

Documentation from the ICSW Expert seminar: Child Poverty in the Nordic countries, Austria and Germany

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Abstract

Several national ICSW committees have organized expert seminars focusing on various aspects that in different ways relate to child poverty.¹ The expert seminar held in Malmö, Sweden, by ICSW Sweden and Malmö University can be seen as a continuation on ICSW:s efforts maintain an active dialogue on issues of child poverty on a European level in order to exchange knowledge and experiences from research, policy and practice. One central aim of the seminar was also to highlight tendencies and developments and compare the situation between the different countries participating, through experts, at the seminar.² Furthermore, a key purpose was to highlight experiences of poverty from the perspectives of children, youth and young adults.

The expert seminar was organised by the Swedish ICSW committee in cooperation with Malmö University, with professor and vice-rector Tapio Salonen as host. The seminar was made possible through support from ICSW Europe and the Swedish Central Association of Social Work.

¹ *Child Poverty in the Nordic countries* (2009); *Effects of dropout from school, Position paper of ICSW in the Nordic countries* (2013); *Poverty in families – Approaches for social mobility in Germany, Austria and Switzerland* (2017).

² In total, the expert seminar had 18 participants from Sweden, Denmark, Norway, Finland, Germany and Austria.

1. Introduction: Welfare states in Western Europe – differences and developments

The welfare states in the Western societies differ in the way they are organised regarding provision of social services and distribution of benefits. According to Esping-Andersen (1990) countries such as Austria and Germany belong to a “corporatist” welfare state regime where organisations and the Church historically have played an important role. State interferes in the family when all other possible solutions are exhausted. Since emphasis is on motherhood, day-care and other family support systems are historically underdeveloped (Esping-Andersen, 1990). The Nordic countries are categorised as belonging to the “social democratic” and “universal welfare state regime type”, with ambitions of providing welfare services and benefits to its citizens (Esping-Andersen, 1990). Thus, it could be assumed that the responsibility for providing social welfare services and benefits mainly lies on the state. Recent studies indicate, however, that in the case of the Swedish welfare state, it is increasingly undergoing processes of marketization, privatization (Svallfors & Tyllström, 2017; Swärd, 2017) and reductions leading to increased responsibility of family members, informal caregivers and neighbours (Warburton & Jeppsson Grassman, 2011).

2. Summary of lecture: Tapio Salonen “Child Poverty in Advanced Welfare States – the Swedish case”.

The expert seminar started with Professor Tapio Salonens lecture, which was largely based findings from a study on child poverty in Sweden, conducted Salonen on assignment of *Save the Children, Sweden* (Rädda Barnen)³. Salonen addressed how family policies in Sweden have changed over time, especially during 2000s, and its impact on economic vulnerability among families with children. Salonen pointed at contradictions in the development of the Swedish welfare state. Despite an increased economic growth in the society there are nevertheless signs of growing inequalities. The gap has continued to widen between families with children who have good opportunities and those who have not.

Although income for families have increased over time, income disparities have increased, leading to rises in inequality. The share of families with an income below the EU-definition of poverty has raised from 9% 2010 to 16% 2017⁴. The Gini-coefficient, pointing at differences

³ Salonen, T. (2019). *Välfärd – inte för alla - Den ekonomiska familjepolitikens betydelse för familjer i ekonomisk utsatthet*. Rädda Barnen.

⁴ Ibid.

of disposable income, has increased more in Sweden than in any other OECD country.⁵ The structure of the taxations system in Sweden has a tendency of giving benefit to persons who own their home, through possibilities of making deductions and acquiring tax benefits. Looking at the general wellbeing of children, Sweden has lost its place as an international leading country, with decrease in general wellbeing.⁶ In 1980 Sweden was, in a global comparison, the most ambitious state in efforts for equalising financial inequality. After that there has been a steady decline where the amount of financial resources allocated for family policies have decreased.⁷

The dismantling of universality in the welfare system is partly dependent on retrenchment of the universal benefits and reduction in possibilities for needs-tested benefits and social services. In the aftermath of the economic crisis in Sweden taking place in the early 1990s, there has been gradual decreases in a wide range of social insurances and benefits for persons in working age, such as unemployment benefit, sick pay, activity insurance and housing benefits. Another factor of the dismantling that has occurred over the past years is the privatization of day-care, schools, healthcare and eldercare. According to Salonen, the decentralization of welfare distribution resulting in increased responsibilities for the municipalities, has led to differences in provision of welfare services due to variations in contextual factors such as demography, needs of social services, tax base and unemployment rates within a municipality. Furthermore, the Save the children report (2018) show differences in child poverty between foreign born and Swedish born parents; 1.4 % of children with two Swedish born parents are defined as poor. It can be compared with 19.6 % for children with two foreign born parents. In families with a Swedish born single parent 10.9 % are poor as compared with children of one single foreign-born parent 42.1 %⁸. According to the last Pisa measurement there are big differences between Swedish born and foreign-born children. There are also differences in rates of poverty between the three largest cities in Sweden (Stockholm, Gothenburg and Malmö), where Malmö stands out with children living in poor families at a rate about 25%.⁹ Furthermore, Salonen states that despite some increases in

⁵ Ibid.

