Income per capita still among the lowest (for some of the countries of our region) in Europe, higher poverty rates.
- ✓ Income per capita, even in the best performing countries of our region, still lower than average EU.
- ✓ Economy weak, characterized by internal and external macroeconomic imbalances, trade, fiscal deficits and public finance management concerns.
- ✓ Spatial, socioeconomic, Income **inequalities increased.**

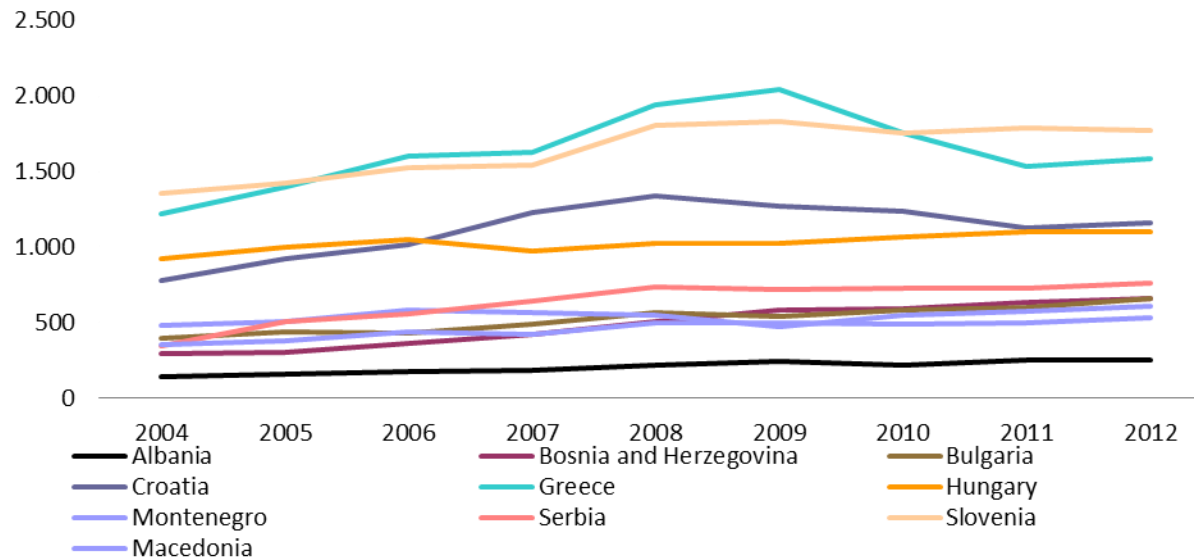
3. Negative socio economic dynamics.

- ✓ Far behind the most developed EU countries in Social Development Indicators.
- ✓ Migration.
- ✓ Tension, political instability, crisis, time to time-wars.

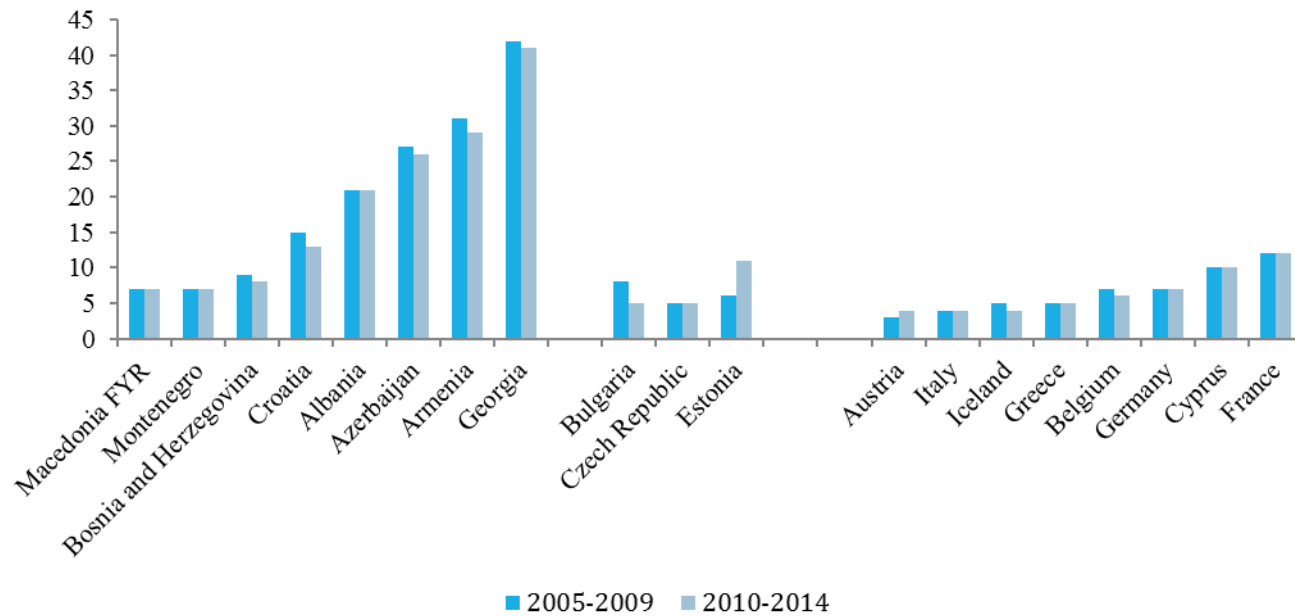
GDP per capita, Europe, 2013, based on international dollars (PPP)



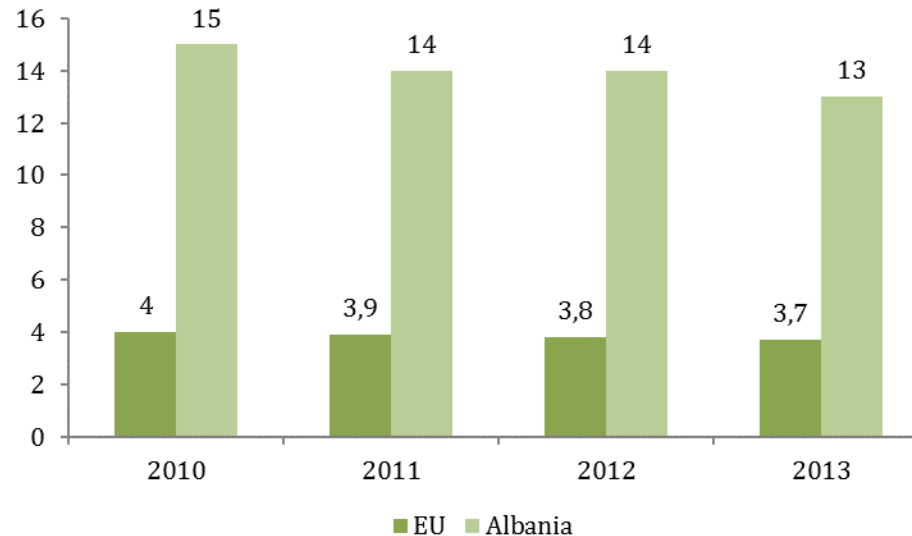
General government expenditure on health / cap Purchasing Power Parity (NCU per US\$)



