Chapter 6

Welfare State Institutions and Welfare Politics in Central and Eastern Europe: The Political Background to Institutional Diversity[1]

Manabu SENGOKU

Introduction

With the consolidation of basic political and economic institutions after the regime transformation in Central and East European (CEE) countries, social policy institutions in these countries have also been realigned or reconstructed.[2] During the early years, many studies claimed that CEE countries would introduce a variant of the liberal or residual welfare system, since these countries would be strongly affected by exogenous factors, such as globalization of the economy or the requirement for structural reforms from the International Monetary Fund and the

1 This work has been supported by a Grant-in-Aid for Scientific Research (C) (Project Number: 18530109, Title: Social Policy of Central and East European Countries after Entry to the European Union) and a Grant-in-Aid for Scientific Research (A) (Project Number: 17201046, Title: Comprehensive Comparative Analysis of System Transformation in the CIS and East-European Countries) of the Japan Society for the Promotion of Science.

2 In this paper, we are concerned with the EU-8 countries joining the European Union in 2004. However, we should include Bulgaria and Romania, joining the European Union in 2007, and a candidate country, Croatia, in the category of Central and East European countries.

World Bank (Ferge 2001). However, in recent years, it has been made clear by many researches that so-called social dumping has not occurred as foreseen in CEE countries and that there is great variation among the newly constructed or totally reformed social policy institutions of CEE countries, in spite of the fact that these countries have similar historical experiences and legacies or have been influenced by similar pressures from outside.[3] At present, it has been confirmed that for the welfare reforms in CEE countries, environmental (outside) factors have functioned only as a catalyst (see Sengoku 2004 for details).

Considering this situation, in this paper, we will explore the reason for the diversification of the welfare institutions in CEE countries by focusing on domestic politics. To date, many studies have made it clear that there are several patterns of welfare system configuration in CEE countries, but very few have analyzed the reason or origin of this diversification.[4] This study is intended to fill this gap by focusing on two questions: What type of welfare systems have emerged in CEE countries? And why has the development of the welfare institutions taken different routes among these countries?

The paper is organized as follows. First, we will develop an "institution-oriented" approach to grasp the characteristics of welfare institutions. Next, we will ascertain the differences among welfare institutions in CEE countries by comparing the social expenditure structure and configuration of welfare institutions of these countries. Afterwards, differences in institutional configuration among CEE countries will be clarified, and the relationship between the institutional configuration and domestic politics will be analyzed empirically, focusing mainly on party politics. The discussion will be summarized in the conclusion.

---

3 The following are a few random examples: Manning (2004), Aidukaite (2004; 2006), Cook (2007), Bulracu (2007), Fenger (2007), Inglot (2008), Szelewa and Polakowski (2008).

4 Cooks (2007) and Inglot (2008) will be the exceptional researches, which have analyzed the characteristics of the welfare systems in CEE countries in relation to institutional diversification. However, deep historical analysis by Inglot cannot be used for the systematic medium-n comparisons as in this paper, and broad-range comparison of post-communist countries by Cook cannot be utilized for comparison of similar cases as in this paper.

1. Data

The analysis of this paper is mainly based on two data sets. One is Eurostat, which contains basic statistical data on European countries. The other data set is MISSOC (Mutual Information System on Social Protection), which is a central information source regarding social protection legislation, benefits, and financing in European countries. In addition, I have utilized the websites of related ministries of CEE countries and some researches made by the World Bank for further information.

2. Institution-oriented Approach to Studying Welfare Systems

First, we avoid the "welfare regime" approach here for the study of welfare systems in CEE countries, and instead utilize the "institution-oriented" approach. It should be admitted that the welfare regime concept is useful for grasping the total architecture of welfare institutions. However, as Kasza states, the welfare regime concept also has limitations in explaining differences among countries, especially minor differences among the same categories. Kasza claims that the actual welfare state has not been consistently structured along any one set of practical concerns or values, as the welfare regime theory supposes, for the following reasons (Kasza 2002).

1) Social policies are the cumulative work of different governments and represent responses to a variety of historical circumstances.
2) Major social policy institution reforms often occur in one or another policy field without others being touched, and as a result, various welfare policies in one country typically have different histories from one another.
3) Different fields of welfare policy frequently involve different policymaking actors.
4) Different fields of welfare policy usually produce different policymaking processes.
5) In many cases, the effect of foreign models has been immense.

From these points, Kasza insists that the welfare regime theory should be avoided, and instead recommends a strategy for comparing particular policy fields and institutions to understand the characteristics of various welfare systems; here, we will follow this strategy, which could be called an "institution-oriented" approach.[5]

And here, to analyze welfare institutions in CEE countries, we will employ the typology of welfare state institutions proposed by Kopri and Palme (1998; 2003). Their typology has been operationalized not by "welfare regime" indicators such as the index of social expenditure, decommodification, or stratification, but by institutional characteristics such as eligibility or benefit level of welfare. In addition, their typology is systematically connected with the political process (conflicts relating to the benefit distribution) among social classes concerning the welfare system. These characteristics are useful for our analysis.

Kopri and Palme proposed five ideal-typical models of social insurance institutions, defined in terms of three separate aspects of institutional difference: criteria for benefit eligibility, principles of benefit levels, and form of program governance (or employer-employee cooperation in program governance). The characteristics of this typology can be summarized as follows (Korpi and Palme 1998: 665–669; 2003: 430–432):

1) Targeted: Eligibility for benefits is based on a means test, which results in minimum benefits to those who fall below the poverty line or are defined as needy.
2) Voluntary state subsidized: Eligibility is based on voluntary contribution, and tax money is used to help mutual benefit societies and other types of voluntary organizations.
3) Corporatist: Eligibility is based on a combination of contributions and on belonging to a specified occupational category, and programs are governed by elected representatives of employees and employers.

5 Recently, some researchers are also emphasizing the importance and utility of policy (institution)-based comparison (for example, Kühner 2007 and Szelewa and Polakowski 2008).

4) Basic security: Eligibility is based on residence or contributions for achieving wide or universal coverage of the relevant population categories, and benefits are provided at a flat rate or there is a low ceiling on earnings replacement.
5) Encompassing: Eligibility is based on residence and contributions, and universal programs covering all citizens for basic security are combined with earnings-related benefits for the economically active population.

Korpi and Palme have systematically related these institutional models to the political process as follows. (1) Basic security and targeted institutions are likely to generate a split of interests between the middle classes and the workers, as the middle classes tend to rely on private forms of insurance because of low-level benefits (or no benefits in case benefits are provided on the basis of means testing) from public programs. (2) Corporatist and encompassing institutions reduce conflicts between the two classes, as the middle classes as well as the workers are largely dependent on public programs (although these two models put the middle classes into very different contexts) (Korpi and Palme 1998: 665–669; 2003: 430–432). By using this typology, we can analyze institutional characteristics and their relationship with the political process.

However, there is a difference between the approach of Korpi and Palme and the "institution-oriented" approach adopted here. Korpi and Palme have tried to connect their institutional analysis with the welfare state (or regime) typology and have tried to discuss the "retrenchment of welfare" as a whole, but here, we are trying to analyze the "combination of different welfare institutions" or "institutional configurations" so that we can analyze the specific characteristics of welfare institutions and their origins in detail. In general, the pattern of institutional development varies according to the difference in influential actors of the country. For example, trade unions have a strong incentive to protect the current workers, so in general, unions try to promote the introduction of a benevolent pension or health care system for workers, but in contrast, unions tend to be indifferent to welfare outside the labor market (such as child care systems outside the family or career training for the younger generation), so the existence of strong trade unions itself does not guarantee the introduction of social democratic welfare institutions in the aggregate.[6]

For this reason, instead of applying the already-existing welfare typology, we will try to specify the configuration of welfare institutions in CEE countries first, and then try to find the influential actors that have shaped the institutional configuration.[7]

In the next two sections, we will clarify the institutional configurations of welfare in CEE countries. First, to understand the current situation of welfare in CEE countries, we will survey the difference in social expenditure structure of these countries, which is caused by the difference in institutional configuration. And next, we will analyze the institutional configurations of welfare in CEE countries.

