

**Institutional and cultural change regarding
services for the elderly**

Social care going market

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Abstract

Over the last two decades or so, major Western societies have remoulded the institutional set-up by which they are dealing with social risks related to frailty during old age. While the 20th century had brought a transnational tendency towards the establishment of elderly care 'going public', the proliferation of more market-based services brings confusion into the societal norm-set underlying the aforementioned tendency. Marketisation has placed the emphasis on economic values engrained in liberal worldviews, leading into a new welfare culture that devaluates universalism and reemphasises the sovereignty of the individual. However, the new cult of the individual produces contradictory signals. Drawing on an encompassing study on the 'culture of welfare markets' in elderly care provision, covering two (post-)liberal and two (post-corporatist) welfare regimes (Canada, Britain; France, Germany), the paper looks at these fuzzy developments in order to assess the cultural embeddedness of what can be referred to as the mixed economy of elderly care. The analysis, charting major patterns of both institutional change and public communication around it, elucidates that we currently are facing a permanent struggle between (neo-)liberal values and (renewed) elements of the 'going-public-agenda' proliferating over the 1970s and 1980s, that is, a hybrid and 'nervous' cultural configuration in which senior social citizenship remains an issue, albeit on precarious foundations.

Institutional change in the field of social welfare is all too often explored without considering the evolution of the wider society.¹ A chief example for this is the overhaul of social care systems, taking place for some time now in numerous Western countries, with a key evolution being the turn to market-based patterns of provision, regulation and governance. Regarding this issue, there is a clear divide between (comparative) accounts on institutional change (e.g. Ascoli & Ranci 2002), on the one hand, and theoretical work on marketization, on the other (e.g. Slater 2001). This paper aims at bringing these two perspectives together. However, this can only be achieved here at the expense of both detailed depictions of institutional developments (including nuanced comparison) and a more fine-grained theoretical discussion of the sociological issue at stake.

Regarding social theory, the intriguing observation from which the paper departs is that late modern society – which is understood here as a period beginning in the last quarter of the 20th century – has seen a key shift in the relationship between public and market spheres. More precisely, it has witnessed the interpenetration of spheres or systems which mainstream social theory once assumed to be separate as a matter of principle. In most advanced Western welfare states, indeed, many social services (and benefits) are nowadays being granted or delivered within a mixed institutional architecture which can be referred to as quasi or *welfare market*. This is a development which has hitherto been given but scarce attention by the two research communities referred to above – the one concerned with social theory, and the other dealing with institutional change (including comparatively).²

The relevance of this movement is particularly obvious when regarding welfare systems concerned with *old-age provision*, given that, during old age, an individual's life heavily depends on these systems. The following sections dwell on an encompassing study on the development of the infrastructure and the internal dynamics of *elderly care systems*, as well as on the way newly emerging welfare markets are becoming culturally embedded throughout these systems (Bode 2008a). In these systems particularly, the rise of welfare markets deserves closer scrutiny since we are dealing with an important section of the collective mind-set of modern society, regarding the way the latter 'makes sense' of those institutions that

¹ Exceptions (such as Hendricks & Powell 2009, Clarke 2004, Mullard & Spicker 1998) confirm the rule.

² The emergence of welfare markets does play a role in the literature on social service provision (Lai 1994, Wistow et al. 1996, Taylor-Gooby 1999, Dean et al. 2000, Le Grand 2007), yet it is hardly linked to broader theoretical reflection.

are meant to provide support to the generation disengaging from 'productive' activities. Such sense-making is essential as collective meanings conferred upon particular modes of social welfare provision have always had a strong impact on institution-building in modern welfare states.³ What is more: while the role culture plays for the development of societies in general, and of the welfare state in particular, is highly controversial, there are compelling reasons for suggesting that longer-term institutional change connects with, and is frequently rooted in, novel patterns of collective sense-making, that is, cultural change.⁴ With the existence of a modern public sphere, any kind of institutional change is subject to cognitive representations which are, at least partially, independent of mere political and economic forces. Under this assumption, shedding light on processes of collective sense-making within a market-embedding cultural framework provides answers to the question as to how deeply entrenched the newly introduced institutional patterns are in the mind-set of a given national community. To put this another way: this analytical operation can inform us about the sustainability of institutional change within the confines of a new welfare state settlement.