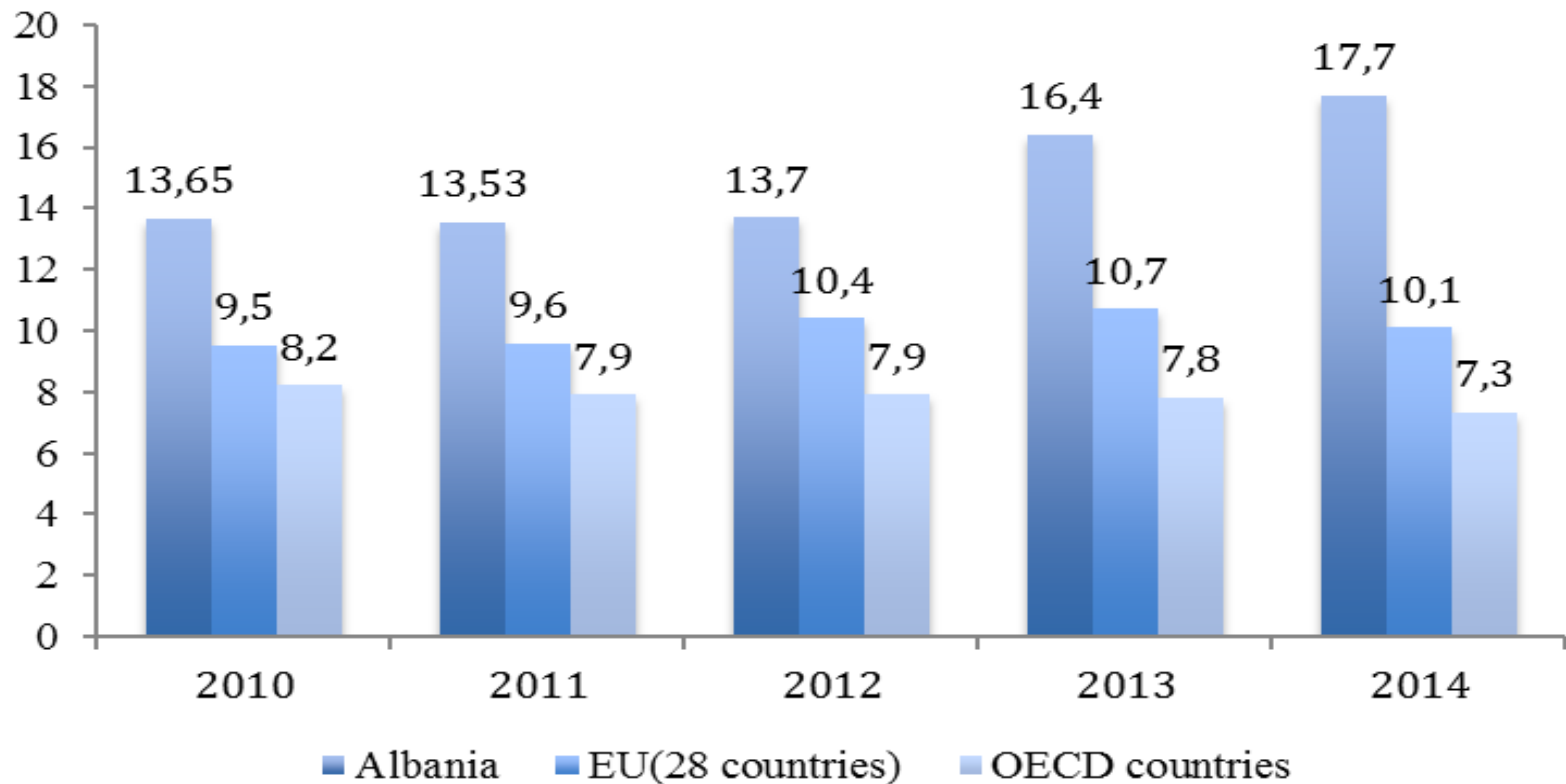
MMR per 100,000 live births, 2010-2014 compared to 2005-2009.



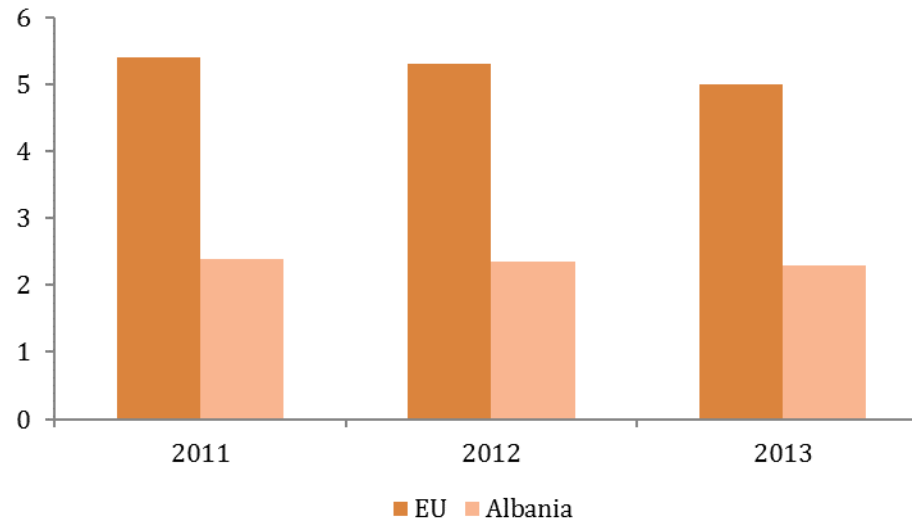
Infant mortality rate, deaths/1,000 live births.



