

Reformation of State Management of Social Services: Countries of European Union and Ukraine

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Annotation. The article reveals the processes of reforms and implementation of modern mechanisms of state management of social services system in the European Union and the development of modern system of social services in Ukraine. It is stated that nowadays social policy in the given countries has such features as the conservation of the important role of the state in the preservation and improvement of the welfare, increase of expenses on social sphere. Because of similar problems, experience of the reforms in the sphere of social services that were done in Great Britain at the end of 70th of the XIX century can be positive for Ukraine.

Keywords: social policy, social services, decentralization of management, civil society, reformation.

Introduction. Ukraine, on its way to reformation of all spheres of life according to the requirements of the European Union (EU), has a necessity to choose the way of rapid and effective changes of state sector management as a whole and social sphere, in particular. From this position, it is very important to learn and loan positive experience of European countries that will help to reform the system of state management of social services in Ukraine.

The experience of state management in the countries of Eastern Europe – Czech Republic, Poland, Hungary, Bulgaria and Romania as well as Great Britain – is considered to be positive because of their socialistic past. That is why it is relevant to take into consideration the need to reform all spheres of life according to the requirement of the European Union.

Articles review. This problem is highlighted in the works of European scientists such as E. Kuchko, A. Sapir, G. Esping-Andersen, A. Hyubert J. Bassett, D. Kauliyer-Grice, R. Toftisova-Materon. The researches of Ukrainian scholars Dubych K., G. Novichkova, L. Loiko, N. Gayova A. Kolodiy, A. Onishchenko reveal the influence of a state on the formation of the system of civil services. The issue of civil society and effective functioning of its main institutions, including non-governmental organizations investigations of A. Onischenko, A. Skrypniuk, A. Maksimenko, V. Savka., O. Hileta are dedicated. Still, the scientific community has no clear and unambiguous position concerning particular reforms necessary for social sector. In this context, it is useful to learn foreign experience in the given sphere in order to identify effective ways of reformation.

The aim of the article is to analyze the experience of public administration reform of social services in the EU in the context of the reform of social services and integration processes in Ukraine.

Materials and methods. In the article the peer reviewed resources, scientific articles, results of the investigations in the sphere of social services and statistical data are used.

Presenting main material. In a broad sense, the parts of civil society are non-governmental organizations (NGOs), charities, business associations, community organizations, media, trade unions, employers' organizations, religious organizations, initiative community groups, etc. Today the activities of civil society organi-

zations (CSOs) cover a wide range of issues that directly or indirectly have positive impact on the economic and social state of society. In particular, these are consultations and development of effective solutions of specific problems, providing social services, in which business is not interested because of their non-profit, charitable distribution, public control and participation in the struggle against corruption. Therefore, NGOs are effective partners of the state in resolving the humanitarian and socio-economic problems. As they take some functions of the state, in exchange for greater transparency and control over their activities from the state and society, they should receive additional financial incentives. That is happening in the developed countries of the European Union.

However, in current conditions of global social challenges and asymmetries, problems of the formation a unified EU social policy require further study. According to Professor G. Andersen Espinh-, social security the EU member states are characterized by diversity [5]. Extension from 6 to 28 current EU member states over the past 50 years has diversified model of social policy and approaches to the provision of social services, especially after the EU's accession of countries of Eastern Europe – Poland, Romania, Bulgaria and Hungary and others. The European social model is much easier to describe by comparing each EU country in terms of spending money on social services [9, p. 16-18]. Today in the EU countries budget, social spending make up approximately 27% of GDP. Taking into consideration the budget constraints caused by the negative impact of economic recession, social innovations are designed to solve tough social problems and facilitate the more efficient use of existing resources of the EU as well [7, p. 131].

In February 1992, by signing the Treaty on European Union (Maastricht), a new phase of social policy in the EU began. It was included in the main activities of the European Commission in particular and the EU in general. The EU countries members signed two important documents: the Protocol and Agreement on Social Policy (The Agreement of Social Policy), in addition to the Treaty. This process was formally enshrined in 1997 in Amsterdam by concluding overhauled version of the Treaty on European Union, which singled out separate section of social policy, education, training, youth prob-

lems. In the article 136 of the Treaty, the basis of which was the European Social Charter (adopted by the Council of Europe in 1961) and the Community Charter of Fundamental Social Rights of Workers (adopted by the EU in 1989), defines the main directions and goals of social policy concerning the common policy of employment, improving living and working conditions, social protection that meet the new challenges, dialogue between management and labor, the implementation of programs aimed at human development to achieve lasting high employment and the fight against exclusion. Article 138 of the agreement, before the introduction of any measures in the field of social policy establishes the need for European Commission consultations with the social partners on the possible direction of EU action and the content of the alleged proposal [2, p. 59-65].