In general, it is not difficult to show that marketization in old-age provision is going alongside the proliferation of new representations of the normative heritage of modernity and of what can be referred to as a multi-faceted 'moral economy'. This moral economy should be understood as a set of ideas which cannot be inferred directly from mere economic developments. For instance, offering the disabled choice over which kind of service they use may be costly and not in line with an agenda of welfare state retrenchment imposed by economic globalisation – yet it has nonetheless become a major moral orientation internationally. In other words, the recent 'choice revolution' (Blomqvist 2004) in social care has gone alongside the rise of (unleashed) market capitalism which, as such, is prone to *prevent* contemporary welfare states from creating a more differentiated (less Taylorised) care supply under public control. In this sense, culture (in our case the value of free choice) does live 'its own life'.

That said, it is very likely that cultural change varies across nations (as do welfare state institutions in general). In the aforementioned research, four countries representing two types of welfare systems were subject to in-depth comparison, namely corporatist and liberal regimes (Canada, Britain; Germany France).⁵ While international comparison is often meant to elucidate distinctive national path of institutional change this investigation was mainly aimed at assessing whether we are heading towards a *transnational* culture of old-age provision – against the background of what is commonly referred to as economic globalization –, or whether there are, and will continue to be, *several* cultures of welfare markets within and across the two regime types. This connects with a more general concern, that is, the future of what can be coined senior social citizenship in advanced Western welfare states (Ackers & Dwyer 2002). An eminent (global) question indeed is which rights to both self-determination and material autonomy the elderly will eventually be awarded under conditions of a more market-driven welfare state settlement.

³ Regarding the important (but often neglected) role of culture in the shaping of social welfare schemes, see Oorschot et al. (2008).

⁴ This is an argument that can be made from (at least) two alternative perspectives between which a straightforward choice is difficult to make. On the one hand, one may assume that the evolving ideas about how social welfare should be provided are driving forces of institutional change; in this case, research on processes of collective sense-making elucidates the nature of these driving forces. On the other hand, institutional change may be seen as being inflicted by political or economic forces – this is referred to below as 'extrinsic' cultural change.

⁵ According to the well-known comparative grid introduced by Esping-Andersen (1990), we are dealing with two of the three general varieties of European welfare states. Meanwhile, there has been a lot of debate as to whether the world of social welfare can (still) be classified on the basis of this grid. Be it as it may, with the countries selected here, two different – and important – cultures of social welfare provision in the developed world are under investigation.

The following commences by discussing the role of culture in the process of 'welfare marketization'. Thereafter, an analytical grid is developed for grasping cultural change in systems of old-age provision. The second part recapitulates major insights drawn from a comparative assessment of welfare markets in elderly care throughout the four countries under study. While there is insufficient space for a detailed review of reforms affecting the four care systems the section does set out a brief account on major differences and commonalities across these systems, by considering a couple of key structural dimensions. The third section presents major findings from a review of public communications indicating the (dynamic) cultural embeddedness of welfare markets in elderly care throughout the aforementioned countries, arguing that a new moral economy of old-age provision is taking shape internationally. The conclusion discusses the potential impact of this new moral economy, including with respect to the future of senior social citizenship.

1. Reflections on institutional and cultural change in old-age provision

In this section, the afore-mentioned movement towards 'welfare marketization' is explored through the lenses of a sociological approach to welfare (state) institutions and their cultural embeddedness. It is predicated on the hypothesis that, with ongoing modernization in Western society, broader space is left to cultural struggles about interpretations pertaining to the institutional set-up of a given society, including the one related to old-age provision. In other words: Culture, defined here as a set of collective cognitive frames containing varying interpretations, has become more 'flexible', against the background of individualization, the rise of post-materialist social groups and the multiplication of collective belief systems. This holds true irrespective of the fact that particular political, or economic, forces may (have) manage(d) to make their particular ideas dominant in the public sphere for some time, producing thereby what can be termed '*extrinsic*' cultural change.⁶ Such extrinsic pressures may (have) emanate(d) from private sector companies enjoying high publicity in the media or exerting a strong influence on government, and bringing their vested interests to bear (for instance access to a field hitherto dominated by public or nonprofit agencies).⁷ Thus there might be privatisation (of old-age provision) even as the value-set prevailing in large sections of society is not in favour of it. However, such movements may go alongside '*intrinsic*' cultural change, driven, for example, by rising individualistic attitudes among the citizenry (particularly the better educated middle classes) or by the erosion of collective belief systems stipulating that public institutions are more adequate than private ones (including in the field of old-age provision). Both, extrinsic and intrinsic change, may coincide and provide fertile grounds for new cultural patterns becoming internalized by major sections of a given society.