3. Social Expenditure Structure in CEE Countries

During the communist era in CEE countries, there existed communist-type welfare states, characterized as a combination of the conservative Bismarckian insurance system inherited from the prewar regimes and the universal welfare system introduced in the postwar era (Cook 2007: 33–41; Inglot 2008: 25–30). Under this communist welfare state, near-universal welfare was provided on condition that everyone had to work. However, after the regime transformation, this communist-type welfare system had to be totally restructured in order to adapt to a new market economy environment.

The basic directions of welfare restructuring at this time can be summarized as follows: (1) decentralization of social services and responsibilities, (2) privatization of social service responsibilities (for example, shifting financial responsibility from state budgets to independent social funds financed by employer-employee wage taxes or to private insurance markets, while legalizing private providers), and (3) replacement

6 As we will see below, in the Czech Republic and Slovenia, there are influential trade union(s), but child benefit is provided on the basis of income testing in these countries.

7 This inductive type of analysis is close to the "fuzzy set ideal-type" approach taken by Szelewa and Polakowski (2008), though we have not taken the strict (quantitative) standard for our analysis.

Table 1. Social policy expenditure in EU-8 countries (2006, % of GDP)

	Total	Sickness/ Health care	Disability	Old age	Survivor	Family/ Children	Unemploy-ment	Housing	Social exclusion
Czech Republic	18.1	6.2	1.5	7.0	0.8	1.4	0.6	0.1	0.5
Estonia	12.2	3.8	1.2	5.4	0.1	1.5	0.1	0.0	0.1
Hungary	21.8	6.3	2.1	8.9	0.3	2.8	0.7	0.5	0.1
Latvia	11.9	3.5	0.9	5.5	0.3	1.2	0.4	0.1	0.1
Lithuania	12.8	4.1	1.4	5.3	0.4	1.1	0.2	0.0	0.2
Poland	18.8	3.8	1.7	9.4	2.1	0.8	0.6	0.1	0.2
Slovakia	15.3	4.7	1.3	6.1	0.9	1.2	0.5	0.0	0.6
Slovenia	22.2	7.1	1.9	8.4	1.7	1.9	0.7	0.0	0.5
EU-27 average	21.4	6.1	1.9	8.5	1.2	1.9	1.1	0.3	0.4

Source: Eurostat

of universal benefits by means testing or poverty-targeted benefits (Cook 2007: 49–52). These reforms have been conducted in all CEE countries, but with varying degrees. We can confirm this fact by comparing the structure of social expenditure in CEE countries.

First, the total level of social policy expenditure is shown in Table 1. From this table, the level of social policy expenditure in CEE countries can be classified into three categories:

a) Countries above the EU-27 average (21.4 percent): Hungary (21.8), Slovenia (22.2)
b) Countries slightly below the EU-27 average: Czech Republic (18.1), Poland (18.8)
c) Countries far below the EU-27 average: Estonia (12.2), Latvia (11.9), Lithuania (12.8), Slovakia (15.3)

Although we should be aware of the problems of using expenditure on social protection as a welfare indicator (see Kopri and Palme 2003: 432–434; Barlacu 2007: 307), we can at least observe from Table 1 that there is a distinct difference in the level of social expenditure among CEE countries, which means that there is a difference in the pattern of welfare restructuring.

Table 2. Social insurance contributions structure in EU-8 countries (2006, % of total contributions)

	Employer	Protected	State	Others
Czech Republic	53.9	26.4	18.8	0.9
Estonia	80.1	0.3	19.5	0.1
Hungary	38.6	15.2	40.6	5.6
Latvia	47.1	16.8	35.5	0.6
Lithuania	54.9	6.1	38.5	0.5
Poland	25.9	22.0	33.3	18.8
Slovakia	44.2	21.4	25.5	8.9
Slovenia	27.1	40.8	30.7	1.4
EU-27 average	39.4	19.0	36.6	5.0

Source: Eurostat

Table 3. Rate of means-tested social benefits in EU-8 countries (2006, % of each benefit)

	Total	Sickness/ Health care	Disability	Old age	Survivor	Family/ Children	Unemploy-ment	Housing	Social exclusion
Czech Republic	5.0	0.0	0.0	0.0	0.0	35.7	0.0	100.0	80.0
Estonia	0.8	0.0	0.0	0.0	0.0	0.0	0.0	No system	100.0
Hungary	4.6	1.6	0.0	0.0	0.0	3.6	14.3	100.0	100.0
Latvia	1.7	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0
Lithuania	1.6	0.0	0.0	0.0	0.0	9.1	0.0	No system	50.0
Poland	5.3	0.0	5.9	0.0	0.0	75.0	0.0	100.0	100.0
Slovakia	5.9	0.0	15.4	3.3	0.0	0.0	0.0	No system	83.3
Slovenia	9.0	0.0	5.3	1.2	5.9	68.4	0.0	No system	80.0
EU-27 average	8.0	1.5	10.9	4.0	3.2	25.0	15.1	n.a.	73.1

Source: Eurostat

Next, regarding the difference in the degree of privatization and decentralization, data on the social insurance contribution structure, shown in Table 2, tells us that there is also a distinct difference among CEE countries. We can observe that in the Czech Republic and Estonia, the proportion of state contribution to social insurance is much lower than the EU-27 average but that in Hungary and Lithuania, the proportion of state contribution is higher than the EU-27 average.

Table 4 Family Policy Expenditure in EU-8 Countries (2006)

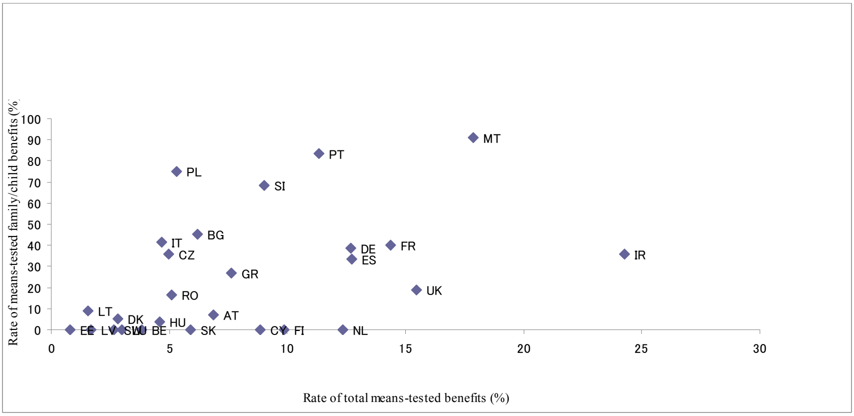
	Social expenditure in total (% of GDP)	Family/ Children (% of GDP)	Family/ Children (% of total social expenditure)	Means-tested social expenditure (% of total expenditure)	Means-tested family/ children expenditure (% of total family/ children expenditure)
Czech Republic	18.1	1.4	7.7	5.0	35.7
Estonia	12.2	1.5	12.3	0.8	0.0
Hungary	21.8	2.8	12.8	4.6	3.6
Latvia	11.9	1.2	10.1	1.7	0.0
Lithuania	12.8	1.1	8.6	1.6	9.1
Poland	18.8	0.8	4.3	5.3	75.0
Slovakia	15.3	1.2	7.8	5.9	0.0
Slovenia	22.2	1.9	8.6	9.0	68.4
EU-27 average	21.4	1.9	9.0	8.0	25.0

Source: Eurostat

Concerning the degree of replacement of universal benefits by means-tested benefits, Table 3 tells us that there are also clear differences among CEE countries. In general, the proportions of the means-tested benefit of CEE countries are lower than the EU-27 average (except Slovenia), especially those of the Baltic states (Estonia: 0.8, Latvia: 1.7, Lithuania: 3.0), in spite of the fact that the general levels of social expenditure in these countries are among the lowest. This fact seems to contradict common views like "(m)eans-tested social assistance, or 'targeting the truly needy', is rapidly gaining ground everywhere in the CEE countries" (Ferge 2001: 145).

