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*A New Moral Economy of Old Age Provision?  
The disorganization of welfare for the elderly  
and its consequences in international perspective.*

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**Abstract**

Currently, deregulation of old age welfare is underway in Europe, changing the way elderly people are provided with income and socio-medical services. Notwithstanding national variations, the relating institutional landscape has become more pluralistic throughout the western world. The major tendency is *disorganization*, together with the emergence of *welfare markets*. This has an impact on what Kohli has labelled the *moral economy* of old age welfare. While the allocation of pensions and care continue to be shaped by notions about who deserves what, about how far asset security or service quality should be institutionally guaranteed, or about which state of need entitles to use public services, the reconfiguration of the related organisational fields will change the character of this moral economy.

The paper discusses this move in theoretical terms before dealing with the empirical example of non-residential eldercare, especially with the role of non-statutory actors within the latter. Drawing on current evolutions in France, Germany and Britain, the paper will illuminate how old age welfare is becoming disorganized, in stead of being dominated by statutory or corporatist agency. It will argue that the moral economy of old age provision will turn out to be more fluid and dispersed in the near future.

## Introduction

For some years now, deregulation is underway in most systems of old age welfare throughout the Western world. This is changing the way elderly people have access to welfare, its core elements being income during retirement and socio-medical services. For both, pensions and eldercare, the institutional landscape has become more pluralistic. It holds true that there is international variation. Countries such as Great Britain have been a forerunner in pluralizing this landscape, others were following the track albeit more slowly. Thus, Germany has opened his systems of pensions and eldercare to market forces more recently and on a smaller scale, France seems to be a latecomer in that respect. Nonetheless, the overall tendency is towards the emergence of *welfare markets* (Taylor-Gooby 1999).

This paper argues for understanding this evolution as a move towards the *disorganization of welfare* that goes along with a transformation of what Kohli (1987) and others have labelled the *moral economy* of old age provision. With the transformation of the related social security and social service domains, and of the rules these are governed by, the normative underpinnings guiding system-relevant collective actors and their interaction are prone to change. Amongst others, issues such as intergenerational fairness, intragenerational solidarity and gender equality are at stake here. This being said, moral ideas remain prominent in the public realm concerned. Both, pension systems and organized eldercare, continue to be shaped by concerns of who deserves what or how far institutional regulation shall provide for personal social security. As to eldercare, there is debate over which state of need entitles to use services even if one cannot afford the related expenses. In a disorganized landscape of welfare for the elderly, however, normative issues are supposed to be handled in a way different from the past. With a growing fragmentation of old age provision. Besides institutional change as such, we deal here with the very ideas of how to organize old age welfare. The changing role and the new strategies of core actors shaping the related fields the overall outcome of old age provision will considerably affect the overall outcome of old age provision.

The paper at hand will discuss to what extent the latter is subject to what here is referred to as disorganization, in stead of being dominated by statutory or corporatist agency. It will argue that with more hybrid arrangements of old age welfare, the moral economy in that field will become more fluid and imply new kinds of social differentiations. Drawing on the example of non-residential eldercare, it will be explored how this evolution materializes in a given organizational field. In doing so, we will elaborate on national varieties, looking at the impact of the normative legacy of welfare states and at the related infrastructures of civil society.

The structure of the paper is as follows: First, the disorganization thesis is discussed with reference to the field of social welfare. The second section presents a brief sketch of the concept of moral economy, by relating the latter notion to major fields of old age provision. In the third section, the paper pictures the reconfiguration occurring in fields where care and social security for the elderly are delivered. A major emphasis will be put on trends of disorganization in the welfare mix. The fourth chapter explores the particular example of non-residential care in three different European countries. On the grounds of some empirical observations, the investigation aims at a theoretical reflection concerning what might be expected concerning the future framing of new moral economy of old age provision in this field. Drawing on this experience as well as on its extrapolation to further fields of old age provision, the conclusions point out what could be a promising research agenda for the near future.

## 1. The disorganization thesis applied to the field of social welfare

For a couple of years now, the debate over the societal organization of capitalism has had its come-back to the social sciences (Ebbinghaus & Manow 2001; Hall and Soskice 2001; Schmidt 2002). There is a growing interest in what is commonly labelled the coordinated market economy or “social capitalism”, as opposed to the expanding liberal, Anglo-American model of capitalism. The focus lying on those institutions that are embedding the market economy, in fields like education, vocational training, labour law or political governance, a good deal of the literature is elaborating on how social capitalism is re-organized after the end of the “golden age” of the welfare state (Esping-Andersen 1996). In this undertaking, it is often referred to a movement that Lash and Urry (1987) have called, more than fifteen years ago, the *disorganization* of capitalism.

The disorganization thesis departs from an analysis of change in the fields of business rationales, interfirm relations, company-governance, economic policy, wage-bargaining or vocational training. One interest was to explore if the regulatory arrangements that were characteristic of mainland Europe withstand globalization. A major finding was an overall even though fragmented adaptation of “social capitalism” to the Anglo-American model. For instance, public services have been privatized, and state interference into the economy has by and large come to an end. Moreover, the co-operation between banks and firms has become looser, and the bargaining of working conditions including wages has been decentralized or even individualized in many industrial branches.