In 2005 the EU Commission declared social policy an integral part of European values, which characterize the European model of social and economic development. There are definite principles: the importance of the role of the state in providing social services, the need for the introduction of a broad social dialogue and partnership the importance of sustainable economic development, solidarity, combating all forms of discrimination, adequate measures to combat unemployment, universal access to education and health care, providing quality living and working conditions, involvement of civil society. These values reflect the essence of the European option of a socially oriented market economy. [4]

In such a way we distinguish common for the countries of the European Union approaches in the field of social protection:

- the state has retained an important role in maintaining and improving the well-being, maintaining high social charges;
- social assistance is administered after meticulous checking done by relevant authorities and is mainly targeted;
- an important role of social programs, based on insurance approaches, improvement of the system of private pension insurance;
- de-institutionalization of state social services, which implies rejection of large residential institutions;
- the role of non-governmental private sector increased (pluralism of social services);
- implementation of innovations in social policy;
- support for active employment policies.

Prospects of the development of this sector are associated with the formation of a global social policy that will be administered by international institutions. It is assumed that the process of decentralization and transfer of responsibility for the welfare state to local and private services will intensify. The state's role in the implementation of social protection programs will be transformed. It will not be the direct supplier of services, preference will be given to "active" policy, and not providing passive assistance to citizens.

It is important for Ukraine to learn the experience of the UK in implementing innovative models of public service provision in social sphere. In addition, the current in the United Kingdom system of services offers citizens a wide range of services, from social services to lobbying political decisions, consulting ministers on policy issues. This system is also characterized by decentralization, high

levels of targeting, correspondence, efficiency and the rational use of funds. The system of state social services in Ukraine greatly inherited paternalistic approaches and generally had to meet modern needs.

The main characteristics of public social organizations can be considered the following: even coverage of the entire territory of the country, thanks to their adjustment to the system of government and, consequently, centralized management system of state social services; in most cases, client appeal to the social services; system of pre-selection customers based on their needs that correlate with existing social standards; a clear definition of clients; loyal customer behavior on services, on the one hand, and on the other hand – the compulsion to customers, whose behavior is treated as deviant.

In terms of efficiency and effectiveness of reforms in all spheres of public life, positive experience of the reforms undertaken in the UK is to be taken into consideration. After World War II, the United Kingdom faces acute issue of rebuilding destroyed by war infrastructure and the needs of citizens in obtaining services, including medical and social, have greatly increased. The success of these tasks depended on strengthening the role of the state in various spheres, which contributed to the implementation of centralized models and style of governance. It should also be emphasized that the ideological basis of reforms carried out in the UK in post-war period was Keynesianism – theory macroeconomic development, the provisions of which provide the increase of government social spending, increasing social justice of citizens and building a "social welfare state". All this together resulted in concentration at the central government considerable authority – centralized state control.

However, in the late 70' s XX century because of the economic crisis Keynesian idea of "welfare state" was increasingly criticized by many scholars, who put forward evidence of its obsolescence and exhaustion. Proponents of neoliberalism, in particular, argued that the state perform its functions not effectively: management of public processes carried out slowly and not correctly; taxation has become an unbearable burden for taxpayers and inflation – high. The main problem was considered that civil servants (bureaucrats) are too many and it is too costly for the state to keep them, especially when speaking about finances. In this regard, they upheld the view on the need to reduce "the role of the state" and by minimizing the removal of the state from producing social services.

Since coming to power in 1979 Margaret Thatcher, the government declared that "... traditional hierarchical-bureaucratic governance [3], which theoretically and practically discredited itself, should be transformed into a modern, more flexible, market-oriented model - public management "[8, p. 1]. This statement was announced in acute budget deficit, the need to increase efficiency, effectiveness, reduction in funding of state sector, and distrust of citizens to the state, which largely corresponds to the problems of modern Ukraine.

An integral part of these reforms was an administrative reform as the UK, an important area of which could enhance speed and correspondence of the state to the needs of citizens. It was agreed the concept of reform, which was supposed to diversify services to protect the rights of consumers, to introduce a system of performance

evaluation [3, p. 365], transform the system of provision of the state in business, based on competitive, market conditions, business, management and business practices [6, p. 21-31].