Whether, and to what extent, extrinsic change is actually transformed into sustainable intrinsic change remains open to empirical investigation, though. Thus, when it comes to collective sense-making relating to the institutional regulation of old-age provision, it may well be the case that societal elites impose their own market-based approaches on the wider society even though more intrinsic change – materializing, for example, in new autonomy claims (on behalf) of elderly people – may (at face value) perfectly fit this agenda. However, interpretations typical of the cognitive framework developed throughout the 'golden age' of the welfare state are kept within the long-term societal repertoire available for collective sense-making. This applies, for instance, to ideas referring to social citizenship (rights) or to the inalienability of institutions enforcing respect of human dignity. It is, then, a *duality* of old and new

⁶ This argument is spelled out in greater depth in Bode (2008a).

⁷ Similar developments are well known from other sectors. For example, private companies, having grown strong in the hospital sector of a number of Western countries, work hard to convince the wider public of the comparative advantage of commercial supply schemes.

representations which is likely to affect the development of contemporary welfare state institutions, in general, and of old-age provision in particular.

A further theoretical argument appears useful at this point. In a societal configuration which many sociologists see as exhibiting growing reflexivity in the structuration of collective affairs – and hence in the process of institutional design⁸ –, there seems also to exist greater space for the negotiation of the make-up of (formalized) old-age provision. Regarding the references on which stake-holding ‘negotiators’ (politicians, representatives of the care industry, interest groups etc.) can draw, this space is likely to grow. In this process, cultural aspects are essential. True, as international comparative work has demonstrated many times, institutions relevant to the welfare state follow national paths related to particular sets of (evolving) values. One would be mistaken, however, to see institutional change (entailed through welfare reform) as either being tightly entrenched in these national paths (as many institutionalists want us to believe) or as being always consistently linked to changes in the general beliefs penetrating a given society.⁹ To some extent, at least, collective interpretations related to the design of welfare state institutions evolve, or persist, independently of official agendas for welfare reform and of mainstream narratives taking centre stage in the public media. In particular, there is no mechanistic translation of extrinsic impulses – such as those stemming from private business or market-oriented proponents of ‘New Public Management’ – into consistent processes of collective sense-making. Rather, there is much *contingency* in the evolution of the cultural framing of welfare state institutions, including those relevant to old-age provision.

At this point, a short reflection on *markets* and the complex cultural underpinnings of market interaction appears useful. Markets in general, though undeniably exhibiting expansionist tendencies throughout modernity, have always been subject to struggles about their regulation.¹⁰ These struggles are, inter alia, informed by ideas about the moral qualities of markets, regardless of whether these values are actually respected during a given market encounter. Nowadays, this pertains, for example, to the idea of the equality between consumers or to the right to autonomous (market) choice. As these values are strongly emphasized in the process of market-oriented welfare reform, they may turn out to challenge alternative (typical) cognitive representations of markets – such as ‘the right of the stronger’ or ‘the winner takes it all’. Hence any market is subject to a cultural framing as a matter of principle, and, again, there is a certain openness in this framing.

All this matters when considering what can be referred to as the *moral economy of old-age provision*.¹¹ This moral economy – understood here as a normative universe whereby meaning is conferred upon economic transactions in old-age provision – is prone to change with ongoing marketization. However, given the flexibility of (welfare) culture and the variety of ways to make

⁸ This would be the message of widespread theories on the development of late modern society with which this article can not further engage. However, it cautiously draws on these theories concerning the broadening of the frames through which society reproduces and redesigns itself. On the general framework of this way of thinking late modern society, see Lash & Urry (1987), Beck & Beck (2002), Kemshall (2002).

⁹ The former (institutionalist) argument was, until recently, defended by authors like Pierson (see e.g. 2001), the latter would be consistent with the sociology of Bauman (e.g. 1998).

¹⁰ On this approach to markets and to market regulation, see Slater & Tonkiss (2001) or Smart (2003).

¹¹ The notion of moral economy has been applied by a number of sociologists to the analysis of the societal treatment of old age, with the principal interest revolving around generational concerns and norms of obligation, interdependence, and reciprocity. It was also employed to elucidate particular aspects old old-age provision, especially the issue of retirement provision. The major advantage of the concept is that it places economic transactions between active and inactive sections of the population into a social context transcending the confines of mere market exchange (see Kohli 1987 or Sayer 2000).

sense of (welfare) markets, the configuration of this moral economy cannot be mechanically inferred from one-dimensional approaches such as those referring to the mere political economy of welfare states (concerned with globalisation or the hegemony of capitalist forces). Rather, we need an empirical enquiry based, for instance, on communications in the public sphere.