More noteworthy is the fact that there is a distinct difference in the level of means-tested "family/child" benefits among CEE countries (see Table 4 for details). While in the Czech Republic (35.7), Poland (75.0), and Slovenia (68.4), the level of means-tested family/child benefits is higher than the European average (25.0), the level of means-tested benefits is below the European average in Hungary (3.6), Estonia (0.0), Latvia (0.0), Lithuania (9.1), and Slovakia (0.0). Among West European countries, the level of means-tested family/child benefits is roughly related to the level of total social expenditure, but we cannot find this kind of relationship in CEE countries (see Figure 1). This point is one of the distinctive characteristics of CEE countries.

Figure 1. Relation between the Total Means-tested Benefits and Family/Child Means-tested Benefits



Source: Eurostat

We therefore conclude from these data that there are distinct differences in social expenditure structure among CEE countries. In the next section, we will analyze the difference in institutional configuration of welfare in these countries by focusing on old-age pensions, health care and sick benefits, and child care programs.[8]

4. Social Policy Institutions and Their Configuration in CEE Countries

First, regarding the classification of institutional configurations below, we will follow the procedure posed by Korpi and Palme as follows

8 Concerning the subject of analysis, Korpi and Palme have used their typology to classify the institutional structures of old-age pensions, sickness insurance programs, and unemployment insurance as being of importance for all citizens as well as for the formation of interest groups. Here, we include family support programs instead of unemployment insurance, because, in addition to the fact that child care programs have also been important for a broad range of citizens and for the formation of political cleavages, it is possible that the differences in child care programs have produced different types of welfare system in CEE countries, as we have seen in this section.

(Korpi and Palme 1998: 669–670)[9]: (1) separating out means-tested programs and voluntary state-subsidized programs by the relevant qualitative criteria (bases of entitlement and benefit level principle), (2) identifying the corporatist model in terms of the existence of multiple programs directed at separate occupations, and (3) distinguishing basic security and encompassing programs, based on the degree of earnings relatedness of benefits and program coverage.

We now proceed to comparing the social policy institutions of CEE countries with respect to this procedure.

4-1. Old-age Pensions

The main characteristics of old-age pensions in CEE countries are summarized in Table 5. The results of the classification of these old-age pension systems according to the procedure above are as below:

1) Encompassing model: Estonia, Latvia, and Slovenia
2) Basic security model: Czech Republic, Hungary, Lithuania, Poland, and Slovakia

First, there are no means-tested benefits or occupationally divided schemes in old-age pensions in CEE countries, so the pension systems can be classified either under the basic security model or the encompassing model.[10] And judging from the bases of entitlement and benefit level principles, we can categorize the pension systems of Estonia, Latvia, and Slovenia into the encompassing model, because in these countries, the entitlement bases of the pension system are both citizenship (or near universal) and labor force participation, and benefit levels are decided using both a flat rate (or minimum rate) and substantial earnings relatedness. The old-age pensions of other countries can be categorized under

9 Regarding the Baltic states, Aidukaite has also made a comparison of social insurance institutions by utilizing the framework of Korpi and Palme (Aidukaite 2006). However, Aidukaite does not strictly follow the procedure of Korpi and Palme cited here, so her classifications are slightly different from the classification used in this paper.

10 Except Poland, where there is a distinctive pension scheme for farmers.

Table 5 Structure of Pension System in CEE Countries

	Czech Republic	Estonia	Hungary
Coverage of the system (compulsory only)	All economically active persons, assimilated groups (ex. foster care, volunteer work, students, unemployed, etc.)	All residents	Employees, self-employed, assimilated groups
First pillar Calculation method	Basic amount + earnings related (The accrual rate will be discounted for higher earnings.)	Basic amount + earnings related	Earnings related
a) Basic pensions (or their substitute)			
Targeted (higher benefit to poorer pensioners by means testing)	*		
Basic (flat rate for all insured)	*	*	
Minimum (earnings related but guaranteeing minimum benefits)			
b) Earnings-related pensions Statutory schemes	DB	DB (point accumulation)	DB
Second pillar Statutory schemes	Voluntary private fund	Mandatory fully funded DC	Mandatory fully funded DC
Contribution rates (% of gross salary) Total (employee/employer)	28.0 (6.5/21.5)	20.0 (from general social tax 33.0 (0/33))	33.5 (9.5/24.0)
Rate for second pillar	n.a.	8.0	8.0
Gross replacement rate (% of individual net earnings)			
Individual earnings equal to half of the average earnings	70.5	58.4	75.4
Individual earnings equal to the average earnings	44.4	51.6	75.4
Individual earnings equal to double the average earnings	25.4	48.2	75.4

Note – DB: defined benefits, NDC: notional defined contribution, DC: defined contribution
Source: Whitehouse (2007, 16); Kąsek et al. (2008, 7); MISSOC and homepages of related ministries

Latvia	Lithuania	Poland	Slovakia	Slovenia
Employees, self-employed, unemployed, individuals nursing children or receiving maternity/ sickness benefit	Employees, self-employed with high income	All employees outside agriculture, unemployed	Employees, self-employed with high income	Employees (including part-time workers), farmers, self-employed, unemployed
Earnings related with minimum pension corresponding to length of service	Basic amount + earnings related	Earnings related with minimum pension	Earnings related with minimum pension	Earnings related with minimum pension
	*			
*		*	*	*
NDC	DB	NDC	DB (point accumulation)	DB
Mandatory fully funded DC	Mandatory fully funded DC (with opt-out option)	Mandatory fully funded DC	Mandatory fully funded DC	Voluntary private fund
23.65 (from social insurance 33.09 (9/24.9))	26.35 (2.5/23.85)	19.52 (9.76/9.76)	18.0 (4.0/14.0)	24.35 (15.50/8.85)
10.0	5.5 (optional)	7.3	9.0	n.a.
63.6	69.9(m)/ 65.2(f)	56.9(m)/48.4(f)	48.6	
58.2	53.4(m)/ 48.6(f)	56.9(m)/41.4(f)	48.6	68.7
58.2	45.1(m)/ 40.3(f)	56.9(m)/41.4(f)	48.6	

the basic security model, mainly covered by insurance for workers and related groups.

4-2. Health Care Systems

Here, to classify the characteristics of the health care system, we will use health care coverage data (Table 6) and the level of sickness benefits (Table 7). According to these data, health care systems in CEE countries can be classified as follows:

1) Encompassing model: Estonia, Latvia, and Slovenia
2) Basic security model: Hungary, Lithuania, Poland, and Slovakia
3) Mix of encompassing and basic security model: Czech Republic

Countries following the encompassing model have universal insurance systems, broad coverage of benefits and services, and a high (or no) ceiling for sickness benefit, all of which mean that services for the middle classes are included in the public insurance system. In contrast, countries belonging to the basic security model have institutions mainly targeting employees with a limited range of services and benefits and a relatively low level of benefits, all of which would encourage the middle classes to seek additional private services. The Czech Republic falls under the category between the encompassing and the basic security model. Here, the insurance system itself has universal characteristics, but the range of benefits and services is limited and the ceiling for sickness benefits is low.

