TITLE: TRANSFORMATION OF SOCIAL POLICY FOR THE ELDERLY IN FORMER YUGOSLAVIA

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SUMMARY

This summary was compiled by Council staff from the "Discussion and Conclusion" and "Epilogue 1993" sections of a 100 page paper with the same title based on field research during the summers of 1991 and 1992 in Slovenia, Croatia and Serbia. The author's 15 page "Executive Summary" of the same paper follows on page 7. The full 100 page paper is available from the Council upon request (202) 387-0168.

As the former constituent republics of Yugoslavia establish separate paths as nations, they seek to sustain their political and economic viability. Social welfare programs are both essential and problematic components of this quest. Following directions deemed necessary even before separation, Serbia, Slovenia and Croatia are increasingly locating control of these programs in republic-level bureaucracies while also attempting to sponsor market-based structures. The result, at this point in time, consists of systems more centralized than in the former socialist state, with bureaucratic entrenchment rather than political party control being most influential.

Consolidation of service policy and management is but one indication of this entrenchment. Absent direct consumer participation, centralization increases distance between bureaucratic provider and client. This distance is then reinforced by an ideology of professionalism - that is, the notion that expert knowledge is and should be the main force guiding program development. There are, as well, concrete programs to tighten both professional and bureaucratic gatekeeping of resources as well as information about them.

The emergent ideology reinforcing these trends was apparent in the language, as well as substance, of informants' discussions of policy changes. Far from the tone of humanistic socialism and *solidarnost* were slogans reported as guiding the current policy frame: "The obligation of the state is legal security in the execution of rights;" "Only those services which financially support themselves will survive;" "Help yourself, and the state will also help you if you need it."
The change from *solidarnost* to *rationalization* as a guiding social welfare policy principle is clearly more than rhetorical, however. It carries with it the re-negotiation of social welfare responsibilities, with the state assuming more direction even as it externalizes some accountability. The relationship between state and citizen in this regard is also obviously affected. To some extent the changes are merely shifting the criteria according to which citizens have differential abilities to effect their rights: whereas formerly a connection to state/party apparatus was critical, national and economic statuses are now becoming central. More generally, the entrenchment of bureaucratic control cultivates a different type of patron/client relation with the public. Formerly, rights were universal, though the ability to realize them was contingent on personal position as well as community resources. Patronage was thus localized. With the changes observed, the rights themselves are contested; while that contesting occurs within the political domain, the terms, information and principles guiding it are largely determined from the top down. Patronage is thus centralized, further reinforcing bureaucratic entrenchment.

In and of itself, the move towards centralized control and bureaucratic oligarchy cannot be seen as inherently harmful for state functioning. Since, however, these states aspire to the democratic condition, we must ask at what point or under which conditions this structuring could become a hindrance to effective, representative state action.

While somewhat different means and programs are developing in each of the study sites, the [more important] differences among them concern the extent to which bureaucratic centralization is being challenged, and by whom. In Serbia, there is little apparent opposition to central state control; that which is mounted comes from organizations linked, by ideology if not power interests, to the former structure of self-management.

In Croatia, the war has largely precluded wider involvement in social policy issues. Specific group interests are likewise awaiting more stable conditions for formulation through party efforts. Although they are the recipients of services, the particular populations most
impacted by the war (including elders) also currently lack political voice, given the overall condition of need in the nation. Participation in social policy discussions in the areas of interest has thus been confined to those professional and expert groups most involved with particular issues. There is, accordingly, a jockeying for position among those groups, but this is yet unmatched by wider political interest.

The same jockeying is evident in Slovenia, with the additional contesting of social policy by age-based party interests. That Slovenia has advanced to this stage, as well as further operationalized structures, reflects its greater involvement in market structures, higher level of education, smaller scale, popular consensus, and external incentives.

An additional factor worth emphasizing here is the role in Slovenia of the semi-formal sector: the self-help organizations, quasi-public agencies, and quasi-legal private operations that are forming the backbone of an emergent non-profit sector. Since in Slovenia, as well as Croatia and Serbia, parties are still elite institutions, they have a limited ability to aggregate popular interests; they also clearly have limited incentive to challenge policy formulations. Given this, it may fall to some intermediary institutions or associations to provide a fulcrum for the popular voice (Streeck and Schmitter, 1985). The semi-formal sector may well be playing such a role in Slovenia.