However, there is an argument about how far disorganization has taken place in Europe. Many contend that one has still to distinguish “social capitalism” from “the liberal or ‘disorganized’ model of capitalism” as it is known from the Anglosaxon countries (Pierson 2001, 432; see also Crouch 1999, 362-363). It is true that regulatory framework inherited from the “golden age” has not fully disappeared in countries like France, Germany or the Netherlands: For instance, centralized industrial relations did persist to some extent, and law still protects workers from business power. At the same time, the key move has been towards reducing the *scope* of such regulations, and to a change of the *contents* of regulatory arrangements. The overall tendency appears to be more context-steering than substantial regulation in all the above-mentioned regulatory spheres, the core trend being the rise of much more flexible patterns of work, of resource allocation and of organizing economic transactions.

Obviously, disorganization is underway, one reason being the slow demise of collective actors who have been seeking to “to coherently organize the socio-political systems of contemporary welfare state capitalism” (Offe 1985, 6). In the eyes of Lash and Urry, the move towards disorganization is not confined to the economical system and its very infrastructure. Rather, the argument includes further observations such as the pluralization of class structures and the shift of cultural-ideological representations among major social groups. To some extent, the thesis also addresses publicly regulated social welfare. Yet neither Lash and Urry nor most of the remaining literature on the political economy of modern capitalism consider this area in more detail. They are dealing with the organization *of the economy*, and hardly with the organization of welfare. With the exception of interest group agency, the organizational underpinnings of *welfare* capitalism have remained widely neglected.

When applying the disorganization thesis to the field of social welfare, an examination of the organization of welfare in the 20<sup>th</sup> century capitalist societies is required at first. Things are less clear here than it seems. Of course, there is the welfare *state* tale saying that public

bureaucracies were put into existence in order to smooth down the social tensions created by capitalist markets. Yet this is not the whole story about how social welfare has been produced in 20<sup>th</sup> century's modern society. Aside from the political economy and the classical social policy literature, a whole body of research has shed light on the *non-statutory* organizational infrastructure of welfare production. Social support is said to be produced in a "welfare mix" of which voluntary or nonprofit organizations form an important part, at least in Anglo-Saxon and in continental welfare states (Evers 1993, Laville 1996, Katz/Sachße 1996, Ascoli/Ranci 2002). Some authors put forward that it was collective actors in the voluntary or nonprofit sector that spearheaded models of how to organize social welfare. Thus, in European history, many of these organizations "pioneered concepts of the collective good and notions of social rights" (Evers 1993:6). They did (and do) not only offer services but they became engaged in political advocacy and opinion-building on the one hand, and in identifying what they think to be shortcomings of the welfare state on the other.

A further element of this infrastructure are interest groups *participating in the governance* of welfare institutions, and accordingly in their very design. The most evident case is trade unions involved with social security administration in countries such as France, Belgium, the Netherlands, Sweden or Germany. Quite obviously, social security funds in Germany evolved through an alliance between capital and work, so there was a clear "nexus between the sphere of industrial relations and the system of social security" (Hemerijk et al. 2000, 107). Though under severe public control, social security organizations were and still are governed by collective actors related to civil society. It certainly proves difficult to figure out the influence of these actors in the daily practice of bureaucratic welfare administration, for instance in corporatist systems of pension or sickness funds. The case of Germany, however, may illustrate how these administrations unfold political agency, be it in the form of technical expertise or by their public relations strategies (see Bode 2003a, for the case of sickness funds).

What one can discern here is a particular way of organizing welfare throughout the 20<sup>th</sup> century. Put roughly, two things happened: First, kind of a hierarchical order was emerging in which some domains of welfare were devolved upon non-statutory agencies, and in which some domains remained under the responsibility of families. The concrete configuration of this division of tasks proved variable according to different (national) welfare state regimes (Esping-Anderson 1990, Salamon/Anheier 1998). Second, the different hierarchical levels were intertwined in a special way. Leaving a residual part of welfare production to the family (or for women, most important in the field of personal care), major collective actors engaged in quasi-institutional patterns of a co-ordinated welfare production. These actors were professional bodies, trade unions, employer associations and charitable or voluntary organisations. Public authorities and non-statutory collective actors maintained public-private partnerships through which civic agencies were often involved into the administration and/or into the production of welfare. This occurred on the grounds of shared principles, the state pushing towards a universalistic coordination of welfare provision. As a consequence, the non-statutory elements of the welfare mix – including the normative rationale underlying their very practice – appeared more or less as being an integral part of "social capitalism".

