

**Budapest, Hungary
October 14th – 15th**



WORK FIRST EUROPE CONFERENCE 2004

Art'otel Budapest (HU)



www.workfirsteurope.com

WORK FIRST EUROPE CONFERENCE 2004

Dear participants,

We welcome you at the Work First Europe Conference here in the beautiful City of Budapest, Hungary. Work-First is a welfare-reform concept which is gaining supporters from both Europe and North America because it is a proven practical solution which reduces dependency and increases employment. In the US, the implementation of this general concept is largely responsible for a decrease in the national welfare caseload of over 65% since its introduction in 1996. In Europe the first results can be observed in several countries.

The objective of this conference is to bring together government officials whose responsibilities include welfare, along with thinkers and practitioners from Europe and overseas. After a discussion of the problems inherent in the existing Western European social welfare model, we will turn to the subject of practical program solutions which are currently operating in both Europe and America. Participants from the new EU countries in Eastern Europe will share their views of their country's existing social welfare models.

We hope that this conference will lead to an open and inspiring exchange of ideas and information which will help us to face the challenges in this new era.

Jason Turner and Dick Vink

Work-First Europe appreciates the contribution of Agens towards the conference

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A g e n d a

Thursday, October 14

Registration: 10:00AM – 2:00PM

Lunch: 12:00AM – 1:30PM

Program: 2:00PM – 6:00PM

Session A Problems within the existing social welfare system in Western Europe

Session B Some emerging solutions

Friday October 15

Breakfast: 8:00 – 9:00AM

Program: 9:30 – 2:00PM

Session C New challenges from Eastern Europe

Session D A work-oriented model from Slovakia

Session E Exchange with Minister President Roland Koch

Netherlands

Beginning January 2004 the Netherlands implemented a new reform in which the budget for providing welfare benefits has been transferred from the national government to the local authorities. In addition, these local authorities are responsible for providing welfare-to-work services. The national employment service is no longer the primary provider of job matching services; instead over 500 private companies provide such services to the local authorities. Many of these local authorities are seeking ideas as to how to best move participants to work using “work first” model.

Germany

During the deliberations over the current SPD government’s “Hartz” changes to the employment and welfare laws, the opposition Christian Democrats proposed an alternative plan. Adopted by the Bundesrat, the alternative plan, Existenzgrundlagen Gesetz, would require work in exchange for full benefits, and would shift budget and operational responsibility to the local communities. The opposition plan, or EEG remains the chief alternative for the government should the Christian Democrats return to power in 2006.

United States.

After almost a decade of experimentation with welfare-to-work programs, the most prominent of which was implemented in the state of Wisconsin (Wisconsin Works), in 1996 the United States Congress passed into law a major overhaul of the national welfare system. This new system transferred budget and program authority to the states, required work as a condition of full benefits, and set five years as the maximum amount of time that a recipient could receive benefits. The result of this reform exceeded the expectations of almost every observer. Nationally, welfare caseloads dropped over 65% and have stabilized at this lower base even as overall unemployment increased over the past few years.

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Background

The West encompasses three political spheres as it relates to social welfare. Western Europe is one; it has a highly developed social welfare system protected by a combination of powerful incumbent interest groups and intellectual tradition. The intellectual tradition is one which residents, by virtue of their membership as citizens alone, are entitled to a certain standard of living regardless of other circumstances including their own ability or willingness to work. Parts of Western Europe suffer from a high voluntarily unemployed population as its working age members increasingly take advantage of rights to generous social benefits.

Eastern Europe is another sphere. The intellectual tradition there, born of its recent communist past, assumes that membership in society is determined in large part through one's employment. These countries, freed since the end of communism from artificial over-employment which kept its population busy if not productive, find themselves unequipped to deal with a new economically displaced idle population, a portion of which could develop into long-term dependents. However, these countries are not inhibited from expectations of work in exchange for benefits.

North America is a third sphere. Its intellectual tradition is one in which work and self-reliance are central, even as its dependent class grew large. At long last the political and social welfare system bowed and conformed to popular sentiment. The program changes which resulted had strong positive impacts which exceeded most predictions.