4-3. Family Support Programs

Concerning family support programs, we will use child benefits for school-age children (Table 8) and child care fees during the nursing period or parental leave (Table 9) as criteria for classification. According to these data, family support programs in CEE countries can be classified as below:

1) Encompassing model: Estonia, Hungary, and Latvia
2) Basic security model: Slovakia
3) Targeted model: Czech Republic, Poland, and Slovenia
4) Combination of different models: Lithuania

Table 6. Health Care System in CEE Countries

	Insurance coverage	Service covered	Co-payments service
Czech Republic	Universal insurance	Preventive services, diagnostic procedures, ambulatory and hospital curative care	Dental services, some drugs and medical aids
Estonia	All residents on whose behalf social tax is paid, Children, student, pensioners, and pregnant women are exempted from paying contribution	All, with some exclusion such as cosmetic surgery, alternative therapies and opticians' services, and limited coverage of adult dental care	GP home visits, outpatient prescription drugs, outpatient specialist care, inpatient care
Hungary	Employees and dependents. Unemployed and people in social need are paid by the state and local government. Pensioners are exempted from paying contribution	Almost all primary, secondary and tertiary care services	Dental treatment, services without referral, and extra "hotel" spaces of hospital services
Latvia	Universal basic health system (financed by tax and co-payment)	Emergency care, treatment of acute and chronic diseases, prevention and treatment of sexually transmitted and contagious diseases, maternity care, immunization programs and drugs	All patients receiving statutory benefits participate with co-payments
Lithuania	Employees and other contribution payers, Persons entitled with any type of pensions, children, unemployment, and dependent familiy members are insured with public funds	All service covered	Drugs and some medical aids for ambulatory treatment
Poland	Employees, self-employed persons, pensioners, recipients of other social benefits, students, farmers, family members of the insured	All, with some exclusion such as cosmetic surgery, alternative therapies and opticians' services	Drugs, dental care
Slovakia	Employees and employers. Economically challenged population (ex. students, children, pensioners) are insured by the state	Emergency care, preventive care and health services for children under age 6	All levels of care
Slovenia	Universal insurance	Full coverage of essential services	All inpatient and outpatient care not covered under essential services, drugs

Source: MISSOC and homepages of related ministries (see reference)

Table 7. The Entitlement to Sickness Benefit in CEE Countries

Country	Replacement rate	Benefits ceiling	Duration period	Waiting days
Czech Republic	60% of the assesment base (calcurated from the contributing income) from the 15th to 30th day, 66% from 31st to 60th day, 72% from 61st day	Maximum CzCr 606 per working day	1 year (2 years if recovery is assured) or qualification for invalidity	14 days (during this period a worker is entitled to a payment from the employers)
Estonia	80% of the average daily income of insured person	None	No more than 90 calender days during a calender year or qualification for invalidity	None
Hungary	70% of earnings if the insured period is longer than 2 years, 60% if less	None (but liable to taxation and social security contribution)	1 year for illness	None
Latvia	80% of the average national wage from the 4th day (75% for the 2nd and 3rd day)	None	No more than 52 weeks if incapacity for work is uninterrupted; no more than 78 weeks during a period of three years if incapacity for work is repeated at intervals	1 day
Lithuania	85% of the average compensatory wage (80% for the first two days)	350% of average wage	No more than 182 consecutive calendar days, 240 consecutive days in the case of tuberculosis	1 day
Poland	80% of remuneration (100% if the incapacity for work was caused by an employment accident)	200% of the average remuneration during last three months	6 month (9 month in case of tuberculosis), 3 months can be extended on a doctor's request	35 days (during this period a worker is entitled to a payment from the employers)
Slovakia	70% of the net daily income for the first three days and 90% thereafter (maximum value of SKK350)	Maximum SKK 350 (250 for self-employed) per working day	1 year for illness	None
Slovenia	100% of the average monthly salary in case of employment injury, 90% due to illness, 80% in case of non-employment related injuries	insured person's usual salary	1 year for illness	None

Source: MISSOC and homepages of related ministries (see reference)

Table 8. Child Benefit in CEE Countries

	Czech Republic	Estonia	Hungary	Latvia
Description	Income-tested child benefits	Universal child benefits	Universal child benefits	Universal child benefits
Eligibility	Family income below 3 times the minimum living standard	Residents	Citizens, legal refugees, and immigrants	Citizens, non-citizens with a Latvian passport, permanent-residence foreigners
Benefit level (monthly amount per child)	Depends on income and age of the child	Flat rate (increased for families with 3 or more children)	Depends on number of children and household characteristics	Depends on number of children
Duration	Until the completion of compulsory education (or 26 if a student)	Until age 16 (or 19 if a student)	Until the completion of compulsory education (or 24 if a student)	Until age 15 (or 20 if a student)

	Lithuania	Poland	Slovakia	Slovenia
Description	Universal child Benefits	Income-tested child benefits	Universal child benefits	Income-tested child benefits
Eligibility	Residents (at least 1 parent)	Residents with family income below 504 PLN per month	Residents	Residents with income below 75% of average monthly wage
Benefit level (monthly amount per child)	Depends on age and number of children	Depends on age and number of children	Flat rate	Depends on income and number of children
Duration	Until age 18 (or 24 if a student with more than two children)	Until age 18 (or 24 if a student or disabled)	Until age 16 (or 25 if a student or disabled)	Until age 18 (or 25 if a student or disabled)

Source: Ringold and Kąsek (2007, 61-62); Kogan et al. (2008); MISSOC and homepages of related ministries (see reference)

Table 9 Parental Leave and Child Care Fee Programs in CEE Countries

	Czech Republic	Estonia	Hungary	Latvia
Coverage	Child care fees for parents providing full-time care at home	Combination of parental leave for workers and child care fees for non-working parents	Combination of parental leave for workers and child care fees for non-working parents	Combination of parental leave for workers and child care fees for non-working parents
Duration (under normal conditions)	4 years	a) Child care fees for non-workers: 3 years b) Parental leave: 575 days	a) Child care fees for non-workers: 3 years (8 years for families with 3 or more children) b) Parental leave: 2 years	a) Child care fees for non-workers: 2 years b) Parental leave: 1 year
Paternal Leave	n.a.	n.a.	n.a.	10 day
Child care funding	Flat-rate family allowance (choice between increased rate, shorter duration or decreased rate, longer duration)	a) Child care fees: flat rate b) Parental leave: calculated based on the parent's wage	a) Child care fees: flat rate b) Parental leave: 70% of the daily average earnings of the previous year	a) Child care fee: flat rate b) Parental leave: 70% of the monthly average wage for the first year, flat-rate for the second year c) Paternal leave: 80% of the average wage of the benefit recipient
Note	Full-time working parents can receive the fees if s/he ensures care for the child by another adult.	Child care fees and wage compensation cannot be received for the same child.	Child care fees and wage compensation cannot be received for the same child.	Child care fees and wage compensation cannot be received for the same child.