It was by this kind of regulated cooperation in the systems of social security and (non-private) social care that non-capitalist forms of social reproduction became safeguarded within a capitalist economic order. Western societies lived in an era of "*organized welfare capitalism*" (Bode 2003a). One might object that this observation presents a bias towards the continental welfare states. Yet, as authors such as Salamon (1995), Taylor (2002) or Giaimo (2002) have stressed, even the more liberal welfare states were, at least partially, shaped by

this kind of co-ordinated welfare production. This holds true for the political process in which institutions such as non-private pension funds were built, but also – and more obviously – for the national and local patterns of co-ordination between public purchasers and nonprofit providers of social services.

Currently, the overall question is what is happening to this organized *welfare* capitalism in an era of *disorganization*. One might simply contend that there is an overall deregulation of both the welfare states functions and the non-statutory service provision, or to put it more bluntly, a move from “state to market” (Gilbert 2002:99; Hinrichs 2001) and to a “privatization” of welfare (Ascoli/Ranci 2002). Yet put aside that there have so far been clear limits to deregulation in most European welfare states (for a discussion see Kuhnle 2000 or Pierson 2001), the more obvious trend is that of emerging “managerial” or “enterprising states” (Clarke/Newman 1997, Considine 2001) on the one hand, and that of a blurring of frontiers between non-statutory and market-oriented forms of welfare production on the other (Kramer 2003). Thus, privatization or marketization is *just one* part of the story. While the economic pressure on those who provide or organize welfare is obviously rising, the latter may continue to partially draw on particular rationales, to develop their own policies of co-operating with a (changing) welfare state, and to make strategically use of what is left by the institutional heritage of the 20<sup>th</sup> century’s organized welfare capitalism. Hence it is far from clear how the organization of welfare evolves, including its normative underpinnings.

## 2. The moral economy thesis

In modern society, the organization of old age has been embedded in a set of social values shaping the way economic resources are transferred to the elderly, including the frail ones. The German social scientist Martin Kohli (1987) has characterised this configuration as a *moral economy*. The concept of moral economy draws on seminal works such as Thompson’s study of collective protest during the 18<sup>th</sup> century (Thompson 1971), or Polanyi’s book on the non-economic foundations of market economies (1941). The general idea of the concept is that behind economically inspired behaviour of every kind, we find moral norms that serve as its guiding lines. It is by this mechanism that economic reciprocity becomes a social exchange.

Using this concept for the analysis of (institutionally) regulated forms of old age provision, one is, of course, inclined to think first of the modern *welfare state* incorporating these norms and building its institutions according to them. Referring to authors such as Rothstein (1998), welfare state institutions are expressions of moral ideas. Or more precisely, “the moral logic of welfare state institutions can be defined as the ongoing logic of social support for, and acceptance of, the redistributive nature of welfare provision” (Mau 2002:46). But there is more than this. On the one hand, individuals participate themselves in the production of welfare, especially by supporting relatives or by volunteering in supportive settings (such as voluntary organisations). Moreover, they are voters and may opt for (or against) institutional reform. Hence the moral framing of old age provision is an everyday practice at the micro-level. On the other hand, one should take into account the influence *organized entities* unfold in the framing of welfare production. As seen above, such actors are also involved with quite practical activities of service provision. In deed, the infrastructure of modern welfare states is composed of a multitude of actors that bring their own normative rationales to bear.

So far, however, little attention has been paid to this *multilevel fundament* of the welfare state's moral economy. One reason for that might be that welfare state institutions were based on rigid norms deriving from the most powerful of the aforementioned influences. Since, with "organized welfare capitalism", the various stake-holders of welfare production were involved into an institutionally fixed co-operation, the range of normative references at work could be assumed to result in a general though perhaps vaguely defined moral rationale. To take but two examples: In a continental pension regime such as the French one, a core element of the moral economy was that entitlements to social security benefits at the age of retirement old age were derived from a "social property" workers accumulated during their professional life (Friot 1998, Castel 1999). The underlying moral idea was that of a (breadwinner-oriented, male) labour movement. Yet by the agency of public institutions, it was generalized so that it became a core principle of the national pension system. A second example comes from Great Britain: Before quasi-markets had been introduced into the system of community (elder)care, voluntary organisations rooted in traditional communities (e.g. charities run by notabilities) were collaborating with the local welfare state on the grounds of seemingly shared values. "There were 'partnerships' in the classic welfare state, but non-state partners were clearly junior-partners in the welfare firm" (Powell/Hewitt 2002:132). The overall principle guiding this partnership was that this collaboration was deemed to contribute to a universal provision of care services (Means et al. 2002). The rationale of these junior partners – e.g. a preference to make intervene local neighbourhoods in the care process – were not visible in the sense that the norm was a publicly guaranteed provision for all frail people whose income did not exceed a given level (even though this norm could also be maintained by rationing services, what occurred in many places). The official arrangement derived from the normative rationale held by the Beveridgian civil-servant-coalition was to support non-statutory providers for participating in the public service.