Even as social policy continues to evolve in these sites, the lives of many of today's elders have become a matter of daily survival. The circumstances of war and political transition have eradicated much of the social fabric formerly supporting them. While there are some newly urgent ways in which older people can contribute to the family economy, such as by waiting in queues for scarce food or household supplies, they lack the power to control the wider economy and external relations that determine their sustenance. To this extent, as in many other ways, their political situation remains unchanged from before. While monitoring the consequences of these conditions is critical, it is also increasingly difficult.
In the past Yugoslavia was often considered the "exception" in Eastern Europe: unaligned, more open borders, more open to private entrepreneurship, (hypothetically) a more tolerant regime. Ironically, this exceptional status may have lessened concerns in the West about the welfare of the country, since it was perceived as not a threat, if not quite a friend. Now the very events that make the former country greatly of concern are those which make it appear still exceptional relative to other countries that have experienced quieter exits from socialism.

The dynamics driving welfare state transformation are, however, common not merely among formerly socialist states, but to all those with developed welfare systems. In each, critical issues concern relations among states and markets, the development of intermediary associations, rationalization and retrenchment, power struggles between professions and bureaucracies, and the on-going quest to reflect democracy and pluralism in social welfare. This makes continued observation of the situation in Slovenia, Croatia, and Serbia of comparative worth - the more so since each has, to some extent, chosen a singular path towards welfare state transformation.

**EPILOGUE. 1993**

A brief site visit during the summer of 1993 revealed that the trends documented above continue to dominate social policy for the aged in former Yugoslavia. No major changes in the organization or financing of health and social care had occurred in the year following the research period: sub-acts of legislation were taking effect, putting in place the anticipated centralization and rationalization of these domains.

Hyperinflation characterizes the economies of Serbia and Croatia; this in addition to the consequences of trade sanctions for the former and the war effort in both sites has made living conditions of older people a question of day-to-day survival. Even higher level pensions are insufficient for basic needs. Common medicines are, at best, in short supply,
while levels of co-payment for health care consume major proportions of available incomes. Although still advantaged, compared to rural areas, in the presence of services, cities are being choked by the cost of living.

The continued dilemma of resettling refugees and the displaced, as well as efforts to rebuild war-damaged infrastructures, raise questions of equity hotly disputed in the public arena: who should be served, in what order; to whom should the government be first accountable? These issues in addition to the emergence of profiteering, even war-lord, subcultures make a mockery of rational designs of distributive justice. People have adapted to the war through varied means -- including paranoid denunciations of the West, embittered resignation, and, more positively if not hopefully, simply trying to get on with life -- but no one sees an end to it.

While Slovenia continues to experience less internal strife and a better economy, the restriction of public entitlements and services is not yet compensated by voluntary or private initiative. Particularly galling are the entanglements in ES trade policies, which practically ensure the invisibility of Slovenia's membership quest.

Just as the consequences of the political upheaval of this period will be evident for decades, the effects on the lives of elders will unravel persistently, and in ever-increasing sectors of life. Without question the war itself has decimated older cohorts; by one UN estimate currently 30% of refugees and displaced persons are over age 60 (Help Age International, personal communication). Even accounting for this figure, elders have disproportionately remained in the ravaged village regions to try to live or, at last, to die near the graves of their ancestors. Those who live in more peaceful areas will suffer excess mortality due to the lack of medical care or simple malnutrition. Damages to family ties and community structures will leave even the healthiest in psychological and material peril.

This should not, however, be taken to imply that the elderly are passive victims in this process. Older individuals in all stations and circumstances evinced a determination to
rebuild and renew their lives, even as they were uncertain whether there could again be a society to which they could contribute. Existential, rather than nationalistic, concerns dominated their view of the present and future; indeed, they seemed most clearly to understand the need to rebuild from the ground up even as chaos continues at higher political levels.

For the foreseeable future there is likely to be a considerable gap between the projections of those in power and the everyday scramble to survive. The people of former Yugoslavia were well accustomed to such a gap during the socialist era: while they may have hoped for something better at its end, they will not be disillusioned at its continued presence. Indeed, the libertarian, individualistic ethos of capitalism may do better in explaining it than did the egalitarian ideology of former regimes.