	Lithuania	Poland	Slovakia	Slovenia
Coverage	Parental leave for workers (insured by health insurance)	Parental leave for workers (insured by health insurance)	Child care fees for parents providing full-time care at home	Parental leave for workers (insured by health insurance)
Duration (under normal conditions)	2 years	24 months	3 years	260 days
Paternal Leave	Maximum 1 month	n.a.	n.a.	90 days (of which 15 days have to be used during the first 6 months of the child)
Child care funding	100% of the salary of beneficiary for the first year, 85% for the second year (100% of the salary of beneficiary for paternal leave)	Flat rate	Flat rate	100% of the average monthly gross wage of the entitled person
Note	No systems exist for non-working parents.	No systems exist for non-working parents.	No systems exist for working parents.	No systems exist for non-working parents.

Source: MISSOC and homepages of related ministries (see reference); Ringold and Kąsek (2007, 47-49) for Hungary

Table 10. Institutional Configuration of Welfare in CEE Countries

	Characteristics	Main targets	Countries
Institutions providing universal benefits	Universal coverage + benevolent benefits for working people	Universal (in reality, priority on the middle classes)	Estonia Latvia Slovenia
Institutions for the needy	Low-level basic security and targeted benefits	Needy	Lithuania Poland
Institutions for specific group(s)	Priority on specific group(s)	Workers in Czech Republic and Slovakia Middle-class families in Hungary	Czech Republic Hungary Slovakia

Source: Author

Family support programs in Estonia, Hungary, and Latvia can be classified as encompassing, for these countries have both a child allowance system for caring at home and parental leave for employees. Next, family support programs in Slovakia can be classified as basic security, because the benefit of universal child allowance is provided at a flat rate and child care fees are given only to families nursing at home, both of which encourage the middle classes to seek additional private services. Programs of the Czech Republic, Poland, and Slovenia can be classified under the targeted model, as in these countries there are means-tested child allowance and limited child care fee programs (only for parent(s) nursing at home in the Czech Republic, and only for working parent(s) in Poland and Slovenia). In Lithuania, there are combinations of different models; there is a parental leave system only for working people, but concerning child benefit systems, benefit is provided universally.

4-4. Configuration of Welfare Institutions in CEE Countries

The results of our classification are summarized in Table 10. According to these data, we will classify the institutional configuration of social welfare in CEE countries as follows:

1) Institutions providing universal benefits: Estonia, Latvia, and Slovenia

2) Institutions for the needy: Lithuania, Poland
3) Institutions for specific group(s): the Czech Republic, Hungary, and Slovakia

The welfare institutions of Estonia, Latvia, and Slovenia have been designed not only for the needy and workers but for the middle classes, and in this institutional configuration, the middle classes receive relatively preferential treatment. Next, welfare institutions in Lithuania and Poland have been constructed mainly for the needy. It seems that in these countries, the main purpose of social policies is to restrain social expenditure rather than to supply proper welfare benefits. Lastly, the welfare institutions of the remaining countries have been structured for specific groups. Institutions of the Czech Republic and Slovakia provide benefits mainly for (lower-class) workers, because the welfare institutions of these countries provide flat-rate or low-level benefits for the broad population, and for this reason, the middle classes seek additional services by themselves. In contrast, institutions in Hungary have been constructed mainly for families, as in Hungary, benevolent family benefits coexist with basic security old-age pensions and health benefits.

5. Institutional Configurations and Their Origins

Now, let us turn to analysis of the differences in institutional configurations among respective CEE countries.

5-1. Cases of Universal Institutions: Estonia, Latvia, Slovenia

In Estonia, Latvia, and Slovenia, political parties have played major roles in introducing universal welfare institutions, as major political parties in these countries, irrespective of their right-left position, have clear preferences for welfare. This fact can be found in the researches conducted by the team of researchers headed by Hans-Dieter Klingemann. They have gathered data on the policy preferences of parties, governments, and electors of European and other OECD countries by coding manifestos and other published programs of political parties (Klingemann et al. 2006). And here, we will use the data on the relationship between the right-left position of parties and governments and their welfare policy preferences (Tables 11 and 12). Here, regarding the right-left position, a negative score represents a left position and a positive score represents a right position, and concerning welfare policy preference, the larger the score is, the more the party is inclined to welfare. According to these data, it can be observed that the parties' and governments' welfare policy preferences of the countries classified into the universal group are relatively higher than those of the other countries.[11]

However, there is also a clear difference in welfare politics between Estonia and Latvia on the one hand and Slovenia on the other, as we have seen before. Concerning Estonia and Lithuania, it has been said that, paradoxically, weak representation of the left has produced consensus and pragmatism regarding social policy (Mikkel 2006: 24; Pabriks and Štokenberga 2006: 54–55). In both countries, radical reforms of the economy during the early period of transformation have produced a severe economic situation for the people, but left parties could not attract voters during this period because of their organizational inefficiency, so center and right parties have tried to attract potential left voters by welfare benefits. To attract both the left voters and center-right voters, all parties have tried to introduce a universal model, benefiting both the workers and the middle classes. However, in both countries, major parties have kept liberal economic policies such as balanced finance or the introduction of flat-rate tax, as these parties do not intend to sacrifice a liberalized economy for welfare. In addition, there are no influential labor unions or other organizations representing the interests of workers in either country. As a result, a combination of liberal economic policies and universal welfare institutions has been produced. This institutional configuration has given benefits mainly to the middle classes, as liberal

11 This difference can be checked by the t-test. Comparing the averages of welfare policy preference of universal institution countries (Estonia, Latvia, Slovenia) with those of other countries by the t-test, we find that the t-value of party welfare preference is 5.51 (statistically significant at 1 percent with 66 degrees of freedom), and that the t-value of government welfare preference is 2.21 (statistically significant at 5 percent with 85 degrees of freedom).

Table 11. Party Preference for Welfare Policy in CEE Countries

Countries	Party name	Right-Left position	Welfare policy preference
Czech Republic	KSBM Communist Party	-11.22	10.25
	CSSD Social Democratic Party	-1.29	13.39
	ODA Civic Democratic Alliance	17.65	9.51
	ODS Civic Democratic Party	31.90	3.78
	KDU-CSL Alliance	-0.19	10.08
	SPR-RSC Coalition for the Republic	4.89	4.40
	DZJ Movement of Pensioners	3.54	10.79
	HSD-SMS Movement for an Autonomous Democracy	8.38	1.77
	Average	6.71	8.00
	Standard Deviation	13.11	4.11
Estonia	Moodukad People’s Party Moderates	-6.14	14.92
	Kesk Centre Party	-6.84	28.58
	ER Reform Party	8.40	13.98
	Isamaa Pro Partia Union	16.21	11.63
	KMÜ Coalition Party and Rural Union	6.30	12.64
	Average	3.59	16.35
	Standard Deviation	9.91	6.95
Hungary	MSzP Socialist Party	-1.68	15.22
	FiDeSz Federation of Young Democrats	10.94	8.88
	SzDSz Alliance of Free Democrats	9.42	8.98
	FiDeSz-MPP-Alliance	8.18	10.34
	MDF Democratic Forum	6.75	6.19
	KDNP Christian Democratic People’s Party	8.72	11.37
	FKgP Independent Smallholders' Party	13.91	5.11
	Average	8.03	9.44
	Standard Deviation	4.85	3.36
Latvia	LC Latvia’s Way	11.79	10.14
	TSP National Harmony Party	-18.61	22.32
	TP People’s Party	4.96	15.23
	TUB For the Fatherland and Freedom	6.74	10.34
	TB-LNNK Alliance	4.49	11.25
	Average	1.87	13.86
	Standard Deviation	11.81	5.16