We may be witnessing the intersection of these three intellectual spheres at the present time. In Western Europe the tradition of unquestioned entitlement to social benefits is being reconsidered even by its supporters, while some program concepts from North America are being considered or adopted, e.g. the Netherlands (block grant devolution to local authorities), Britain (emphasis on job-search first) and Germany (a fully work-based plan adopted by the opposition Christian Democratic Union as its national proposal).

Nevertheless there is some concern by government officials from the new eastern European entrants into the EU that strong western European members may attempt to influence them in favor of expanding their social welfare systems to more approximate the systems found in the west. The western European motives in this regard may relate to their desire to see a good and just society emerge from the old communist east. The other reason is surely competitive. The west is finding the free movement of capital (and soon to be labor) a disadvantage in its ongoing efforts to maintain its costly system for the unemployed. If social welfare benefits in the new countries do not grow to the western average, this will reduce the competitive advantage of the Western economies in 2004.

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Major Presenters

Roland Koch, Minister President, Hesse, Germany

Since his election in 1999, Roland Koch has been at the forefront of articulating the problems created by the burden of the German social welfare system. In 2003 he proposed a practical work-based solution for Hesse, which in modified form was adopted by the Christian Democratic Union as its national alternative to the government's "Hartz" recommendations for employment reform. As a result of his work in this area, Minister President Koch plays a leading role in the debate on the implementation of welfare reform in Germany.

Mr. Hubert Bruls, Member of Parliament, Netherlands

Mr. Bruls, spokesman for Labour Market en Sociale Security issues within the ruling Christian Democratic Party, is partly responsible for national policy related to the new law Work and Welfare. Since January 1st of this year the local authorities have been made fully responsible for the budget and operations of welfare programs under a decentralized and privatized model.

Mr. Mirolsav Beblavy, State Secretary, Ministry of Labor, Social Affairs and Family, Slovak Republic

Mr. Beblavy is responsible for employment and family policy in the current government. He will lead a discussion joined by participants from two separate Slovak policy institutes, a former Ministress of Work and Social Affairs, and a former Bible smuggler who has more recently been working on the problem of dependency among the Gypsies.

Mr. Lawrence Mead, Professor of Politics, New York University

Mr. Mead is a prominent welfare author. Among academics, he has been the principal advocate of work requirements in welfare, which is the approach that now dominates American national policy. His books include:

Beyond Entitlement (1986)

The New Politics of Poverty (1992)

The New Paternalism (1997)

Government Matters: Welfare Reform in Wisconsin (2004)

Mr. Robert Rector, Senior Research Fellow on Welfare and Poverty, The Heritage Foundation

The US Congress relies more heavily on Robert Rector for advice on poverty issues than any other behind-the-scenes policy thinker in the US. His incisive critique of welfare dependency, family breakdown, and the economic costs of the social welfare system formed much of the basis for the major welfare changes Congress enacted in 1996, which eliminated the old program and replaced it with "Temporary Assistance to Needy Families".

Mr. Emanuel Savas, Professor of Government, Baruch College, New York City

Dr. Savas is the leading authority on the privatization of government services, and is the author of more than ten books on the subject. His 1987 classic study, *Privatization: The Key to Better Government* has been published in over fifteen languages, including Russian, Hungarian, Polish, Bulgarian, Turkish, Indian and Korean. His most recent book is *The New Public Management: Lessons from Innovating Governors and Mayors*.

Mr. Dick Vink (DVA)

From his former position as the head of the social welfare department in Helmond, the Netherlands, Dick Vink began a worldwide search for better ideas for increasing work levels among recipients. For the past eight years he has been working to improve the social welfare system through work-based reforms and he is primarily responsible for laying the intellectual groundwork for the passage of the new law transferring responsibility for welfare to the local authorities in the Netherlands.

Mr. Jason Turner (TGO)

Formerly Mayor Giuliani's Human Services commissioner, Jason Turner led New York City's welfare, job training and medical assistance programs between 1998 and 2001, managing over 17,000 employees and a budget of fourteen billion dollars. His work with Mayor Giuliani resulted in a welfare caseload decrease of over 45% in four years, while employment rates climbed. Prior to his service in New York, he directed the planning group which developed the work-based reform "Wisconsin Works". During the first Bush administration he served as the director of the federal welfare program at the US Department of Health and Human Services.