To be sure, the normative underpinnings of old age welfare go beyond the elements highlighted in these two examples. There are further and more general issues, such as "intergenerational fairness, intragenerational solidarity and gender equality" (Myles 2002:134), in the case of pension schemes. Overarching questions are who deserves what, and how far social security has to be institutionally guaranteed. As to eldercare, issues of health and old age are overlapping, thus the normative rationale is more hybrid. The general question is who is entitled to what kind of services. It is especially raised when these services are not offered for free in a given country – this is the case, for instance, of household-related care services or non-medical day care. One normative issue here is about user rights independent from personal income or family situations. Another moral dimension comes in when regarding the quality of a given service. Is there a right to choice or to third party control? It is noteworthy moreover that retirement and eldercare is organized along specific gender roles. Changes in what is regarded as normal women's life course are subject to reframing the moral economy of old age provision as well. We will leave aside here this latter aspect though it merits to be more broadly taken into account.

To conclude, the figuring out of the normative underpinnings of the economy of old age provision is a complex task. It is complex for at least three reasons: First of all, a given pattern of (re)distribution resources to old people may be the expression of different moral rationales, notwithstanding a dominant source of legitimacy. Second, systems of old age provision are divided in several subsystems. There is not just the (institutional) differentiation between pensions and eldercare. Rather, both subsystems may be subject to further divisions. As to pensions, there are public subsystems and further ones, e.g. those based on collective agreements



of workers and employers. Concerning eldercare, different forms and levels of care co-exist, with varying institutional or organizational responsibilities. In certain cases, moreover, both systems interrelate with each other, e.g. when pension funds subsidize care arrangements. Thirdly and finally, of course, there is international variation. The normative underpinnings of old age provision are particularly sensible to cultural traditions in the different welfare regimes.

It remains that, in any country, the economy of old age provision is dependent on non-economic considerations. Hence if a given society deals with welfare reform, “the choice is a normative one” (Myles 2002:144). The framing – and accordingly – the reframing of the moral economy of old age provision is subject to influences from multiple sources and at different levels of social action. In the remainder of this paper, we will confine ourselves to just a few of them, but we will see that, with the ongoing re-configuration of major organizational fields of old age provision, the shaping of its moral economy takes place on new grounds.

### 3. The re-configuration of organizational fields

Regarding pension systems and publicly regulated eldercare in the western world, there is a good deal of evidence for a far-reaching transformation of the respective institutional and organizational arrangements. The overall trend is the intrusion of market logics into old age provision. It is true that in North America, private arrangements (individual retirement savings, corporate pension schemes, for-profit care) already exist for a long time (Dobbin 2002). Hence one might contend that there is less intrusion there than it seems. Yet it is evident that this part of the world too saw an increasing engagement of public authorities in old age welfare during the golden age of the welfare state. The U.S. and Canada set up non-private pension systems, and at least at the regional and local level, state-supported arrangement of (organized) eldercare were proliferating. In our days, however, this trend is going to be reversed. Welfare becomes an arena of commercial management and economic competition. “Old age pensions in a number of countries are marching on a steady course of incremental privatization” (Gilbert 2002:41; 103-109). A similar international trend has been observed in eldercare (Ascoli/Ranci 2002).

In North America, public pension schemes have been subject to retrenchment, with private retirement savings being encouraged in the same vein. Moreover, it is discussed how to privatise social security, and how to introduce private care insurance (cf. Wiener et al. 2000). As to eldercare, the north-American welfare mix is changing towards a market-driven system, with an out-contracting of public services, the rise of user fees and competitive tendering as major patterns of change. Concerning Europe, the creeping substitution of public pension schemes by private savings or capital building occurred first in the U.K., before proliferating to further countries. In Germany, a system of publicly subsidised private retirement saving has been introduced recently. French pension reform of fall 2003 produces a similar effect since the publicly guaranteed pension is de facto reduced for most people. Concerning eldercare in Europe, countries like Germany or Great Britain have admitted commercial enterprises as publicly subsidised providers. In France, tax policy made family employees emerge as major private „players“ in the care market.

Put aside the (still substantial) international differences, the overall tendency is clear. The arenas in which old age provision is organized are now families, non-profit agencies, the state, *and* the market. Old age provision is a case for considerable “sectoral shifts ... in regard to the

relationship between market-controlled, associative and state controlled forms of service production” (Kaufmann 2001:20). Notably, the market rationale has an impact on *all* levels of social support to the elderly, including those which have not been commercialised so far: welfare bureaucracies and non-profit providers pushed towards managerial business, or families as „consumers” of care or social security. The case of old age provision then is emblematic for the move “from a welfare state to a welfare society” (Rodgers 2000), if society is understood to be composed of statutory bureaucracy, the nonprofit sector, private households and – last but not least – market actors.

A consequence of all this is a reconfiguration of the involved organizational fields, understood as areas consisting of “key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services” (DiMaggio and Powell 1983, 148). Importantly, there are new actors or at least a new role set within these fields. As to pensions, private companies, non-profit and public counselling agencies, corporatist institutions, and interest groups altogether unfold a creative agency. Concerning eldercare outside family, non-profit providers, small private firms, interest or civic groups and counselling agencies operate as activated „field players“.