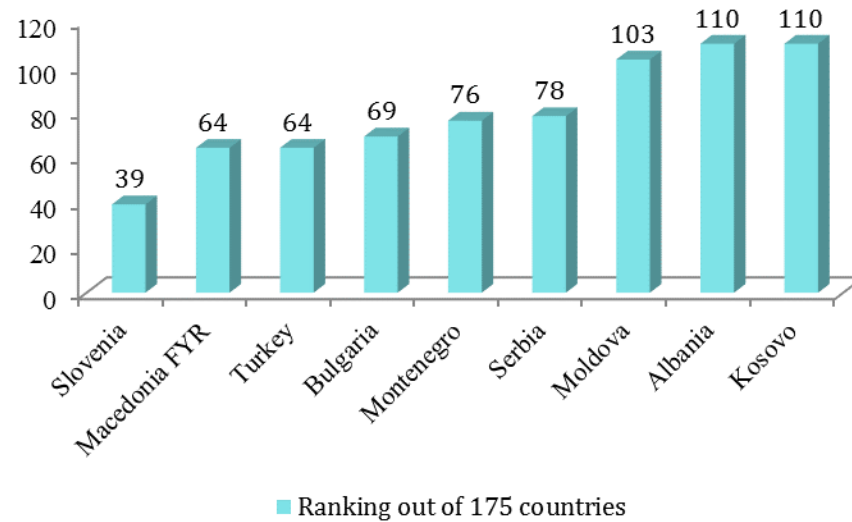
Unemployment rate



Public Expenditures in education % GDP



Corruption Perception Index, 2014



4. The aim of reforms?

After 25 years of transition, one of the main goals of reforms, “Efficient allocation of resources to boost growth and effective distribution of social welfare to enhance equity”, seems not to have been achieved.

5. Who bears the burden?

- Is it a question of government or governance?
- Is it a question of policies or politics?
- Is it a question of legacy from the past or a question of the current development?

IV. Why is so different the analysis of Social Policy role in EEC compared to Traditional Market Economies?

1.Un-known experience

- ✓ Most analysis concerning social policy society refers to the market economy, which considers ‘net profit and competition’ as the engine which promotes development, putting aside the concept of ‘social development’.
- ✓ It has been generally accepted that a strong economy creates a suitable environment for social progress, which applies in practice up to a point.

1. Un-known experience

- ✓ When referring to post-Communist countries there are two different realities:

While the first refers to the market economy promoting social welfare,

Post-Communist countries are applying the opposite: in their case, ‘social mobilisation’ has to transform, encouraging the market to develop, which in the end hopefully turns towards social welfare.

2. Poor social heritage from the past

- ✓ The present societies in Central and Eastern Europe inherited from the preceding regime a consistent educational, health care and social security system, which met the **needs of a command economy** and a politically totalitarian government a dictatorship.
- ✓ The basic concept was **rationing** (distribution) of education, care and social security to the obedient and industrious citizen, with preferences of the more obedient and more industrious and merited citizens.
- ✓ Selectivity was the result.

2. Poor social heritage from the past

- ✓ Imposed **egalitarianism** for the masses was achieved in conditions through uniform rewards (rations) with **preferences for the "new class"** (Djillas) based on political principles other than regular achievement in economic activities.
- ✓ In effect it led to **lack of incentives** for economically effective performance, **lack of democratic behavior** and increased **persecution** of eccentric behavior.

2. Poor social heritage from the past

The **result** was retardation in:

- ✓ economic development (investments were eaten up),
- ✓ educational development (learned were only facts agreeable to the rulers),
- ✓ health care (only cheap care was available to all),
- ✓ social security (when too many receive, the level cannot be too high),
- ✓ democracy and freedom, with increasing persecution.

V. Why to blame Social Policy rather than Economic Policy?

1.The economic models of EEC- unified

- ✓ EEC governments during transition have applied almost identical basic principles to transform their societies, mainly suggested by international institutions like the World Bank and the International Monetary Fund (IMF).
- ✓ The main purpose in the process of transformation of social relations has been and remains macroeconomic stability, which means that priority is given to policies that keep costs under control due to the limited budgets.

2.The economic legacy from the past - impoverished

- ✓ EEC experienced the past socialist system, which failed.
- ✓ The system did not bring about equity and justice, although it was supposed to be based on these two qualities.
- ✓ From an economic point of view, the system failed because was based on inefficiency, which eroded growth.
- ✓ The new model had to ignore the economic legacy of the past.

3. Perception about social relationships - wrong

- ✓ There has been a tendency, in various studies, to consider the social relationships of the socialist system as one of its
- ✓ strongest advantages.
- ✓ EEC are included among modern societies when only physical and human capital are considered: the spread of literacy, urban population, modern communication and information characterise most of these countries today.
- ✓ However, the critical issues of transition and frequent crises have shown how inaccurate and insufficient is the evidence of social capital in these countries.

VI. Concluding remarks

1. Bargaining between economic and social policy.

The tendency to advance towards democracy through the development of market economy has been confronted by the bleakness of the social basis.

Social Policy can make a change – can influence the civilization of the society.

2. A Social Policy that boosts social reintegration

- ✓ Paternity rather than collaboration.
- ✓ Strong civil society.
- ✓ A fertile ground for citizens to participate in decision making.
- ✓ There is a role to be played by all actors: the results will depend on how the actors perform.

3. A Social Policy that is based on individual and social values

- ✓ The old system cannot be destroyed immediately: the process of evolution must follow in a natural and gradual way, substituting old relationships slowly only when new relations are created.
- ✓ The socialist system came to power through violence, damaging all previous societal values, whereas the new system aims to respect all human rights and cannot be based on imposed transformation.

Lecture: Social Business.

25 April 2016

Plan of Presentation

- I. Key concepts, definitions.
- II. SB in Europe and the US.
- III. SB in Albania.
- IV. Concluding remarks
- V. Proof on Hypothesis.

Purpose

The lecture “Social Business” tackles the government’s role on finding ways to harmonize economic growth with social policies. In a sense, the lecture illustrates through a practical model the theoretical remarks formulated during the previous lecture.

Key concepts:

- ✓ Social Business & Enterprise.
- ✓ Social responsibility.
- ✓ Public Private partnership, Not for profit sector.

The Rationale - why to study the social business?

Context:

Social business is beginning to be seen as relevant by the public sector and the not-for-profit sector as well as the private sector, but people are looking for a clear lead and articulated objectives and priorities from the government.

Practical rationale:

To shape a social policy approach in which the attention to social exclusion is replaced with the measures to effectively develop and use “social capital”,

Hypothesis:

Social Policy in post communist countries can and should play a fundamental role by:

- ✓ Transforming the current protection systems into ‘protection, integration and development mechanism’,
- ✓ Promoting self-responsibility alongside the encouragement of solidarity,
- ✓ Combating social exclusion to develop social capital.