Lithuania	LDDP Democratic Labour Party	14.27	8.82
	LSDP Social Democratic Party	-4.17	9.77
	LCS Centre Union	-0.08	6.80
	LKDP Christian Democratic Party	9.00	10.87
	LDP Democratic Party	6.12	9.11
	TS Homeland Union	12.28	7.43
	LLRA Election Action of Lithuania's Poles	-1.34	5.94
	Average	5.15	8.39
	Standard Deviation	7.14	1.74
Poland	SLD Democratic Left Alliance	-1.57	14.85
	UP Union of Labour	-14.45	14.10
	UD Democratic Union	14.88	7.67
	KPN Confederation for Independent Poland	12.63	6.87
	PSL Peasant Party	15.51	7.71
	MN German Minority	-1.35	5.55
	Average	4.28	9.46
	Standard Deviation	12.04	3.97
Slovakia	SDL Democratic Left	-7.92	11.51
	KDH Christian Democratic Movement	16.62	8.45
	SNS National Party	13.76	7.38
	HZDS Movement for a Democratic Slovakia	6.62	9.24
	ESWS-MKDH Coalition ESWS-MKDH	-0.61	7.61
	SMK-MKP Hungarian Coalition	-11.86	17.95
	Average	2.77	10.36
	Standard Deviation	11.55	4.01
Slovenia	ZS Greens	-15.68	7.54
	SDSS Social Democratic Party of Slovenia	-11.00	19.33
	ZLSD Associated List of Social Democrats	-13.92	16.74
	LDS Liberal Democratic Party	22.89	12.10
	DSS Democratic Party	-33.15	26.40
	SKD Christian Democrats	-0.55	10.63
	SLS People's Party	2.52	10.81
	SNS National Party	3.16	14.13
	Desus Democratic Party of Pensioners	-10.48	25.59
	Average	-6.25	15.92
	Standard Deviation	15.65	6.69

Source: Author, from the data of CD-ROM of Klingemann et al.(2006)

economic policies have wiped out universal benefits for non-workers,[12] and it will also suit the interests of right and center parties, which rely on the support of middle-class electorates.[13]

It should be noted that there are also some differences between the two countries. Take the case of pension reform. In Estonia, there has been policy coordination between parties and the public during the pension reform, and the government has succeeded in introducing the new system supported by the public (Leppik and Männik 2002: Leppik and Võrk 2006), so the pension system of Estonia is generous towards employees.[14] In contrast, in Latvia, there has been little public debate concerning pension reforms, and mainly government specialists and foreign advisors have designed the system (Bite 2002: 149–151). So in Latvia, a more individualistic notional defined contribution pension system has been introduced.

Next, let us take the case of Slovenia. Unlike Estonia and Latvia, there is a right-left party cleavage. However, in spite of the difference in policy preferences, major parties have achieved a high level of consensus on the four basic values: respect for human rights, parliamentary democracy, European integration, and the welfare state (Fink-Hafner 2006: 213), and this may explain the introduction of universal welfare institutions in Slovenia. In addition, we should also take the power of trade unions into consideration. Here, the influence of labor unions on the political process of social policy formation has been relatively strong among CEE countries, and this factor has affected the introduction of

12 It has been observed that in Estonia and Latvia, the difference between the risk of poverty rate before social transfer and the same rate after social transfer is small, which means that social benefits have not functioned for the needy (see Masso and Paas 2006: 154–156)

13 In Estonia, it is confirmed that the support of the poor goes mainly to the nationalist-populistic parties (Mikkel 2006: 40–42).

14 For example, in Estonia, pension and other social tax have been paid only by employers. Employers resisted this contribution during the reform discussion, but the government and parties have supported workers who questioned the feasibility of the copayment contribution system (Leppik and Männik 2002: 119).

generous welfare institutions for workers, such as benevolent salary replacement of sickness benefit or child care fees (Sengoku 2008).[15]

5-2. Cases of Institutions for the Needy: Lithuania, Poland

Regarding Lithuania and Poland, contrary to the universal cases above, major political parties in these countries, irrespective of their right-left position, have little preference for welfare (see Tables 11 and 12 for details).[16] In addition, in both countries, there are no influential welfare lobbies. For these reasons, the welfare institutions have been restructured mainly by government specialists, and this has produced institutions mainly for the needy.

In Poland, during the early period of regime transformation, there was political competition between the ex-communist Democratic Left Alliance (SLD) and ex-Solidarity, Christian Democratic Parties, combined with competition between the former official labor union and the "Solidarity" labor union. This party-union competition has prevented the systematic development of welfare institutions, as both groups have tried to disturb welfare reforms conducted by the government of the other group.[17] In addition, after 2005, both the SLD and the Christian Democratic Parties lost their influence because they lost the support of the majority of the electorate, and a newly emerged liberal party and conservative party, both of which have little preference for welfare, have seized the major party positions. And for this reason, in recent years in Poland, welfare institutions have been rapidly liberalized and marketized.

---

15 Concerning the introduction of the benevolent parental leave system, we should also take the high rate of labour market participation of women in Slovenia into consideration (Sengoku 2009).

16 The data in Tables 11 and 12 do not include the code of the current two major parties, PiS (Law and Justice) and PO (Civic Platform), both of which are indifferent to universal welfare and are inclined to a liberal economy, so now, the index of Poland will be much lower than the data shown in Tables 11 and 12.

17 During the early years of transformation, both labor unions united in their opposition to any reduction in welfare, but since 1993, when the ex-communist parties formed the government, antipathy between the two unions has grown rapidly.

Table 12. Government Preference for Welfare Policy in CEE Countries

Countries	Government Year	Right-Left position	Welfare policy preference
Czech Republic	1990	14.37	1.20
	1992	17.56	4.54
	1993	17.56	4.54
	1996	16.08	6.03
	1998	0.26	8.02
	2002	-4.51	16.29
	2004	-4.51	16.29
	2005	-4.51	16.29
	Average	6.54	9.15
	Standard Deviation	10.70	6.21
Estonia	1992	1.54	9.29
	1995	-0.16	15.66
	1995	7.95	12.96
	1996	5.74	13.64
	1997	-0.16	15.66
	1999	7.20	16.20
	2003	0.53	17.99
	2005	2.07	15.99
	Average	3.09	14.67
	Standard Deviation	3.35	2.67
Hungary	1990	4.59	3.83
	1993	4.59	3.83
	1994	11.71	11.95
	1998	7.71	9.41
	2002	-8.86	20.15
	2004	-8.86	20.15
	Average	1.81	11.55
	Standard Deviation	8.67	7.37
Latvia	1993	13.08	3.60
	1994	16.96	4.06
	1995	2.89	21.63
	1997	2.89	21.63
	1999	3.67	9.12
	2000	3.67	9.12
	2002	-3.87	15.47
	2004	1.52	17.39
	2004	-2.48	17.02
	Average	4.26	13.23
	Standard Deviation	6.73	6.97
Lithuania	1992	28.81	5.93
	1993	28.81	5.93
	1996	28.81	5.93
	1996	13.86	6.35

	1999	16.91	6.19
	1999	15.70	6.35
	1999	15.70	6.35
	2000	0.60	6.00
	2001	-7.73	11.07
	Average	15.72	6.68
	Standard Deviation	12.73	1.66
Poland	1991	18.69	6.81
	1992	19.31	6.56
	1992	23.74	3.80
	1993	25.76	3.66
	1993	-11.53	14.53
	1995	-9.43	12.40
	1996	-9.43	12.40
	1997	12.65	15.63
	2000	17.02	14.36
	2001	2.75	13.07
	2003	-3.70	14.78
	2004	2.75	13.07
	Average	7.38	10.92
	Standard Deviation	13.77	4.42
Slovakia	1990	-7.03	6.76
	1991	19.75	1.23
	1992	2.44	9.76
	1993	2.62	9.38
	1993	2.44	9.76
	1993	2.62	9.38
	1994	10.96	6.68
	1998	-1.27	14.03
	2002	22.04	6.09
	Average	6.06	8.12
	Standard Deviation	9.63	3.52
Slovenia	1990	-12.02	13.31
	1992	18.24	6.35
	1993	23.09	10.50
	1994	29.65	10.57
	1996	38.25	11.30
	1997	-1.67	14.76
	2000	2.23	17.76
	2002	2.24	17.19
	2004	2.00	17.70
	Average	11.33	13.27
	Standard Deviation	16.63	3.94