These actors become now busy to influence the very design of the new welfare markets. This holds true first for their very economic agency. While commercial firms take centre stage, the non-commercial players are required to revise organizational routines and methods when interacting with their major stake holders. Concerning their relationship to public bodies, new systems of contracting, including competitive tendering, encourage them to unfold new strategic agency. Old age provision still depends on statutory regulation yet the latter changes the rules of the game. Somehow different from common assumptions, however, the organizations involved are not left with the one and only option of sheer market opportunism. Theoretically, the range of flexible response is larger, including the mobilization of volunteers or political allies, an investment in public campaigning, the rolling out of flagship initiatives attracting statutory and civic stakeholders, or the use of intangible organizational assets such as public reputation or technical expertise. This being said, one might expect that this repertoire of action is unequally distributed in the respective organizational fields. In addition, it is quite probable that there is more organizational dynamics: There may be volatile stakeholder support, transitory success stories, market turbulence and so on. Following this hypothesis, old age provision still takes place in a welfare mix, yet the coordination of this mix is disorganized, and so are the results in terms of real outcomes.

#### 4. New grounds for moral economy of old age provision.

##### The example of non-residential eldercare in Britain, France and Germany

Systems of organized eldercare are multi-faceted in kind. They comprise residential and non-residential facilities, and among the latter, some are medical and some affect the living conditions in a private household. Regarding the non-residential part of these systems, however, the frontiers between medical and non-medical eldercare are not that clear-cut. Household-related day care, for instance, frequently embraces some pre-medical care acts, and, as far as countries like France or Germany are concerned, an increasing number of elder care services embrace two departments, one medical and the other non-medical. Especially in these two countries, a considerable portion of the service field lies in the hand of voluntary organisations under state regulation. More recently, the voluntary sector has adopted a provider role in more

state-led service systems such as Britain or Sweden as well. The following section draws on a literature review and exploratory case study research concerning the development of outpatient eldercare in Germany, Britain and France. The question is upon the evolution of the welfare mix and the normative rules that govern the strategies and the interrelation of major collective actors.

In all of the three countries under study, during a period ranging from the end of World War II to the end of the 1970ties approximately, the organizational field at question has been shaped by public-partnerships in which civic organisations bound to highly integrated social milieus or communities contributed to service provision or participated in designing the latter. Importantly, a particular mode of social coordination was prominent in these partnerships. On the one hand, public authorities made use of civic organisations and gave them more or less “institutional shelter” to fulfil their function. Moreover, they set the frame for care entitlements and professional standards. On the other hand, civic organisations had a firm say when it came to the design of these programmes. To this adds the formation of a practical expertise through the everyday practice of running services or counselling users. This general configuration has often referred to as being a system of corporatism in which civil society and the welfare state were intertwined with one another.

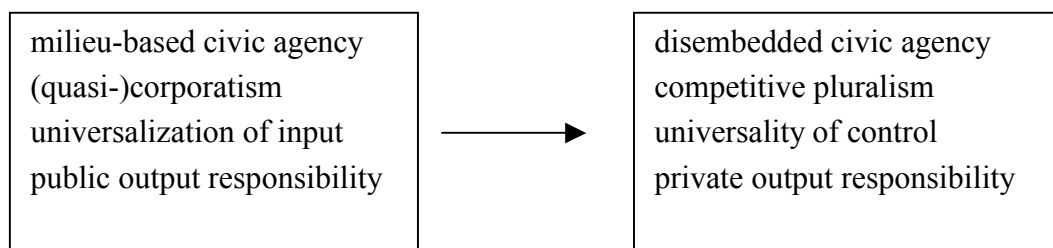
Of course, the German case is most outstanding in that respect because this corporatist regulation was enshrined into social law (see Bode 2003b). Welfare associations such as the church-related “*Caritas*” were given priority over public agencies in case the former were able to run a service. After World War II, the activity of these associations increasingly comprised professional social work, with a mostly female volunteer workforce participating in non skill-demanding services such as befriending or household support. Still, corporatism was not confined to Germany. As research concerning the cases of France and of Great Britain has shown, quasi-corporatist regulations emerged in these countries as well, even though this occurred more by local habitude than by statutory norm setting. In France, the provision of non-medical eldercare often remained in the hands of voluntary associations, notwithstanding local and regional authorities striving for more public control over the field (Archambault/Boumendil 2002). Considering the case of the “*Associations d’aide à domicile en milieu rural*” (ADMR), the conditions of the aforementioned partnership clearly runs to the surface. The local associations were given subsidies from municipalities or social security funds, mainly (but not exclusively) for service users with small incomes. They made use of a huge number of volunteers workforce, but also employed a more professional workforce, albeit on a part-time basis for most part of it. It is noteworthy that this female workforce was highly integrated in a rural life world in which familial and professional activity were strongly associated to one another. Until the end of the 1980s, the overall tendency was to increase the portion of paid work and to restrict the participation of the volunteers to administrative tasks (Dartiguenave et al. 2001). In Britain, this kind of associational service provision was less developed throughout the post war period. Yet here as well, voluntary organisations became busy in the field of non-medical eldercare even though it holds true that with the creation of social service departments during the 1960s, local authorities proved the prevailing service provider for all kinds of eldercare. Organisations such as “*Age Concern*” were running some additional, non-medical services while the bulk of eldercare was provided by statutory agents (Means et al. 1998, 2002).