Critical issues

1. The development of social business is a state or a market function?
2. How to lay the foundation for the development of social business as a secured way for sustainable economic and social reintegration?

????????????????????

Critical issues

Prior to advancing the arguments that respond to the above formulated issues, let us:

I.Explain the key concepts: Social Business & Enterprise, Social responsibility, Public Private partnership, Not for profit sector.

II.Briefly revise the features of some SB models.

III. Look at Albanian Model of SB.

I. KEY CONCEPTS

I. Key concepts: What is a SB?



1. Common characteristics of a SB

- ✓ Private control,
- ✓ Presence of paid employees,
- ✓ Lower level of start-up risk than normal businesses,
- ✓ Relative financial autonomy,
- ✓ Transparent economic management

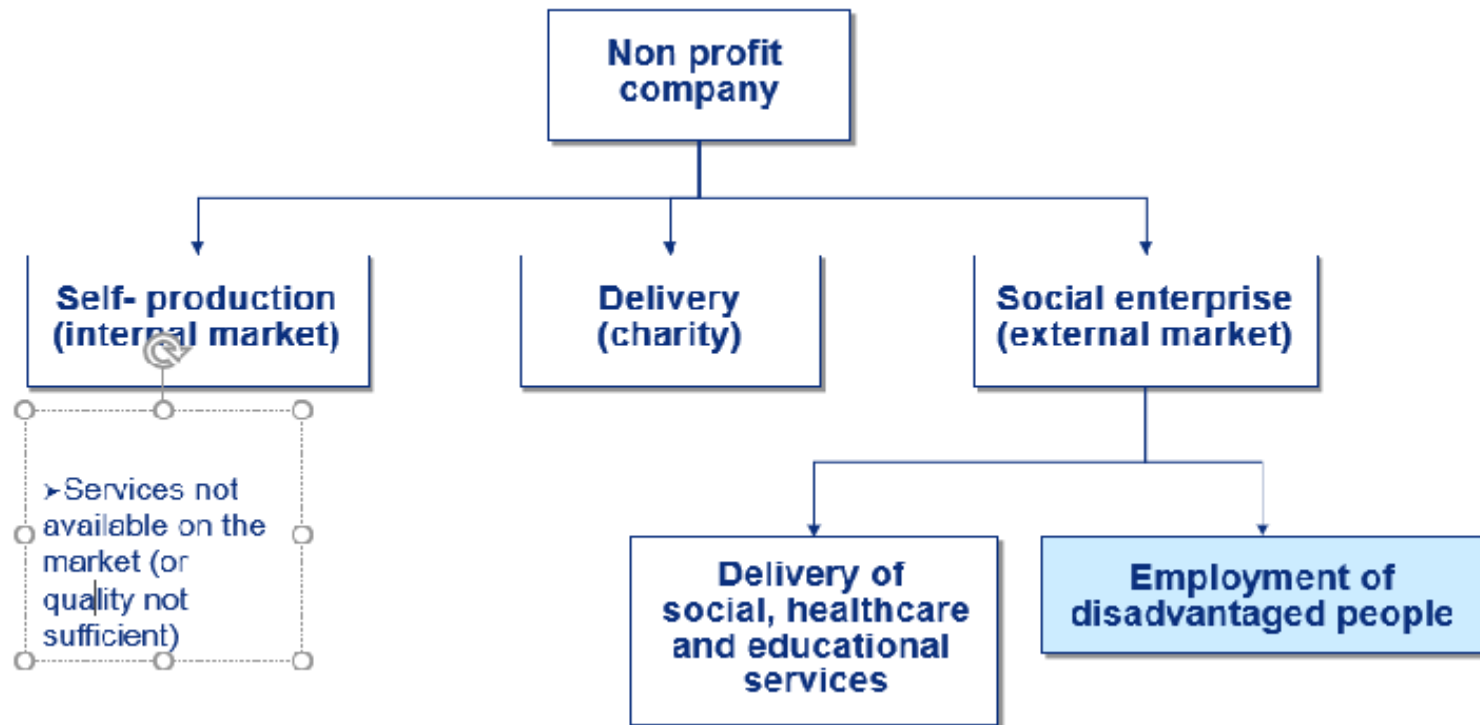
1.Common characteristics of a SB

- ✓ Presence of volunteer work,
- ✓ Focus on local territory,
- ✓ Focus on disadvantaged people,
- ✓ Multi/stakeholder nature,
- ✓ Small-size business and a small number of employees

1. Common characteristics of a SB

- ✓ High job rotation,
- ✓ Planned growth through the funding of other initiatives.

1.Types of non profit companies



II. SOCIAL BUSINESS MODELS

1.The US Model of SB

United States social enterprises are representative by mainly not-for-profit organisations and federally funded programs aimed at helping disadvantaged youths.

1.US Model of SB

Some common functions of these organisations:

- ✓ school-to-work programs,
- ✓ vocational education programs,
- ✓ work experience programs,
- ✓ social skills training,
- ✓ community service through volunteerism,
- ✓ substance abuse programs.

1. The US Model of SB, example

Job Corps

- Established in 1964 to provide economically disadvantaged youths ages 16 through 24 with free educational and vocational training, allowing them to become more productive members of America's workforce.
- This program is sponsored by the Department of Labor. Private companies, state agencies, federal agencies, and unions recruit young people to participate in Job Corps.

1. The US Model of SB - Job Corps.

Student Benefits

- Comprehensive educational programs.
- Work experience programs.
- Post program placement and support.
- Inter group relations and cultural awareness programs.

Community/economic benefits

- New Construction projects that students participate in.
- Flood and disaster relief efforts.
- Charitable services.

1. The US Model of SB - Job Corps.

Student Benefits

- Social skills training
- Student government and leadership programs.
- Occupational exploration program.
- Child-care support.
- Volunteerism

Community/economic benefits

- Increased pool of consumers
- Increase in community workforce.

2. The Italian Model

In Italy there is a precise private institution for social business:

The type A co-operative: This social enterprise must re-allocate profits to grow the business. They mainly provide social services. Government supports them through tax reduction.

The type B co-operative. This social enterprise must have at least 30% of its workforce composed of disadvantaged workers. In addition to business, they offer employment services, professional training, re-training, job promotion and mediation.