⁶ Ibid.

⁷ In 2017 the costs for public policies to families with children was approximately 80 billion SEK (8 billion Euro). Being on the same level as in 1980, it would have been 180 billion SEK in 2017.

⁸ Salonen, T. (2018). *Barnfattigdom i Sverige*. Rädda Barnen.

⁹ Ibid.

levels of financial support provided by the state between 2015 and 2018, poor families with children have experienced modest change in their economic standard.

3. Summary of presentations by participating countries

Following the lecture by Salonen, the participants in the expert seminar gave presentations on current tendencies regarding child poverty in their respective country.

3.1 Austria

The presentation was made by Martin Schenk and Stefan Angel. The poverty rate in Austria is, according to the presenters, among the lowest in Europe. Income poverty is, however, rising among families with children. People in risk of income poverty have one or more of following characteristics; they are living in big cities, have many children, they are single parents or parents with low labour participation.

The presenters argued that low income affects the housing situation and is leading to overcrowding for many families. It influences the children since it limits possibilities of conducting homework in the home, and also deprives access to a private sphere.

In the presentation, Schenk and Angel stressed that the incomes in Austria in general are higher than in the surrounding countries and that the middleclass with comparatively high incomes is large. People from “lower middleclass” are, however, to a greater extent in need of social support as they are at risk of poverty. In this group there is a stable group of unemployed. Studies on those living on social benefits in Austria point at general poor living conditions. Persons with employment but still living in poverty, so called “working poor”, and persons who are unemployed are in general not informed about their right to economic support. Meanwhile, applying for need-tested benefits from the state is connected with shame, where one third of those having the right to economic support from the state do not apply. If families in need would apply for social benefits to a larger extent, approximately 60 000 persons would have reached above the line of economic poverty in Austria.

3.2 Germany

The German welfare system is, according to the presenters from Germany, Andreas Krampe and Irina Volf, characterised by targeted benefits rather than universal. But the state distributes a universal child allowance for all children with supplement benefits for families with more than two children. The presenters stated that the main predictor for poverty is low labour participation and low incomes.

To combat poverty, the presenters argued that a multidimensional strategy is needed from the state. It implies stimulation to employment of caregivers, and besides the universal child allowances, cash benefits to families facing financial difficulties. Furthermore, contact with social services through Internet is also under discussion in Germany.

The main part of the presentation consisted of a lecture by Irina Volf, who has conducted a longitudinal study on the consequences of child poverty from 1997 up until today.¹⁰ Sixty day-care centres nationwide took part in the study. The aim of the study was to highlight differences in living conditions between poor and non-poor children and coping strategies among poor children and their parents. Methods used were both quantitative and qualitative. From the year 2002 and onwards, children have been interviewed. Volf concluded that child poverty not automatically led into poverty in young adulthood. Two thirds of the participants in the studies managed to leave poverty, half of them during the transition from childhood to young adulthood. However, times of poverty, even temporary, may leave “visible” traces later in life making transitions from childhood to young adulthood more challenging.

3.3 Denmark

The presentation from Denmark was made by Kirsten Windekilde, from The Danish Association of Social Policies, who focused on how policies over the past 20 years have led to general decrease in social security in Denmark. Studies show that 65 000 children are living in poverty today. Single mothers and immigrants and refugees are the most vulnerable to poverty and deprivation in Denmark today. Denmark has no accepted definition of poverty, despite extensive discussions. The government is looking upon poverty out of a strictly economic aspect and according to The Danish Association of Social Policies, there is a need for more public discussions on poverty.

3.4 Finland

In the presentation focusing on the situation of child poverty in Finland, Ronald Wiman stated that poverty has increased over the past years in Finland, where one fourth of the single parents are classified as poor.

Furthermore, the presentation emphasised that poverty must be understood in terms of multidimensional deprivation and that it is better to talk about children living in poor families

¹⁰ Volf, I. (2019). *When child poverty grows up ... The AWO-ISS longitudinal study on (long-term) consequences of child poverty over the life course*. Institut für Sozialarbeit und Sozialpädagogik. Frankfurt am Main, Germany.

and not solely focus on “child poverty”. Also, Wiman stressed the need for change in perspectives, where family and child policies increasingly should be seen as investments in the future, rather than costs. Wiman also stated that it is of importance to reflect upon how policies are formulated and if they correspond with social life and everyday needs of poor families or not. Furthermore, there is, in Finland, a general lack of cooperation between different professionals in the social and health sectors, which risks to make it impossible to see all dimensions of poverty and how they are connected. In the presentation it was also argued, by Wiman, that policies should build on *UN Convention on the Rights of the Child*, which acknowledge the wellbeing of the child. Societal developments and the social environment influence on children and their families in their everyday life is of importance to acknowledge in practice and in policies. Wiman summarised his presentation by concluding that children should be more included in the sustainable development goals formulated by the United Nations.