Examining the experience of implementing of these reforms in the UK, the following positive aspects as competition, orientation to the needs of citizens in social services, obtaining adequate public services, reduce bureaucracy are observed.

Government introduced a policy of compulsory competitive tendering (CCT – Compulsory Competitive Tendering) that radically changed the format of relations of a state with non-governmental public and private sectors, has created the possibility to manage public goods and to provide quality public services in a new way. This system is based on determining by the state a list of services. The local authorities has the right to propose services for an auction (contracting-out) and the conclusion of multilateral agreements, which regulate the relationships provider – client, accountability and responsibility. This social services model is called “public choice” or “alternative services”. Since 1995, this model has changed to the system of a better price (Best Value), based on the introduction of a complex monitoring of the quality of public services through multiple inspections, audits and inspections [1, p. 695-712].

In the context of the reform and adaptation of social services to the EU, relevant experience for Ukraine can be observed in the countries of Eastern Europe, including Bulgaria, Poland, Romania, Czech Republic and Hungary. All these countries were part of the so-called socialist camp and were influenced by the Soviet Union. However, today more than half of the total number of entities providing social services in these countries, are private (profit and non-profit) organizations [[11, p. 148-149]. These countries had difficult way of reforms, with the result that the main mechanism acts the so-called social order. The main prerequisite for its introduction was a crisis of state finances and lack of funding for cumbersome and ineffective system of social services provided by government agencies, and requirements for accession to the European Union relating to compliance with relevant regulations and standards in the social sphere [11, p. 145-201]. It is common for modern Ukraine and these countries, especially in the context of signing of the Association Agreement with the European Union in 2014. This forced the governments of these countries to take an active search for effective ways of reforming the social

sector, modernization of social policy [10, p. 15-16].

Similar challenges is facing today the government of Ukraine.

Independent international experts R. Toftisova-Materon, M. Dimitrova, K. Newman in their studies, on the example of some EU countries (Bulgaria, Poland, Romania, Czech Republic, Hungary), analyze models of social services and, on the basis of the results of analysis, develop proposals for introduction in Ukraine granting certain mechanisms, in particular, the social order.

The above mentioned factors make the governments of these countries take an active search for effective ways of reforming the social sector, modernizing of social policy. The following main areas that are common during the reforms in these countries the scope of social services can be defined [10, p. 15-16]: privatization (de-monopolization) of social services and identification of social services that can be provided efficiently and non-governmental organizations and delegation of authority and resources necessary for this amount, placing them appropriate duties and responsibilities:

- The creation of real conditions of competition between governmental and non-governmental organizations that was accompanied by improving quality of services and reduce the costs of their provision;

- An integrated approach to the implementation of the system of social order, which provided innovative, common in developed countries forms of cooperation between state and non-profit organizations, improve their funding of their own economic activities, etc.

Conclusions. According to the analysis of scientific sources, modern social policy of the EU was formed in the early 2000s, after the enlargement policy. With the accession of new countries to the EU, approaches to social policy significantly expanded and aggravated. However, most of the new EU member states, including Poland, Romania, Hungary passed a difficult way to adapt to EU requirements and analyzed experience of these countries can be used in Ukraine in the context of the Association Agreement with the EU in 2014. The experience gained in the UK is relevant for Ukraine, as the reforms were caused by an urgent need to reduce public spending; inability to offer accessible, quality services to the community; distrust of citizens to the state; reduce the number of civil servants. Positive aspects that were observed in the countries of the EU would greatly help in performing the reforms in Ukrainian civil society.

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Реформирование государственного управления социальными услугами: страны Европейского Союза и Украина
В. И. Когут

Аннотация. В статье раскрываются процессы реформ и внедрения современных механизмов государственного управления системой социальных услуг в Европейском Союзе и развития современной системы социальных услуг в Украине. Утверждается, что в настоящее время социальная политика в данных странах имеет такие функции, как сохранение важной роли государства в сохранении и улучшении благосостояния, увеличение расходов на социальную сферу. Из-за подобных проблем, опыт реформ в сфере социальных услуг, которые были сделаны в Великобритании в конце 70-х годов XIX века может положительными для Украины.

Ключевые слова: социальная политика, социальные услуги, децентрализация управления, гражданского общества, реформации.