Source: Author, from the data of CD-ROM of Klingemann et al. (2006)

In Lithuania, there is an influential social democratic party, and the right-left dimension affects the voting behavior of the electorate. However, this right-left axis has been linked to political values, such as evaluation of the communist era or the attitude toward the church, so in general, it is admitted that correlation between self-identification of the electorate on the right-left scale and income or economic attitude is very low (Aidukaite 2004: 19; Ramonaite 2006: 80–81). For this reason, major parties are in general indifferent to welfare problems.[18] In addition, there are no influential labor unions in Lithuania, and most of the welfare institution reforms have been conducted mainly under the pressure of actors preferring liberal economic policies, such as employer organizations or international organizations (see Lazutoka 2006 for pension system reform). Because of the lack of parties' welfare preference and strong welfare lobbies, universal welfare institutions as in the other two Baltic states have not developed in Lithuania.

5-3. Cases of Institutions for Specific Groups: The Czech Republic, Hungary, Slovakia

In these countries, there are welfare lobbies pursuing specific interests, and this factor has affected the formation of a specific configuration of welfare institution.

In the Czech Republic, reformation of the welfare institutions has been one of the major political issues, and so far, it has been affected by the changes of government (as can be observed in Table 12). During the early period of transformation, governments headed by Klaus planned to introduce a basic security model while, for example, weakening the

18 As for the indifference of political parties to welfare in Lithuania, Aidukaite indicated that, compared to the Estonian and Latvian elites, the Lithuanian elite is basically inclined to the Anglo-Saxon type of welfare model mainly because of the historical experience and religious tradition. In Lithuania, the powerful Catholic Church has had an impact upon "subsidiarity"-type welfare formation, but in Estonia and Latvia, the Protestant Church has helped community-based welfare systems. In addition, concerning the latter two cases, closer cooperation with the Nordic countries has also influenced the formation of welfare institutions (Aidukaite 2004: 19–21). However, we should not overvalue the role of cultural or religious factors (see Sengoku 2009 in detail).

earnings relation in state pensions to encourage people to join private schemes, introducing means testing for entitlement to family-related benefits, or strengthening the insurance principle and individual responsibility in the health care system. However, though the introduction of the means-tested family benefit system was achieved in 1995, other reforms were not realized because of internal disputes among government parties. In addition, after the Social Democratic Party acquired the position of government party in 1996, the current pension system and health care system were preserved, because ČMKOS (Czech-Moravian Confederation of Trade Unions), which is the biggest labor union in the Czech Republic and closely related with the Social Democratic Party, strongly resisted reforms of the current systems. However, ČMKOS seems to have little interest in the family support program, so the targeted family benefit system has been maintained (see Sengoku 2009 for details).[19] As a result, welfare institutions in the Czech Republic have developed mainly for the workers, and the middle classes tend to rely on private insurance (Potůček 2008: 91).

In Hungary, there are two major parties: conservative and socialist. First, during the first socialist government era (1994–1998), the socialist party had to pursue harsh economic restructuring called the Bokros Plan, and this resulted in electoral defeat in 1998. Next, during the conservative government era (1998–2002), the government headed by Orbán introduced a benevolent family support system for families raising children especially to attract families of the middle classes (Tóka 2004: 308–312; Kaufman 2007: 120), while sacrificing universal welfare for liberalization of the economy (Phillips et al. 2006: 599–600). Although the institutional reform of family benefits produced broad constituencies, it was not enough to secure electoral victory, and in 2002, the socialists returned to power. This second socialist government is more inclined to welfare than the first, and tries to avoid the blame of the electorate, so the government has not changed this system of family benefit. In Hungary,

---

19 In 2002, the Špidra government announced its intention of (re-)introducing a universal child allowance system, but it seems that this plan has not been realized (GVG 2002: 89).

the institutional configuration of the welfare system was produced by this path-dependent development.

Lastly, in Slovakia, influence of the labor union KOZ SR (Confederation of Trade Unions of the Slovak Republic) seems to be decisive in welfare policy formation. KOZ SR kept its organizational influence during the transition period, and now, this union has acquired power to influence the results of elections to some degree. For example, in 1998, KOZ SR helped the formation of the Dzurinda government as the former Mečiar government had begun to ignore the welfare of the workers before the election. However, in 2006, this labor union helped to overthrow the Dzurinda government, as this government inclined to the reform-oriented right and tried to introduce restrictive welfare institutions since 2003 (Sengoku 2008, 58; Sengoku 2009). Under this strong influence of the labor union, welfare institutions were arranged mainly for (low-income) workers in Slovakia.

Conclusion

In conclusion, we can say from our institution-oriented analysis that (1) institutional configurations of welfare in CEE countries can be roughly classified into three types – institutions providing universal benefits, institutions for the needy, and institutions for specific groups – and that (2) specific characteristics of each institution derive mainly from the difference in influential actors' configuration in welfare politics. In general, the preferences of parties and the power of welfare lobbies, especially labor unions, affected the development of the institutional configuration of welfare.

Now, we should proceed to the next stage: comparing the institutional configurations of CEE countries with those of other regions, such as West European countries or the newly democratizing countries of Latin America or East Asia, using our institution-oriented approach, as this approach may overcome the defects of Europe-specific welfare regime theories.

References

Aidukaite, Jolanta (2004), "Reforming Family Policy in the Baltic States: The Views of the Elites," *Communist and Post-Communist Studies*, 39(1): 1–23.

Aidukaite, Jolanta (2006), "The Formation of Social Insurance Institutions of the Baltic States in the Post-Socialist Era," *Journal of European Social Policy,* 39(1): 1–23.

Bite, Inara (2002), "Transformation of Old-age Security in Latvia," in Winfried Schmähl and Sabine Horstmann (eds.), *Transformation of Pension Systems in Central and Eastern Europe* (Cheltenham: Edward Elgar), 125–152.

Bulracu, Irina (2007), "Welfare State Regimes in Transition Countries: Romania and Moldova Compared," *CEU Political Science Journal*, 2(3): 302–318.

Chawla, Mukesh, (2008), *Health Care Spending in the New EU Member States: Controlling Costs and Improving Quality*, (Washington D. C.: The World Bank).

Cook, Linda J. (2007), *Postcommunist Welfare States: Reform Politics in Russia and Eastern Europe* (Ithaca: Cornell University Press).

Fenger, H. J. M. (2007), "Welfare regimes in Central and Eastern Europe: Incorporating Post-Communist Countries in a Welfare Regime Typology," *Contemporary Issues and Ideas in Social Science*, 3(2) < http://journal.ciiss.net/index.php/ciiss/issue/view/8>.

Ferge, Zsuzsa (2001), "Welfare or 'Ill-Fare' Systems in Central-European Europe," in Robert Sykes, Bruno Palier, and Pauline M. Prior (eds.), *Globalization and European Welfare States: Challenges and Change* (Basingstoke: Palgrave), 127–152.

Fink-Hafner, Danica, (2006), "Slovenia: Between Bipolarity and Broad Coalition-Building," in Susanne Jungerstam-Mulders (ed.), *Post-Communist EU member States: Parties and Party Politics* (Aldershot: Ashgate), 203–231.