As far as social welfare is concerned, much will depend on the ability of governments to foster non-public sectors and pluralistic mixes of service provision. Short of this, current developments would forecast inadequate safety nets and increasing tiers of inequity.

Such conditions typify many, if not most, public welfare systems at present, but elsewhere governments have divested themselves of centralized control and accountability for these systems. The attempt to reach pluralistic, market-based systems through initially increased state investment is likely to be the most difficult and analytically interesting social policy development in former Yugoslavia. The success of the governments of Slovenia, Croatia and Serbia in negotiating this transition is likely to be linked reciprocally to their future legitimacy and to the security of their people.
TRANSFORMATION OF SOCIAL POLICY FOR THE ELDERLY
IN FORMER YUGOSLAVIA

Executive Summary
of
Final Research Report
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AUTHOR'S EXECUTIVE SUMMARY

In most countries that have developed formal systems of social welfare, there is currently a re-negotiation of the roles of families, the state, and non-public sectors in providing care for the elderly. Nowhere is this more true than in countries deconstructing socialist regimes. Changes in the political economies of these countries--their transformation towards democratic, market-based social systems--have received a great deal of attention, both academic and popular. There has been less examination of how these changes are being accompanied by the transformation of the welfare state.

This report describes the on-going redesign of health care, pension and social assistance systems affecting the elderly in three former constituent states of Yugoslavia. It is based on qualitative field research conducted during the summers of 1991 and 1992 in Slovenia, Croatia and Serbia, research supported by the National Council for Soviet and East European Research.

Slovenia, Croatia and Serbia represent, in that order, a continuum in terms of the degree of industrialization as well as the level of development of social welfare. Slovenia, the most industrially developed and invested in the welfare sector, had a population of 1.9 million in 1981, of whom 11.4% were over age 65. Croatia's population totaled 4.6 million, with 11.4% elderly, while Serbia proper (absent Kosovo and Vojvodina) had a population of 5.7 million with 10% over age 65. While the populations of all three are considered demographically old, that of Croatia is aging the most rapidly, followed by Slovenia, with Serbia proper aging at a rate average for the former country. All three sites have been affected by the war which began in the summer of 1991. While the war in Slovenia lasted less than two weeks the country has been strained by the influx of refugees; Croatia and Serbia remain engaged in conflict to this date.
This report provides a detailed look at systems of social welfare in each site as they have responded to conditions of economic stringency, aging populations, political transformation and war. To place these changes in context it is necessary first to provide some historical background on the nature of social welfare under the former Communist regime, and particularly on its structure during the social experiment termed "Self-management."

Background

Social policy in Yugoslavia emerged from different traditions, with resulting differences in the orientation and organization of social welfare. Before the Communist era there were already differential orientations accruing from the legacies of the Austro-Hungarian Empire, for Slovenia and Croatia, and the Ottoman domination of the southern part of the country. The former was predominantly Roman Catholic, which promoted church emphases on traditional family life and hierarchical social organization, including charity work, within bishoprics. The Orthodox church in Serbia and other republics had a more decentralized organization and less tradition of charity or involvement with social issues; on the other hand, the patriarchal extended family structure was, and remains, strongest in these regions.

Communism imposed a common ideological orientation through an emphasis on egalitarian social relations. The definition of egalitarianism in social policy took place through the principle of solidarnost, or solidarity. In practice, this concept meant that society must provide for the up-grading of the condition of the least well off. This provision took place through the mediation of the state, with strategies for the redistribution of resources from more to less developed regions as well as from more to less solvent individuals.
Despite the universalist implications of this principle, deservingness in Yugoslavia, as in most state socialist systems, was explicitly linked to worker status. That is, all entitlements were based on salary contributions and work experience. Implicitly, there were also differentials in privilege attached to connection with the party-state apparatus, as well as some residue of pre-communist propertied class relations.

While the welfare state in Yugoslavia has many points of resemblance with others in East Europe, Yugoslavia distinguished itself with the development of a decentralized economic and social-political structure termed "self-management." First evident as part of post-World War II reconstruction, self-management was concretized with the adoption of a new federal constitution in 1974. From this time on the role of the federal government was formally limited to the setting of broad, compulsory entitlement criteria and operational policies.