The public-private partnership between civil society and the welfare state in this field can be seen as an important component of what has been referred to above as organized welfare capitalism. We can speak of *organized* welfare in so far as there was a planned coordination be-

tween public welfare and civic agency, together with a tendency towards the universalization of inputs (professional standards, social security or social policy money, planning procedures) and a public responsibility for outputs.

For some years now, however, *disorganization* is underway in the field under consideration. The old fundamentals of the aforementioned partnership are losing ground (see figure one). How does this disorganization materialize? First of all, civic agency is not so much bound to social milieus or communities any more. The resources the involved nonprofit organisations dispose of are more institutional in kind, notwithstanding their general reputation as agencies for the common good. The operational basis of these organisations has changed, since the apparatus depends on salaried professionals rather than volunteer boards. Together with this, there is a decreasing membership (involvement). Volunteering in general has become precarious since the old voluntary workforce (women following a model of humble, life-long volunteering) dies out. It holds true that the expectations concerning the contribution of volunteers did already change during the formation of organized welfare capitalism, with volunteering evolving towards a more complementary or accompanying role. Yet culturally, voluntarism remained a crucial element within the public-private partnerships at that time. In our days, however, things are changing. Taking the three associations mentioned above as examples, it rises to the surface that the social link between civic organisations and the social milieu they had been part of is dissolving. Thus, the relationship between non-statutory “field players” and civil society becomes disorganized. The organisations still exhibit some civic elements but these are no longer taken for granted and subject to changing perceptions of those who are supposed to support them as stakeholders.

Figure one: *Trends towards disorganization*



Secondly, the welfare state’s regulation too has changed, the overall trend leading (more or less) towards competitive pluralism. In Germany, a social care insurance has been set up, together with an open provider market, including non-medical services sold to customers (Evers 1998). In France, nonprofit, especially non-medical care services face a sometimes hard competition with private employees (Enjolras/Laville 2001). This holds true even though new regulations have appeared, with additional public money spent on nonprofit service provision. Britain saw the introduction of social care markets, with an increasing portion of voluntary agencies providing for eldercare (even though local authorities prevail for the medical domain). The agencies run facilities for daycare, carers relief or intervention services, the latter being concerned with household-related practical support to the elderly (Wistow/Hardy 1999). For these services, numerous voluntary organisations have to enter into fixed-term or even spot contracts with public purchasers at the local level.

This being said, the state still pursues the ambition to exert a universal control over the system, e.g. by quality standards. The case of Britain is outstanding for that (Brodhurst et al.

2001). Yet since there is a growing micro-economic approach to service provision the prime responsibility concerning the output of service provision is incumbent upon the non-statutory agency (which can be a for-profit enterprise as well). For instance, such an agency faces the risk of a bankruptcy or, at least, it has to come to terms with market fluctuations. There is less concern for a standardized input, the production of eldercare becoming much more volatile and un-coordinated.

One can easily discern here that old age provision is subject to disorganization, in stead of being dominated by statutory or corporatist organization. The material outcome of this configuration is less a reduction of the overall quantity of available services. Rather, service provision becomes more heterogeneous, and subject to new social inequalities, since how a given service is provided depends on very local (market) conditions and management skills. For the purpose of this paper, however, another question proves more relevant. Given the above sketched reorganization of eldercare, a crucial question is upon the consequences of this reorganization has on the moral economy of the organisational field under consideration, and upon international variations due to the different welfare states legacies or infrastructures of civil society.

At issue is the moral framing of the field, and upon changing normative rationales with the process of disorganization. Relevant dimensions in which this evolution takes shape are the norms ruling the *interaction of the actors* participating in the above sketched partnership on the one hand and the *orientations of each of these actors*, on the other. As an example, the remainder of this section explores *system-wide norms of work organization* on the one hand and the *strategic approaches of the actors* (involved into the welfare mix) on the other hand. As to the former category, we consider the norm of *professionalism*. Concerning the latter, the focus is on *major economic orientations of nonprofit providers*. Both are core elements of the moral framing of the organizational field under consideration.