Such an enquiry can focus on a couple of *basic moral rationales* which, regarding the promotion of human well-being, can all be deemed cornerstones of modern thinking. Considering old-age provision, four rationales are of particular importance here: deservedness, human dignity, responsibility and (the) sound management (of formally organized collective action). There are good reasons to assume that, throughout what can be termed the 'age of collectivism' or the golden era of the (post-war) welfare state, these rationales were interpreted in particular ways.¹² Thus, (duly) *earned entitlements* were the institutional expression given to the norm of deservedness in key areas of old-age provision. Senior citizens have been seen as belonging to a generation which has worked hard to run society and which therefore deserves societal support in old age later on. This also applies, if to a lesser extent and only towards the end of the post-war settlement, to understandings of how *formal care* ought to be organized. In rough terms, care systems were at this time built on the expectation that *need-oriented (basic) support* be delivered in order to respect human dignity. During the last decades of the 20th century, the responsibility for ensuring this became increasingly, if slowly, viewed as being incumbent on (quasi-)public agencies, with formal elderly care assumed to require *statutory* (instead of mere private) *enactment*. Moreover, there were certain expectations concerning the organisational framework of service provision as schemes of formalized social care were seen as being soundly managed only in case they provided *institutionalized (social) security*. In other words: Unless case services were *guaranteed* to the senior citizen in need, such schemes were considered as being deficient.

These meta-norms regarding the provision of social care proved major landmarks of the moral economy of old-age provision as it took shape throughout the post-war decades. The overall cultural configuration provided fruitful grounds for the emergence of the ideal of 'senior social citizenship' and its incremental (if incomplete) implementation. However, the question is what happens to these landmarks and to this ideal in an era of social care going market, as depicted by the next section of this paper.

2. The rise of welfare markets in social care for the elderly

In contemporary Western care systems, welfare markets are widespread, albeit in different forms. Considering these forms, one *basic analytical distinction* has to be made beforehand, despite the multi-faceted nature of marketization. There exist *subsidized* welfare markets which are characterized by public subsidies (or tax breaks) awarded to individual purchasers of regulated products (e.g. insurance against the risk of frailty). And there are *managed* welfare markets on which (semi-)public agencies purchase services on behalf of welfare recipients. This pattern is quite prominent in domiciliary on which the following will focus. In this field – which is quite composite and unequally structured across the Western world¹³ –, both types of welfare markets have become key elements of the institutional set-up and have rendered more complex the overall architectures of old-age provision.

¹² It is impossible here to provide ample empirical evidence for the following suggestions. These have to be read as general hypotheses consistent with key strands of welfare state theory and recent analyses of social care systems (e.g. Anttonen et al. 2003).

¹³ Put roughly, Western domiciliary care systems consist of nursing services (often ensured by health care institutions) and personal care (mostly under the responsibility of local authorities or nonprofit agencies). However, there are blurred boundaries and different divisions of labour between the two pillars – engendering a complexity which this paper cannot engage in greater detail.

Private insurance arrangements subsidized by the state (mainly through tax exemptions) are an example of the first variety, that is, *subsidized welfare markets*. These play an important role in the field of social support to the elderly (Brundsdon 2003). With public provision being capped or curtailed, private saving accounts that grant benefits according to a pre-fixed formula (e.g. a sort of invalidity pension) have proliferated in some countries (e.g. in France and in the U.S.). This implies greater commodification of the living conditions of senior citizens, with this movement varying according to how it is related to the existing public protection schemes (which may be generous or residual). This issue, however, will not be discussed further in this paper.

A further important variety of subsidized welfare markets is direct payments to service users (see e.g. Leece & Bornat 2006). In the four countries under review here, such payments are widespread. Thus, it is very common to Germany and proliferating in Britain, some parts of Canada and, if more lately and so far as a one-shot-policy, in France (where, in the context of policy measures against the recent economic crisis, citizens with low income have been awarded a lump-sum payment to purchase some hours of personal care). Concomitantly, countries such as Britain and (to some extent) Canada largely resort to *managed welfare markets*, often referred to as 'managed care' (see e.g. Mitchel & Glendinning 2008). This is much less the case in France and Germany where care need assessments conducted by public agencies are not, or weakly, linked to the administration of the whole care trajectory by case managers and central local agencies.

The remainder of this section provides a comparative account of existing subsidized and managed welfare markets for elderly care services by considering a couple of *key structural dimensions* deemed to be critical when it comes to a theoretical analysis of the evolution under scrutiny.¹⁴ As one will easily discern, the institutional differences prominent in the four care systems do not always conform to classical typologies of welfare regimes, setting liberal against corporatist systems (like Esping-Andersen 1990). To begin with, there are notable differences regarding the *centre of gravitation around which welfare markets have taken shape*. As both the intensity of marketization (materializing, for instance, in the development of the for-profit care industry) and the scope of market regulation (affecting, *inter alia*, the entrenchment of private-sector delivery) vary across the four nations, the concerns relevant to major stakeholders in the four care systems are far from congruent. Thus, private insurance is not a general pattern in elderly care markets; prominent in France, it plays a marginal role in liberal Britain. A further difference is that for-profit care provision (meanwhile) extends to frail citizens with low incomes in all countries but not in France. Furthermore, nonprofit agencies appear as prominent players in only two (or three, if the tiny voluntary elderly care sector in Britain is included) of the four care systems. Moreover, provider competition and user choice – which embody key characteristics of marketized welfare provision – do play a role in all care systems, yet they are unequally developed.