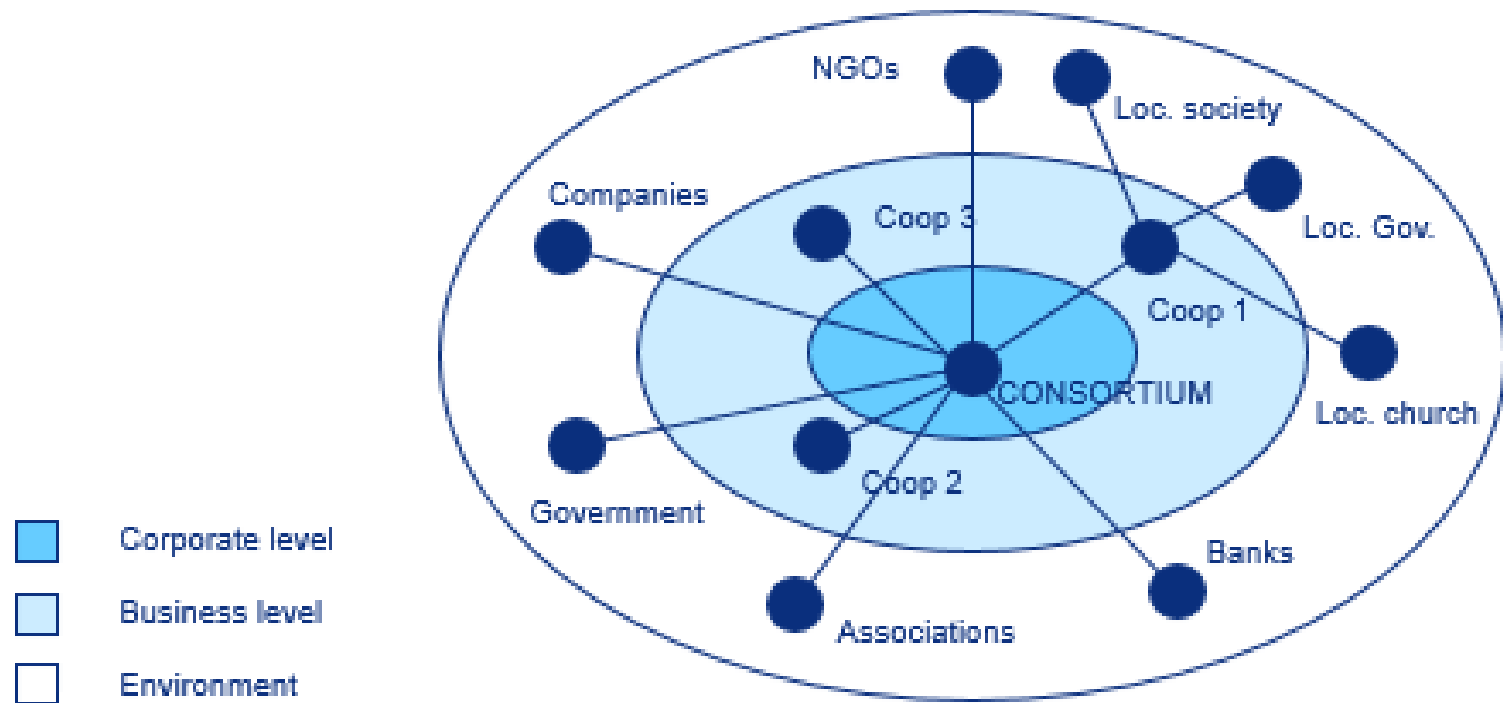
2. The Italian Model

Some figures (2012) about social co-operatives in Italy:

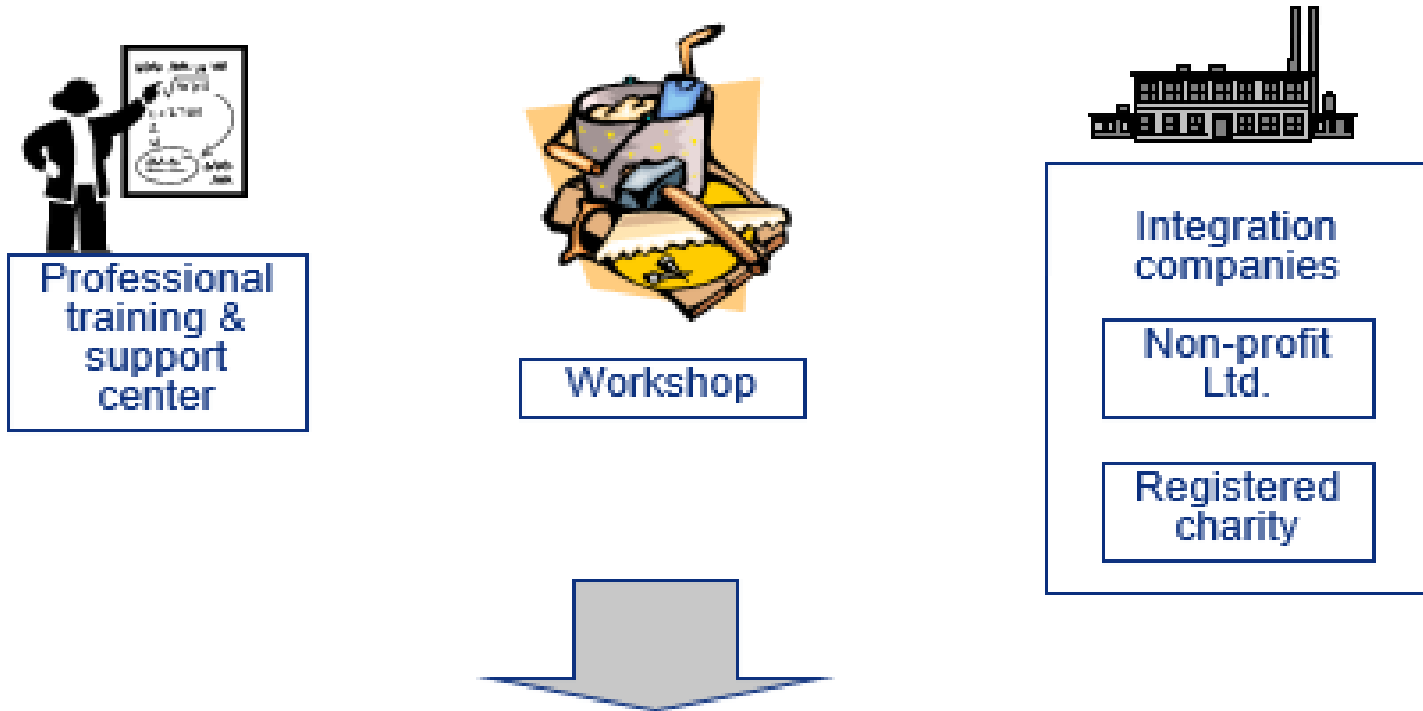
➤ Social Co-operatives	4.250
➤ Members	127.500
➤ Workers	100.000
➤ Volunteers	11.000
➤ Total revenues	Euro 1.5 mil
➤ B-type	40% (1.450)
➤ Disadvantaged employees	17.500

2. The Italian lesson – Network organization

The organizational model that appears to be the most successful is a network organisation with two different levels, the **business level** (co-operative) and the **corporate level** (consortium of co-operatives).