In Germany, during the heyday of organized welfare capitalism, there was a clear tendency towards an encompassing professionalism in the field under study, a core instrument of this orientation being the so-called “Sozialstationen”. These service facilities – or the time being referred to as a model for the future – were conceived as multi-service centres including medical and non-medical care (Grunow et al. 1980). They were to be largely based on professional standards, with some volunteer support at the margins. In some federal states, such multi-service centres were set up by public authorities or welfare associations, the latter being quite generously subsidized by the welfare state for that purpose. The welfare associations proved an integral component of the arrangement. They worked hand in hand with public authorities while disposing of considerable discretion in running the services. The respective interaction seemed to be guided by a normative rationale saying that there is a statutory responsibility for universal eldercare but that needs have to be accessed and served at the local level, with the participation of non-statutory actors.

The case of France was somehow different. After World War II, besides a highly state-regulated field of medical out-patient care, some further services were left to associations providing their services on the grounds of local partnerships and multiple funding, with a growing portion of salaried work. In the sequel, these associations formed the core of the system of non-medical eldercare. Local partnerships with public authorities existed, even though unequally developed across the country. The aforementioned example of the very influential ADMR is a good example for this quasi-corporatist partnership. The respective interaction was supposedly framed by a normative rationale saying that local social ties are important for serving the needs of the elderly in a human way if care is delivered in a non-residential setting.

As to Britain, this rationale proved probably less important. As already mentioned, there was an increasing state responsibility for social care in the post-war period, materializing most strongly in the introduction of “Social Service Departments” at the level of each local authority (SSD). While the latter held the responsibility for basic public provision especially in the field of medical eldercare, some space remained for additional services run by voluntary agencies. More importantly, the latter were participating in policy making, with organisations such as Age Concern defining the latter as their core business. In this configuration, the moral rationale seemed to be that voluntary organisations had to fulfil the role of political advocacy, besides some practical initiatives presented to public authorities as model-like innovations. Voluntary agencies were perceived as community-bound advocates of elder people’s needs, the state being the prime level of service provision (Vincent et al. 2001:41-50).

Put in a nutshell, the grounds on which the moral economy of old age provision was built in the organizational field under study were – more or less – based upon professional care work on the one hand, and a participatory approach of the voluntary sector on the other hand, the latter ranging from political advocacy to the execution of programmes on behalf of the public sector. With the *disorganization* of the field, however, considerable change is underway. Considering the case of Germany first, we can see that outpatient eldercare has become partially deprofessionalized during the last years. This tendency – which occurs undercover to some extent – materializes in a more tayloristic organisation of care work and the use of under-qualified personnel. Contrary to the model of the “Sozialstationen”, a growing part of the service chain is left to people that are not (especially) educated to do eldercare work. The welfare associations as major providers are trying to control the new care markets. They are building service networks based on managerial rationalization, but at the same time, they attempt to bring to bear their traditional reputation (which is faith-based in many cases) on the new market, pretending that their tradition makes them trustworthy and need-oriented. Finally, they are lobbying for new regulations that impose new quality standards on providers and purchasers. In a word, selective professionalism and a new thinking in terms of a “soft marketing approach” are becoming the prevailing rationales.

The situation in France is somehow different. As to medical out-patient care, the role of independent nurses and care services paid by Social Security funds has been confirmed. Simultaneously, we can observe a move towards professionalizing of the – so far weakly regulated – peripheral (non-medical) care services, since a new diploma and further statutory regulations concerning public subsidies have been recently introduced here. Nonprofit providers busy in that field have been strongly advocating this new regulation, including by street protest in Paris. In the same run, however, many providers adopt a more managerial approach in their everyday practice. While professionalization also serves them as a lever to push away those private employees that have entered into the field at the beginning of the 1990s, the agencies are looking for new markets, a good example being those rural associations that now start agencies in middle-sized towns. The general strategy of the ADMR is to open “service houses” in which a range of services is offered to customers like in a regular shop. The new rationale seems to be a dualistic one since the association argues in terms of a public service approach on the one hand and attempts to conquer new parts of the service market on the other.

Figure 2: *Changing rationales in the moral economy of (non-residential) eldercare*

	<i>Dominant rationales in the organized pattern</i>	<i>Dominant rationales in the disorganized pattern</i>
Germany	encompassing professionalism & corporatist voluntary agency	selective professionalism & voluntary agency oriented towards soft marketing
France	partial professionalism & voluntary agency based on "local connections"	Peripheral professionalization & voluntary agency combining a market and a welfare state approach
Britain	Far-reaching professionalism & voluntary agency as a complement	De-professionalization & voluntary agency adopting the principles of quasi-markets

With regard to professionalism, the situation is less ambivalent in Britain. Statutory professionalism, based on a steady and qualified workforce, has come under considerable pressure, with a growing portion of (mainly non-medical) services being devolved upon non-statutory providers. Concerning the organization of the welfare mix, voluntary agencies that so far had concentrated on niche activities or lobbying started to bid for public contracts, adopting the principles of the new quasi-market. Using a flexible workforce and adapting their managerial techniques to rapidly changing portfolios of service activities, voluntary organisations such as local "Age Concerns" busy in the eldercare industry try to find a balance between operating as economic actors while at the same time acting on behalf of a population with particular social needs. On the one hand, a major concern is about proving inventive all the time, being able to rapidly adapt to changing purchaser strategies, and to capture clients within the competitive welfare mix. On the other hand, the idea is to raise public concern about current needs of the elderly by political agency, in order to emphasize the advocacy role of the association. The new rationale then seems that of a customer- *and* user centred eldercare.