Accordingly, the four elderly care systems considered here differ concerning the nature of the *relation between public and private involvement*. The U.K., where public provision is concentrated on low income households, exhibits a 'poor-citizens'-rationale instilled in its care provision scheme, as well as strong for-profit sector delivery. This contrasts with a more universal, albeit still quite 'British approach' to market care in the Canadian province of Ontario¹⁵, and

¹⁴ A more detailed depiction of these systems is impossible here (but see Bode 2008a, including major references). Further rich comparative accounts are provided by Theobald et al. (2007) and Ascoli & Ranci (2002).

¹⁵ In Canada, the provinces are responsible for organizing the care system. As the two examples of Ontario and Québec (investigated in the above-mentioned study) illustrate, there can be notable regional differences within one welfare state. This also applies to Britain, with Scotland taking a route different to the one chosen in England, and – albeit to a lesser degree – to Germany, where the 'Länder' and local authorities have a firm say when it comes to social care provision.

a fairly welfare-bureaucratic mode of governance, prevailing in Québec and France (where market-based care is placed more at the margins). Germany, a pioneer in the introduction of a distinctive care-related funding scheme (long-term care insurance), blends social-insurance-based universalism with consumer-led care provision; in this country, care services are devolved on autonomous (often for-profit) providers to which clients can freely resort to.

However, in all systems of old-age provision under study here we can observe not only *some* shift towards market-based arrangements but also various mechanisms aimed at embedding, or constraining, the logics of the market. Regarding the *regulation of welfare markets* in elderly care, we can again identify both differences and commonalities across the four countries under study. Elderly care in Britain is funded and overseen by the national government, strongly committed to inspecting the outputs of market care. Canadian provinces, responsible for running elderly care schemes, employ a similar centralised mode of governance, but it should be noted that they seem to struggle with the very idea of quasi-markets: Ontario has introduced them, but has been facing harsh conflicts in doing so; Québec so far maintained a government-led bureaucratic system. Market care in Germany is well established and chimes with free consumer choice, as care recipients or their families receive lump sum allowances and are invited to shop around on a competitive provider market (resourced through capped benefits from public long-term care insurance). France where a variety of long-term care insurance, funding quite generous care packages, is existing as well presents other particularities. While personal care is largely incumbent on small nonprofit agencies, the recourse to self-employed nurses as providers of (paramedical care) is taken for granted here. Concomitantly, the use of privately employed home helps (under a tax regime favouring this extensively) is widespread even though it remains a bone of contention. Regulatory devices such as formalized quality standards, inspection regimes and contracting templates are typical of more or less all existing care systems. While they are on the rise in Germany and paramount in the British system they appear less important in the French and the Canadian landscape (for different reasons, it should be noted). Attempts to control welfare markets top-down are quite strong in 'marketized' elderly care, yet there are differences regarding the infrastructure employed to ensure this. Centralised governance, led by local authorities, appears prominent in two of the four care systems only (Britain and Canada). Quality control agencies are strongest in Britain and rather weak in France.

Notwithstanding these differences, however, we find a number of transnational similarities concerning the *institutional dynamics* of and around contemporary welfare markets in elderly care. These include the surge of for-profit delivery (obvious in all countries), a (if sometimes contested) drive towards provider competition, the increasing weight of private (co-) payments, and growing efforts to measure outputs, triggered by rising concerns over poor service quality. Britain has devolved the bulk of elderly care services on private agencies, and most provinces of Canada go in the same direction (albeit very timidly in Quebec). In France, recent policies to strengthen for-profit personal care (in the narrow sense), though being in their infancy, are indicative of the same movement. In Germany, more than half of all domiciliary care providers are for-profit already. Maybe with the exception of France, private (co-)investment can hardly be avoided by the typical user of home care services. This holds true even though it is difficult to say whether it has actually been *extended*, given that (formalized) domiciliary care was long limited in scope. In some places, personal (domiciliary) care services have replaced out-patient nursing free of charge (funded by health insurance plans). Moreover, managed competition based on case-per-case administration and scrupulous output measurement is – *as a concept* – en vogue everywhere. While it is still poorly developed in the German care system (where decentralised service provision prevails by tradition) it appears rather strong in Britain and Canada even as it seems on the rise in some parts of France. Finally, it appears that all nations under study here witness a tendency towards informal rationing in elderly care, with funds being increasingly concentrated on

the 'heavy cases'. Hence the four countries are facing a *common agenda*, and this provides fertile grounds for the comparative analysis of processes of *collective sense-making* around both marketization *and* market regulation.