2.Special institutions enforce the integration of disabled



Different approaches target specific needs and different degrees of disease of the disabled people.

2. Two types of Integration companies with different focus

Non profit Ltd

- ✓ Profit is at least as important as social aid
- ✓ Aims to become financially independent from state welfare
- ✓ More “Integration Jobs”:

Registered charity

- ✓ Social Aid is more important than profit
- ✓ Is aware of its long term independence from state welfare
- ✓ More “Compensation Jobs”:

2. Two types of Integration companies with different focus

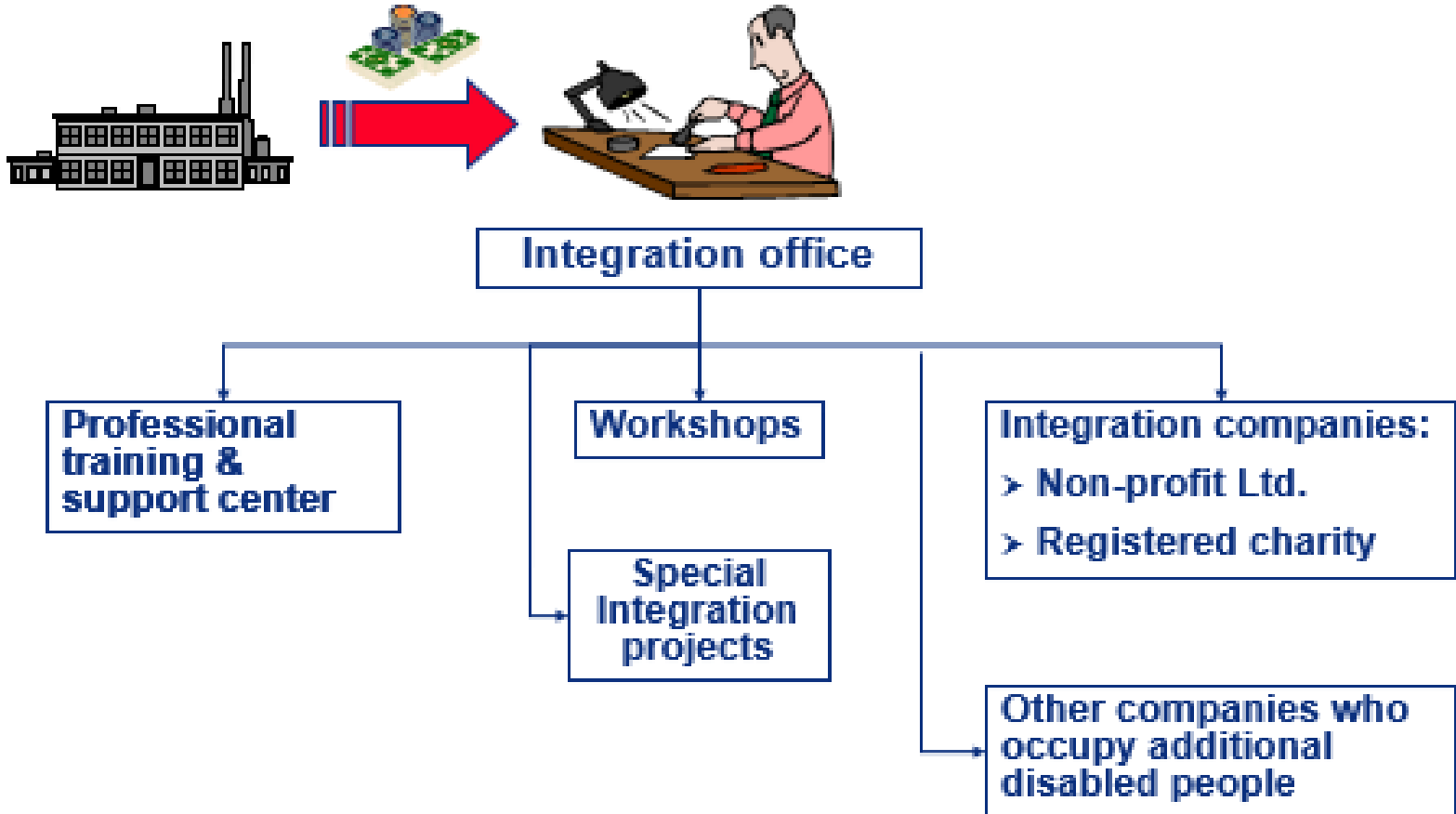
Non profit Ltd

- ✓ Non limited working hours, fulltime or part-time.
- ✓ Objective is the financial independence of the employees.
- ✓ Participation at the regular trade competition.

Registered charity

- ✓ Limited working hours: min 6, max 15 h weekly
- ✓ Objective is the recognition of the efforts of the employees.
- ✓ Marginal player in the trade competition scene .

2.The destination of the public fund of compensation tax



3.The German Model

- The Integration of disabled is regulated by by “law & fine”-system, underlining the social responsibility of each private company.
- Social Businesses finance themselves by public donations and tax savings:
 - Less VAT (7% instead of 13%)
 - Free of capital gain tax.
 - Integration office pays part of the wages of disabled workers.

3.The German Model

- Social enterprises do not receive any direct support from other private companies
- Social enterprises must be managed efficiently and in accordance with common economic standards
- Social enterprises must keep accounts on their activities .

3.The German Model

- Physically disabled people are more common in social companies, whereas mentally disabled people are mainly supported by workshops.
- Social Businesses act as a kind of “people incubator”: Disadvantaged people should only be enabled to find a regular job in the future
- Workshops occupy and support the disabled often for their lifetime

3.The German Model

- SB activities generally focus on the Integration of disabled people into the working environment.
- Social Aid for other marginalized people is done differently:
 - Long term unemployment : Professional training
 - Drug &Alcohol addiction: Psychological./Medical support
 - Former prisoners: Support in finding location, counselling on bureaucratic items.