The general tendency is that the norm of professionalism has come under pressure, at least in Germany and in Britain, predominantly in the field of non-medical services. Moreover, with a changing public-private partnership, nonprofit providers adopt a market-oriented, managerial approach though looking at possibilities to set limits or to shape the emerging market. Concerning the latter, the emphasis is on quality given priority over money, on advocacy on behalf of assessed needs, and on an equitable design of the organizational field by social policies.

Due to different institutional and cultural heritages, there is considerable variation between the national settings, with Britain being most affected by disorganizations and France exhibiting the most ambiguous evolution of the field. One general lesson is that the respective role non-statutory provider had acquired in the era of organized welfare capitalism matters when it comes to a re-shaping of the moral economy at stake. While British voluntary organisations are left with a tradition of lobbying for statutory policies and organizing small-scale complementary services – the latter without comparatively low interference of the welfare state –, German and, to a lesser extent, French nonprofit providers can bring their traditional rationale to bear, which is a corporatist thinking stressing the role of voluntary organisations as co-producers of services on behalf of public authorities. Concerning professionalism, France seems to resist more to tendencies of de-professionalization than Germany and especially Great Britain, probably because social professions have proved unequally powerful in these three countries.

## 5. Conclusions: A New Moral Economy?

Resuming the findings of the previous case study in the light of the theoretical discussion in this article, some basic evolutionary dynamics in the fields of old age provision become discernable. First of all, there is disorganization, understood as “fairly systematic process of dis-aggregation and restructuration” (Lash/Urry 1987:8). The example of non-residential care is telling: The production of welfare is increasingly subject to strategies of local (organizational) actors coping with market turbulence and changing purchaser strategies. A new system of allocating resources and defining the actor’s roles in the welfare mix emerges. The material result is twofold: In some places, service innovations providing for economies and/or higher quality come about, while in others, organizational outcomes are meager and to the disadvantage of certain “consumer” groups. New horizontal inequalities are going to appear.

One major background of this re-configuration resides in the changing societal position of voluntary associations. Their social force is loosing ground, hence the loss of a strong or even focal position in the welfare mix. We can refer here again to Lash and Urry pointing out that “disorganization of civil society ... is the precondition of disorganization in the state.” (Lash and Urry 1987:7). With the disorganization of old age welfare, however, the normative underpinnings of the latter are prone to change, too. In our case study, norms of professionalism and a more socio-political approach of voluntary action are superseded by micro-economic rationales. In the same vein, however, professionalism in old age welfare including the field under consideration remains a contested ground, and voluntary actors try hard to embed the new market by stressing need-orientation, priority of quality, and the responsibilities of social policy. Service users too are confronted with multiple references and ambivalent organizational strategies.

Under such circumstances, the moral economy of old age provision will become more fluid. Considering what disorganization means for the framing of this moral economy we must seek to explore how codified and non-codified norms will be designed in the new welfare markets. The theoretical discussion and the case study both indicate that the news is not that of *one* novel moral economy differing from the one we had in the past. Rather, we have to deal with the *dispersion of the normative underpinnings* of old age welfare. From now onwards, the latter will be subject to multiple social negotiations about what are a need-orientation in service delivery, best value for money, or the respect of human rights. This will be disputed between



users and providers, institutional purchasers and executing agencies, and advocacy groups and public authorities.

The new configuration is not confined to the field of eldercare. To some extent, experiences from pension systems hint to a similar evolution. In Germany, for instance, the recent introduction of publicly subsidized private pension systems will lead to competition and diversity within the pension system. Thus collective actors will unfold new strategies here as well, and this will occur in a dispersed way, too. Trade unions, for instance, may be able to push for collective saving schemes that make private asset management models more equitable, while non-unionized segments of society will be faced with more insecure and even obscure markets for retirement support. Hence intermediary forces will co-design the new moral economy, but they will do that at lower levels of society. Moreover, the design of products for private saving will depend on which asset insecurity the new “costumers” of old age security will accept. Again, this is negotiated between individuals and (in that case mostly for profit) service agencies on the one hand, and between intermediary forces of civil society (trade unions, advocacy groups etc.) and political regulators on the other hand.

To date, too few empirical findings are available for completely assessing the future moral economy of old age provision. This paper did not offer but some preliminary reflections on that. It defined a research agenda rather than presenting the full picture. Going beyond a simplistic diagnosis of “privatization” that pretends welfare markets becoming markets like all the others requires further empirical investigations, and also a new theoretical framework in which the normative underpinning of social welfare is thought differently. One thing, however, is sure. With the disorganization of welfare capitalism, old age provision becomes more complex and more difficult to sociologically understand. But this is an exciting challenge to current notions of what is a welfare state.

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