Gesselschaft für Versicherungswissenschaft und – gestaltung e.V. (GVG) (2003), *Social Protection in the Candidate Countries: Country Studies – Czech Republic* (Berlin: Akademische Veriasgsgesellschaft Aka).

Inglot, Tomasz (2008), *Welfare States in East Central Europe, 1919–2004* (Cambridge: Cambridge University Press).

Kasza, Gregory J. (2002), "The Illusion of Welfare 'Regimes'," *Journal of Social Policy*, 31(2): 271–287.

Kąsek, Leszek, Thomasn Laursen, and Emilia Skrok (2008), *Sustainability of Pension Systems in the New EU Member States and Croatia: Coping with Aging Challenges and Fiscal Pressures* (Washington D. C.: The World Bank).

Kaufman, Robert R. (2007), "Market Reform and Social Protection: Lessons from the Czech Republic, Hungary, and Poland," *East European Politics and Society*, 21(1): 111–125.

Klingemann, Hans-Dieter, Andrea Volkens, Judith Bara, Ian Budge and Michael McDonald (2006), *Mapping Policy Preferences II: Estimates for Parties, Electors, and Governments in Eastern Europe, European Union and OECD 1990–2003* (Oxford: Oxford University Press).

Kogan, Irena, Michael Gebel, and Clemens Noelke (eds.) (2008), *Europe Enlarged: A Handbook of Education, Labour and Welfare Regimes in Central and Eastern Europe* (Bristol: Polity Press).

Kopri, Walter and Joakim Palme (1998), "The Paradox of Redistribution and Strategies of Equality: Welfare State Institutions, Inequality, and Poverty in the Western countries," *American Sociological Review*, 63(5): 661–687.

Korpi, Walter and Joakim Palme (2003), "New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975–95," *American Political Science Review*, 97(3): 425–446.

Kühner, Stefan (2007), "Country-Level Comparisons of Welfare State Change Measures: Another Facet of the Dependent Variable Problem within the Comparative Analysis of the Welfare State?" *Journal of European Social Policy*, 17(1): 5–18.

Lazutoka, Romas, (2006), "Pension reform in Lithuania," in Elaine Flutz (ed.), *Pension Reform in the Baltic State: Estonia, Latvia, Lithuania* (Budapest: International Labour Office), 267-350.

Leppik, Lauri, and Georg Männik (2002), "Transformation of Old-Age Security in Estonia," in Winfried Schmähl and Sabine Horstmann (eds.), *Transformation of Pension Systems in Central and Eastern Europe* (Cheltenham: Edward Elgar), 89–124.

Leppik, Lauri, and Andres Võrk (2006), "Pension reform in Estonia," in Elaine Flutz (ed.), *Pension Reform in the Baltic State: Estonia, Latvia, Lithuania* (Budapest: International Labour Office), 17–141.

Manning, Nic (2004), "Diversity and Change in Pre-Accession Central and Eastern Europe since 1989," *Journal of European Social Policy*, 14(3): 211–232.

Masso, Jaan, and Tiiu Paas (2007), "Social Protection Systems and Labour Market Policies in the Baltic States," in Tiiu Paas and Raul Eamets (eds.), *Labour Market Flexibility, Flexicurity and Employment: Lessons of the Baltic States* (New York: Nova Science Publishers, Inc), 143–181.

Mikkel, Evald (2006), "Patterns of Party Formation in Estonia: Consolidation Unaccomplished," in Susanne Jungerstam-Mulders (ed.), *Post-Communist EU Member States: Parties and Party Politics* (Aldershot: Ashgate), 23–49.

Noelke, Clemens (2008), "Social Protection, Inequality and Labour Market Risks in Central and Eastern Europe," in Irena Kogan, Michael Gebel, and Clemens Noelke (eds.), *Europe Enlarged: A Handbook of Education, Labour and Welfare Regimes in Central and Eastern Europe* (Bristol: Polity Press), 63–95.

Pabriks, Artis and Aiga Štokenberga (2006), "Political Parties and the Party System in Latvia," in Susanne Jungerstam-Mulders (ed.), *Post-Communist EU Member States: Parties and Party Politics* (Aldershot: Ashgate), 51–67.

Phillipis, Richard, Jeffrey Henderson, Laszlo Andor, and David Hulme (2006), "Usurping Social Policy: Neoliberalism and Economic Governance in Hungary," *Journal of Social Policy*, 35(4): 585–605.

Potůček, Martin (2008), "Metamorphoses of Welfare States in Central and Eastern Europe," in Martin Seeleib-Kaiser (ed.), *Welfare State Transformation: Comparative Perspectives* (Basingstoke: Palgrave Macmillan), 76–95.

Ramonaitė, Ainė (2006), "The Development of the Lithuanian Party System: from Stability to Perturbation," in Susannne Jungerstam-Mulders (ed.), *Post-Communist EU Member States: Parties and Party Systems* (Aldershot: Ashgate), 69–90.

Ringold, Dena, and Leszek Kąsek (2007), *Social Assistance in the New EU Member States: Strengthening Performance and Labor Market Incentives* (Washington D. C.: The World Bank).

Sengoku, Manabu (2004), "Emerging Eastern European Welfare States: a Variant of the 'European' Welfare Model?" in Sinichiro Tabata and Akihiro Iwashita (eds.), *Slavic Eurasia's Integration into the World Economy and Community* (Sapporo: Slavic Research Center, Hokkaido University), 229–255.

Sengoku, Manabu (2007), "Pension System Reform in East European Countries: Politics behind the Introduction of the Multi-Pillar Pension System" (in Japanese), *The Seinan Law Review*, 39(4): 143–168.

Sengoku, Manabu (2008), "Social Dialogue in EU-8 Countries: Interactions of Labor Politics and Party Politics" (in Japanese), *The Journal of Ohara Institute for Social Research*, 595: 48–63.

Sengoku, Manabu (2009), "Family Policy in Central and Eastern Europe: from the Perspective of 'New Social Risks (NSRs)'" (in Japanese), *The Seinan Law Review*, 41(3–4), 171–195.

Szelewa, Dorota, and Michal P. Polakowski (2008), "Who Cares? Changing Patterns of Childcare in Central and Eastern Europe," *Journal of European Social Policy*, 18(2): 115–131.

Tóka, Gábor (2004), “Hungary,” in Sten Berglund et al. (eds.), *The Handbook of Political Change in Eastern Europe (second edition)*, (Cheltenham: Edward Elgar), 289–335.

Whitehouse, Edward (2007), *Pension Panorama: Retirement-Income Systems in 53 Countries*, (Washington D. C.: The World Bank).

Website (visited on January 20, 2009)

Eurostat:
http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1090,30070682, 1090_33076576&_dad=portal&_schema=PORTAL

Ministry of Labour and Social Affairs (Czech Republic):
http://www.mpsv.cz/en/

Ministry of Social Affairs (Estonia):
http://213.184.49.171/eng/pages/index.html (old version)

Ministry for Children and Family Affairs (Latvia): http://www.bm.gov.lv/eng/

Ministry of Social Security and Labour (Lithuania):
http://www.socmin.lt/index.php?1867312017

Ministerstwo Pracy i Polityki Społecznej (Poland): http://www.mps.gov.pl/

Ministry of Labour, Family, and Social Affairs (Slovenia):
http://www.mddsz.gov.si/en/

MISSOC (Mutual Information System on Social Protection: Database on social protection system in EU member states):
http://ec.europa.eu/employment_social/spsi/missoc_en.htm