4. SB differences

	Italy	Spain	Germany	USA
Training	Government	Government	Government	Government
Job provision	SB	SB	SB	Private
Workshop	Government	Government	Government	Government

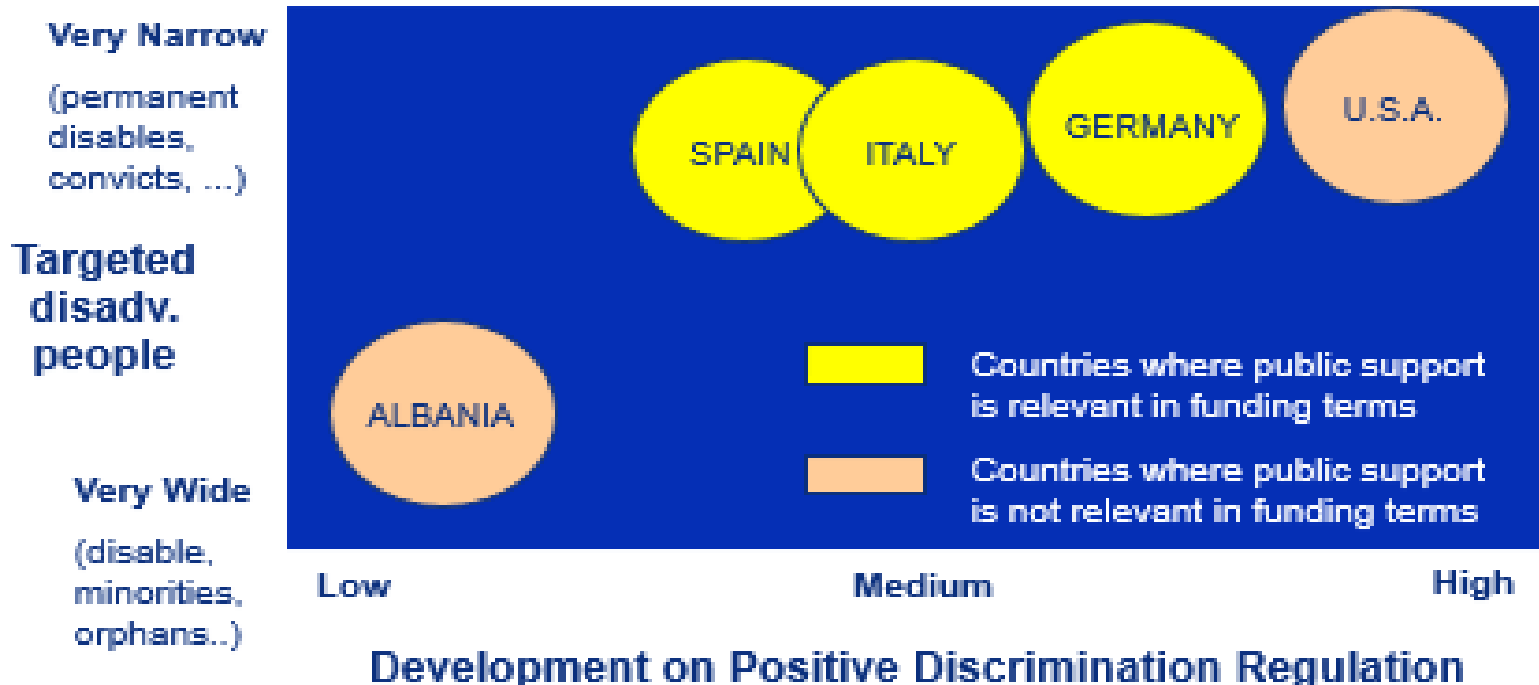


Model of Social Business in Europe is fairly different from the USA

III. ALBANIAN SOCIAL BUSINESS MODEL

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1. Albania situation vs models



Albania stands really behind the other countries, as it could have been expected

1. Albanian model-considerations

- Considering the Albanian environment, in order to obtain the appropriate level of trust a committee of appropriate weight was needed, involving both social nomenclature and business leaders.

- The judicial form of a Foundation provided the right vehicle for investments, assuring the safeguard of patrimony destined for social mission and commitment to strategic orientation.

1. Albanian model-considerations

- Due to the lack of infrastructure and services, the Foundation had to assume the role of a social business incubator. This implied a strategy (and the resulting organisation, of course) layered on two levels, the “corporate” level and the “business” level.
- At the business level, the single initiative of social business, started by the incubator, had to remain small in order to assure an appropriate ownership by all the agents involved.

1. Albanian Model – the concept

- ✓ YAPS was borned in Year 2001,
- ✓ A coalition of private and public sector actors, under the leadership of UNICEF,
- ✓ Developed a social business approach to reducing social exclusion.
- ✓ Funds and expertise have been generated by the private sector.
- ✓ To develop a courier service that exclusively recruits socially excluded young people.

2. Albanian Model – the business

- The business component of the venture envisaged quality domestic mail and parcel delivery services delivered at competitive rates.
- The social component envisaged recruitment and training of young victims of socially exclusion.
- Profits generated by the young people would be ploughed back into expanding and developing social business opportunities for a wider band of youth.

3. YAPS – the business

- UNICEF managed to raise over US \$ 300,000 in funds with the primary donor being Banca Intesa, a leading commercial bank in Italy and in Albania.
- A KPMG market survey of 114 leading banks, firms and institutions in Tirana revealed extensive demand for courier services. Indeed no domestic courier services were available in 2001.

3. YAPS – the business

- An independent consultant was hired to conduct a detailed feasibility study and business plan. Within the business plan, a cash flow forecast projected post tax profits moving from US \$ 17,005 per annum to US \$ 27,716 per annum within the first three years of trade.

4. YAPS – today

- After less than 15 years, YAPS is still in the market, with a complex package of services in addition to courier ones, like electrical supply repairs and maintenance, cleaning services.
- IT maintenance and other required services.
- During the last five years only, the number of employees has doubled, from 70 to 120.

4. YAPS – today

During the last decade, from 2005 to 2015:

- the volume of services provided by YAPS has increased by 8 times (from 15.000 to 120.000 services),
- the number of clients only for the cleaning and maintenance services has increased by 3, 5 times (from 25 in 84 clients).
- Net profits have also increased by 3 times, from US\$250,000 to US\$800,000.

IV. Concluding remarks

1. Lessons vs beneficiaries?

- YAPS has definitely made a real difference in the lives of the individual young workers involved.
- The initial impact of YAPS therefore is to break the cycle of passivity and hopelessness in the lives of a given number of individuals and provide an hitherto unavailable opportunity to shift from passive to active members of society.

2. Lessons vs policies?

- It is a high-investment venture but with significant returns on investment.
- It is a clear message that a new approach to social policy is needed, different from the traditional one.
- A new and vital partnership model is required.
- Nature and institutional organization of stakeholders is not important.