3. One mainstream, different channels: Comparing the changing culture around social care systems

In this section, the development of collective 'sense-making' around social care systems is explored by using results from an *analysis of communications* speakers representing different stake-holders such as interest groups, service providers, Think tanks, campaigners or experts address to the public sphere throughout the four countries mentioned above. Communications like these are seen here to represent the 'official culture' of a Western society, as they revolve around a number of collectively shared assumptions and observations.¹⁶ The findings stem from an encompassing investigation conducted as an interpretative analysis of the quality press and running over a period of four years (2002-2006). The study brings to the fore that, notwithstanding a general tendency towards more 'market thinking', care systems are subject to a dualistic framing process which exhibits a certain 'cultural stickiness' and paradigmatic change at the same time. Indeed, interpretations of the four moral rationales which can nowadays be considered as 'traditional' co-exist, sometimes conflictually, with new, more or less neoliberal, readings. Conflictual issues are encapsulated, for example, in the coincidence, within one and the same stream of arguments, of both an appraisal of micro-economic performance and deep concerns over threats to human dignity emanating from profit-seeking elderly care providers.

Looking closer at the communications pervading the public sphere, we can see first that, throughout all countries under investigation, there are patterns of collective sense-making expressing novel readings of the aforementioned key values (deservedness, dignity, responsibility, sound management). Across the four countries, these readings – more or less – place the emphasis on values such as cleverness, consumer autonomy, individual responsibility and (cost-) efficiency. These four cultural references are widespread in the public debate over how elderly care systems ought to be organized in our days. The cost-efficiency issue is crucial when it comes to a debate about how to improve these systems. As in other fields of social welfare, moreover, individual responsibility is awarded increasing attention when it comes to expectations regarding the role-set in the public-private-mix. This connects with consumerist attitudes, that is, an interpretation of human dignity in terms of free choice and autonomy held by the individual user. In some sense, moreover, access to excellent social care appears to be deserved only to the extent that users are clever enough to do appropriate market choices.

Secondly, however, the respective claims are mostly premised on conditions which set limits to the scope of application for these neo-liberal values. For example, most proponents of market-based schemes claim *collectively organized* consumer education as a prerequisite to market-oriented care policies and basic *statutory* inspection concerning the quality of elderly care services. By the same token, speakers employ traditional references challenging these novel readings. Markets are seen by many to potentially undermine deservedness and human dignity in the elderly care sector. This is not surprising given that long-established stake-holders of the 'old' model (for example, trade unions) are still alive. Yet, it is interesting to see that, for instance, in the recent debate about care reform in Germany, participants across all boards have blamed the system for an unequal coverage with other than paramedical care services; they have revived sense-making processes typical of the age of collectivism by bringing back in the issue of non-respect and social deprivation in old age as a *universal-*

¹⁶ This 'official culture' is accompanying institutional change in every Western society. It is true that it only partially overlaps with society-wide held beliefs, attitudes and values, yet the latter are never immune to the dominant sense-making in the public domain.

istic category. In a similar vein, both the remarkable resistance to quasi-market governance in Ontario (Canada) and from major political forces in contemporary France – that is, forces claiming the extension of Social Security to the field of old age dependence – are indicative of the persistence of ‘old’ modern representations in the public sphere. Moreover, human dignity is overall awarded considerable attention, in some respects even more so than in the past. This is particularly reflected by the widespread public indignation over ill-treatment in elderly care settings, proliferating in all countries under review here. All this suggests that the message of those defending the free market including in social welfare provision had not been fully internalized by Western societies even prior to the recent economic crisis.