3.5 Norway

The presentation on child poverty in Norway, made by Njål-Petter Svensson, was largely based on the Norwegian report “Poverty Watch”, where it was stated that in the year 2011 7.7% of the population was classified as living in relative poverty. 2017 it had increased to 9.6%. The largest group was young adults, where 11.1% were outside education, training and work. The main problem of relative poverty in Norway is, according to Njål-Petter Svensson, lack of possibilities to participate in society in various contexts. Youth and young adults are those who are primarily excluded, socially and economically. Children at most risk of living in poverty come from families receiving social assistance, with unemployed parents, families with many children, parents with low education and children of parents who have a background as immigrants.

In the presentation it was stated that the consequences of living in poor families for children was loneliness and social exclusion since children living in poverty in general have few close friends. Poor living conditions was considered to lead to exclusion from different social contexts, such as participation in organised activities. Children living in poor families were also considered to have higher rates of mental health problems, are less satisfied with school and live in poor housing conditions.

There are, nevertheless, preventive measures aiming to strengthen families at risk of living in poverty. It includes both education, leisure-time activities, access to healthcare and access to

work for youth and parents. Many of these efforts are conducted through cooperation between state, municipalities and the voluntary sector using both outreach methods and home-based methods. There are ongoing projects, driven by the state, to promote increased interests in reading among children as means of improving education and possibilities for the future of children from poor families and with low levels of education.

4. Recommendations

The recommendations, presented below, in this report are based on the presentations by Professor Tapio Salonen, the presentations by each participating country and group-discussions where all delegates were actively participating:

- The concept of child poverty is insufficient, since there is a need to understand the situation of children in their family and within the social contexts where children live and act in everyday life.
- Child poverty should be viewed as a multidimensional and dynamic issue including economic, social, educational and cultural dimensions.
- Poverty should be understood as experienced deprivation and material deprivation.
- In order to be able to address solutions to child poverty, it is necessary to raise the question of what type of problem child poverty is, why it is a problem and for whom. Relating to this, it is also of significance to address the responsibility for reducing child poverty.
- The general tendency, in Western Europe, is that the rate of poor families with children has been growing during the 2000s and increases in inequality in living conditions.
- Structural changes in the social welfare systems affect the occurrence of poverty and must be met on a structural level. The welfare systems must compensate poor families in line with the financial conditions of today.
- Poverty during childhood is not equivalent with being poor as grown-up. Poverty is dynamic and there are possibilities to improve living conditions for children living in poor families in different stages of life. Poverty during childhood may however have negative influence on possibilities for education, labour market participation and health later in life.
- Leisure time activities for all children are considered important to prevent and reduce cultural poverty. The importance of cooperation between public institutions and voluntary organisations for integration is emphasized.

- It is of significant to take measures in order to enable cooperation between professionals within the welfare sector in order to grasp the many dimensions and complexities regarding children living in poor families, their living conditions and their social and physical environment.
- To reduce poverty among children, actions are needed on different levels. That means both the state, regions, municipalities and non-governmental organisations should be involved in efforts to reduce poverty among children
- Accessible, equal and publicly financed education for children is seen as a key for integration, enabling children to have access to important social arenas throughout childhood and having chances for work and higher education in the future.

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6. List of Delegates

Mag. **Martin Schenk**, Diakonia, Austria.

Ph.D. **Stefan Angel**, Wirtschaftsuniversität Wien (WU) Institut für Sozialpolitik. Austria.

Ph. D. **Irina Volf**, Frankfurt Institute for Social Work and Social Pedagogy (ISS). Germany.

Mr. **Andreas Krampe**, German Association for public and private care. Germany.

Mr. **Njål Petter Svensson**, President, Norway ICSW Committee.

Ms. **Solveig Askhjem**, Norway ICSW Committee.

Ms. **Randi Reese**, Norway ICSW Committee.

Mr. **Ronald Wiman**, Regional President, Finland ICSW Europe.

Ms. **Kirsten Windekilde**, Board member, Socialpolitisk Forening Hovedstaden, Denmark.

Ms. **Eva Holmberg-Herrström**, President ICSW Global.

Mr. **Tom Johannesen**, Executive Director ICSW Global.

Fil lic. **Axel Ågren**, Board member Sweden ICSW Committee.

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Ph. D **Anna Angelin**. Docent, lecturer. Lund University.

Ph. D **Emily Yueh-Mi Lai**, Associate Professor/ Department of Social Work, Tzu Chi University, Taiwan.

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