3. Lessons vs stakeholders?

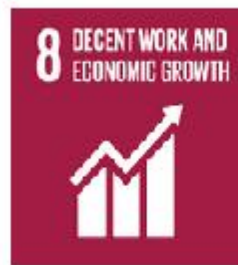
- Stakeholders are united by the mission and common objective of supporting people to alleviate shocks of transition through the provision of holistic and comprehensive social services.
- Effective collaboration between foreign and domestic actors and partners, and also between the partners and beneficiaries, has been the fundamental factor of success so far.

4. Lessons vs society.

- ✓ This experience helped to understand that provision of social wellbeing is neither a product nor a duty of one institution, therefore, there cannot be “one” provider.
- ✓ It is a product of many “actors” – governmental and nongovernmental, of the central and local government, public and non-public, which can and should take their social responsibilities for the sake of society.
- ✓ But, someone has to guide: the government, therefore a **new role of the state is required.**

V. Is the hypothesis true?

Sustainable Development Goals – the 2030 UN Agenda



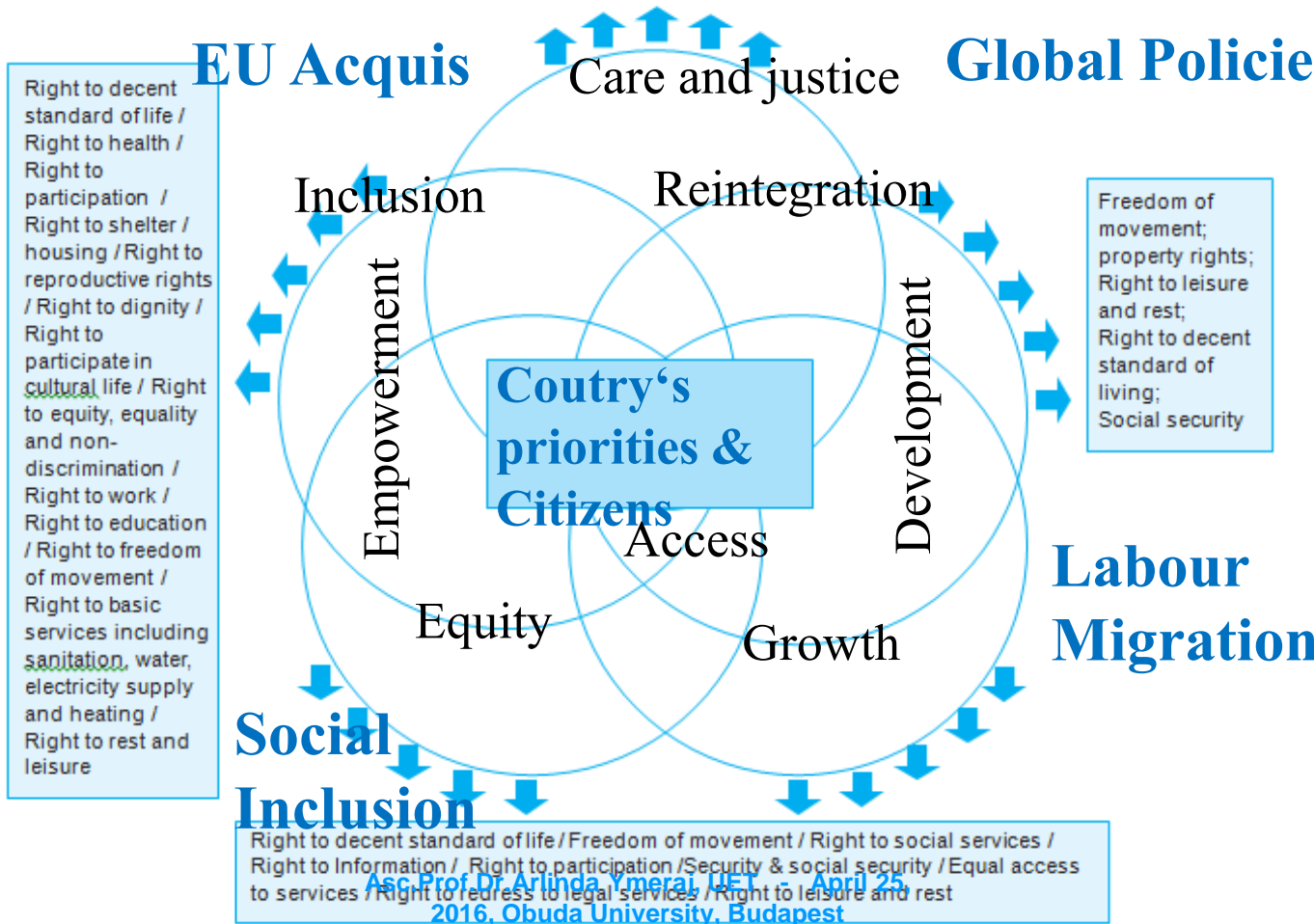
1.A Social Policy around HR?

Social Safety Net

Decent standard of living / Right to work / Participation / Right to basic services / Right to development / Right to organization / Right to insurance / Right to dignity

Labour Market Policies

Social Insurance



2. What does that mean?

Social Policy(with its components) has to build around HR and derive from National Priorities, within the context of Global and Regional Political and Economic Agenda.

This implies International Responsibilities/obligations, therefore a “Mixed group pf stakeholders, mandated with the provision of welfare”.

3. Why is it different?

- ✓ EEC needs a mixed Social Policy model, in which liberal and social features are intertwined, in order to:
 - ✓ Increase individual responsibility (liberal model)
 - ✓ Revitalize social responsibility (social model).
- ✓ While in the past, the “state” was the “care giver”, the “provider”, now “mixed actors, including citizens themselves” share the same responsibilities because we should **conceptualize Social Welfare as a duty of a mixed stakeholders to those who hold it as a right.**

4. A new role of the state.

Artur M.Okun: “Although capitalism and democracy are really a most improbable mixture, maybe that is why they need each other to put some rationality into equality and some humanity into efficiency”.

The citizens’ rights – at the center of “ State & Market”.
Government’s priorities are set for people and through people’s participation, who pay taxes and vote, therefore a big portion of the burden is on Social Policy of the coming years. .

5. Is Social Policy going to meet its targets?

Yes, if Social Policy:

- ✓ Is built upon the citizen and its rights,
- ✓ Adopts the new features,
- ✓ Promotes the new relationship between state and citizen.

We may achieve it or not, we may see or not, but it's our duty to try.

Thank you!