On the whole, however, the contemporary (public) sense-making around welfare markets reflects a fuzzy, and uneasy, compromise between the new and the traditional interpretations (see *Figure 1* below). Binding entitlements to care services remain a key issue; yet compared to more mature schemes of social welfare (such as health care), the pledge for this is less definitive, as efficiency issues are often played off against these entitlements. The actual level (or quality) of benefits and services is *de facto* accepted to become flexible and dependent on the performance of single providers or the choice of the user. It is, then, less reliable overall. Regarding the issue of human dignity, we again witness a fuzzy mixture between traditional expectations (minimum income for care recipients, universal access to services for those in need), on the one hand, and, on the other, a significant emphasis placed on ‘consumer dignity’, that is, the right of senior citizens to equal opportunity and fair information *in the first instance*. While the traditional attitudes are consonant with an indisputable, need-based eligibility for collective support, the consumerist interpretation implies that welfare recipients have, above all, a right to be activated with the prospect of becoming a wise consumer. This connects with what happens to the understanding of responsibility. Statutory enactment of care provision is still on demand, yet this is now challenged by strong pleas for greater individual responsibility. Here, the fuzzy compromise says that public bodies, apart from ensuring basic provision, should concentrate on *context* steering rather than direct intervention (that is, the regulation of independent provision instead of public delivery). Thereby, public agency is accepted to become less comprehensive and less outcome-oriented.

Figure 1: The new moral economy of old-age provision

Meta-norms inherent in modernity	<i>Traditional interpretation</i>	<i>New interpretation</i>	<i>Fuzzy synthesis</i>
<i>deservedness</i>	earned entitlements	cleverness (with education)	flexible entitlements
<i>dignity</i>	need-based (basic) provision	consumer awareness	need-oriented activation
<i>responsibility</i>	statutory enactment	Individual initiative (with basic fairness)	public context-steering
<i>sound management</i>	(institutionalized) security for facilities & programmes	(maximal) output for money	‘best value’ arrangements

Finally, a new mainstream understanding of what is to be seen as sound management of given a care system takes shape. It is ‘best value arrangements’ that, nowadays, are often viewed as a satisfying, and working, mechanism. They embody for more than mere outputs (such as the sheer number of cases being treated at a given cost ratio) and refer (instead) to more complex, albeit still measurable, outcomes including, for instance, critical incident rates in patient trajectories. In that sense, they are located between market governance and institutionalized (social) security. The latter was a typical foundation of social care systems in the welfare state settle-

ment of, say, the late 1970s and early 1980s. These systems were normatively based on the states' duty to guarantee a service in whatever circumstance and whatever the actual input-output ratio. This approach has subsequently been considered as inadequate in the 'official culture' surrounding the welfare state of the 1990s; care systems became viewed as having *also* to be efficient in a micro-economic sense. While, nowadays, formal care arrangements are expected to deliver value for money *beyond* mere (average-)cost-efficiency – for instance, by imposing quality-assuring service frameworks on providers – it is clear on an international scale that there no longer is a symbolic commitment to guaranteeing outcomes through a systematic (re-)adjustment of budgets in case the resources transferred into the system have proved insufficient.¹⁷

Altogether, then, an *international* mainstream of change is perceivable in the sense-making around what social welfare is and should provide. Though being embedded in a fuzzy framework, the market idea has penetrated the moral economy of old-age provision. True, care systems have never been as firmly institutionalized by the welfare state as other sections of Social Security have been. In particular, elderly care has always been viewed (more or less) to be a *family affair* (in the last instance a least), and this is still largely the case in the countries under study in this paper.¹⁸ Moreover, regarding formalized patterns of social support, market-embedding regulations are on demand everywhere (and this was already the case before neoliberal capitalism ran into crisis). Thus, the movement of change is less clear-cut than, say, in the field of retirement provision (where the process of marketization proves much more straightforward world-wide). In addition, institutional variety is (and remains) obvious, meaning that the channels through which the mainstream affects public communications in the diverse welfare systems are not the same internationally. That said, the similarities between the visible national 'sense-making' patterns are startling – the mainstream is international, then.

4. Conclusion: Where do welfare markets go?

Reading through this review, those familiar with recent ideological developments in a number of Western welfare states will probably feel reminded of the 'Third Way'-mantra originating in New Labour's Britain, but applied here and there prior to it and also elsewhere in the Western world. Indeed, some elements featuring in the fuzzy synthesis of sense-making patterns pictured above appear in line with a neo-'Beveridgean' approach to social welfare provision. They endorse an institutional design composed of (residual) basic provision and (beyond this) a mix of individual responsibility and arrangements at the meso-level of social relations (in particular, corporate and voluntary sector provision). Furthermore, the mantra dwells on 'markets means' for 'welfare ends'¹⁹ – that is, shifting social welfare provision to quasi-markets regulated according to certain outcome objectives. Thus, the Third way agenda is highly compatible with the fuzzy compromises the culture of welfare markets appears to produce, as demonstrated in the previous section.

Of course, there is debate as to whether countries like France, for instance, have really embarked on this mission. It has also been argued that other parts of the world – including Québec as a part of Northern America – take their own Third way.²⁰ However, in all countries examined in this paper, at least some elements of the depicted fuzzy synthesis take centre stage. In so far, the culture of welfare markets can be grasped as a 'Third way'-culture pro-

¹⁷ according to statements of key stakeholders (care agencies, interest groups etc.).

¹⁸ This – certainly crucial – aspect was not included in the analysis of salient processes of sense-making in the research on which this article is drawing.

¹⁹ This is a formulation adopted from Taylor-Gooby et al. (2004).

²⁰ As regards this debate see Lewis (2004) or Clark (2004).

liferating internationally. This does not imply that we are dealing here with something like a 'natural' development within Western societies. It may equally be the case that a certain kind of *extrinsic* cultural change is imposed on these societies, with international agencies such as the OECD playing a major role in this story. It also appears quite likely that major sections of these societies feel half receptive and half dubitative regarding the Third way mantra, or simply at a loss with the prospects of the late modern welfare state, in general, and of old-age provision, in particular.

Moreover, international differences should not be downplayed. Some Scandinavian countries, left out of the picture in this paper, still seem to differ in many respects from the international mainstream illustrated in the aforementioned sections. Also, we easily discern national particularities shining through the set of communications reviewed in the study underlying this article. The new (neoliberal) interpretations of the four rationales are quite heavily contested in France, while they find a rather positive echo in Britain and, maybe to the surprise of many, in Germany where, however, welfare markets adopt a particular character and are on the whole less developed than in Anglo-Saxon societies. Canada presents a varied picture. Although some voices defend the purchaser-provider-split governance approach in Ontario, many feel uneasy about competition-based, or for-profit, service provision – at least regarding domiciliary care schemes.

Overall, however, it is a new *cross-cutting*, if blurry, moral economy of old-age provision that emerges in the two welfare regimes under inspection here. While, arguably, modern care systems have always relied on a mix of normative rationales, this moral economy is no longer based on a dominant line of interpretation(s) informing collective sense-making when it comes to questions about the societal organization of old-age provision. The legacy of the age of collectivism has come under scrutiny but still serves as a reference point when the debate turns to the novel (by and large neoliberal) readings. With the new struggle about the 'good' interpretations of the cognitive framework endemic to modern reasoning, all stakeholders (lobby groups, politicians, and regulators) can draw on a wider set of possible standpoints.

What does this imply for the future of 'senior social citizenship'? The answer is paradoxical: On the one hand, the emphasis on consumer sovereignty and on individual responsibility goes alongside the rise of what is called by many 'active citizenship', which means giving a voice to those who have been more passive clients in the welfare bureaucracies of the past.²¹ Elderly people are among those which were long deemed prevented from participating in social care systems and from making their own preferences to bear; they may now find new opportunities to express their preferences within systems of old-age provision. On the other hand, elements of universalism emerging in this system prior to the era of marketization are called into question by values stressing individual cleverness and consumer choice.²² Thus, the agenda of activation may not extend to all, and for those who are addressed, it may be less about exerting direct influence on the system than about choosing what is available on a (n intransparent) market where one needs to make 'a good bargain'. Under these conditions, while senior social citizenship is far from being removed from the welfare states' agenda its realisation becomes more embryonic, volatile and inconsistent across groups and spaces. In a word, senior citizenship ends up as a precarious moral resource.

Nowadays, we are facing an uneasy tension field within which public opinion and institutional regulation is moving back and forth from one option to another, possibly in random way, as much depends on ephemeral equilibriums established between different interpretations.

²¹ On this reinterpretation of citizenship (and its drawbacks), see: Harris (2004) or Aberbach & Christensen (2005).

²² Concerning this problem, see Bode (2008b).

This volatility is a typical feature of what I have termed elsewhere 'disorganized welfare capitalism' (Bode 2003, 2006). For instance, should accidents occur in the care industry there are good chances for tougher regulation being imposed on this industry. Conversely, when there are unexpected strains on public budgets – like those engendered by the recent financial market crisis – then this might trigger further steps towards marketization and the emphasis being placed on (micro-economic) cost-efficiency. Accordingly, outcomes in terms of benefits paid and services provided to a given cohort or group of senior citizens will vary over time and will eventually prove unequal, even among groups holding a similar social status.

Altogether, considering social care going market, fuzzy cultural norms co-exist with disorganized patterns of old-age provision, and this holds true whatever the national context of social care going market. In this sense above all there is international convergence, despite persisting variation between those national welfare cultures that are embedding market-based old-age provision and that set limits to the globalisation of the market model. In any case, the (new) culture of welfare markets contains space for various options concerning the societal organization of old-age provision. Regardless of whether existing international differences will disappear in the long run, the role of the market in old-age provision continues to depend on the way major societal actors, at a given point, make sense of its (alleged) advantages and (experienced) limitations.

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