Administrative, financing, and allocation issues were primarily determined at two lower levels: that of the republic and that of the locality or commune. Two types of structures were of particular significance: 1) "self-managing communities of interest" were collective assemblies representing both providers and users of all social and health services. Services and facilities themselves were organized as self-managing "organizations of associated labor." Most questions of resource allocation were determined through negotiations among these organizations and between them and the communities of interest. 2) Sociopolitical organizations, such as League of Communists and Socialist Alliance, retained signatory control, however, over budgetary issues and worker contracts. Thus, social welfare and health care were run by an extremely decentralized, interlocked network, but with party control maintained.

The basic attributes of the Yugoslav welfare state from 1974 until the dissolution of the federation in 1990 followed a pattern familiar to most of East Europe. Characteristic benefits
under this type of welfare state included: heavily subsidized food and housing, constitutional
guarantees of the right to work, relatively well developed old age social security, and the
provision of free or inexpensive health, education and social and cultural services.

Hidden beneath these rights were: underemployment; lack of available housing;
inefficient, under-equipped and undercapitalized medical and social services; absence of
inflation-proofing of salaries or pensions; and cash-limited and paternalistic social welfare
assistance. Further, workers favored within the party/state apparatus had privileged access to
jobs, housing, and welfare state programs. The formal egalitarianism of social policy also
existed alongside of an underdeveloped and inefficient economy.

The essential features of social welfare systems in Yugoslavia during the period of self-
management are summarized on Figure 1 (page 11). Pensions operated through a state system
of self-managed funds based on worker contributions. Reserves and investment were not
permitted, though the state did "borrow" liberally from funds for "solidarity" investments in the
development of housing, infrastructure and industry. Entitlement to old age, survivor, and
invalid pensions was based on work status: old age pension criteria and benefits were based on
extent of working experience (pensionable service) as well as age.

The pension system expanded slowly, and as recently as the mid-'80's, to cover non-
social categories of workers, such as independent craftspeople and agricultural workers (the latter
a group including the largest number of older people). Some categories of workers received
preferential consideration in terms of when they could retire, pension amounts, and counting
extra of their work time. These included those in hazardous industries, but also artistic and
FIGURE 1
THE YUGOSLAV WELFARE STATE, 1974-1990

Redistributive principles:
- *Solidarnost* and egalitarianism (explicit)
- Party-state privilege (implicit)

Pensions:
- State system of self-managed contributory funds
- Entitlement based on work status
- Privileged categories

Health Care:
- State system of self-managed contributory funds
- Aged as an entitled category
- Cost-sharing
- Self-managed facilities and social practice

Social Assistance and Social Care:
- State system of self-managed contributory funds
- Means-tested social protection
- Role of Enterprises
- Self-managed facilities
- "Subsidiarity": familial responsibility for elders
sports figures as well as politically recognized categories: war veterans, police, workers in national defense and internal affairs.

Health insurance and health care were also funded through communal and republic self-management funds based on salary contributions. This included "solidarity funds" covering non-contributing categories of individuals, such as youth, students and workers in non-social enterprises (mostly peasant workers). "Basic Health Rights", i.e. guaranteed rights to health care for all citizens, were mandated as the responsibility of the republics; the elderly (over 65) were specifically included as a group guaranteed health care benefits. Since the mid-'60's, cost-sharing and wage and price freezes have been recurrent features of health care policy; cost-sharing (participatija, or participation) initially exempted the elderly but has increasingly been extended to them, albeit mainly at levels considered symbolic.

All health facilities and practices were socially owned and operated through self-management structures with the explicit objectives of limiting the extent of professional dominance while increasing user and community control. Private practice, although illegal, occurred through moonlighting activity, tolerated as a way of making up for system inadequacies. Although distributions of physicians, hospital beds, etc., have improved markedly in the past two decades there are still great regional and rural-urban disparities.

Social assistance and social care were, again, financed through a system of self-managed contributory funds. Social protection (such as income maintenance supplements, guardianship, and other forms of social care) was limited and based on means-testing. Economic enterprises provided many services directly (such as subsidized housing) and purchased others for workers. All social services were collectivized and self-managed. The voluntary sector was limited and marginal: only the Red Cross and some disaster relief
organizations were officially recognized. Finally, the role of the state vis-a-vis the elderly was deemed "subsidiary" to that of families, which were constitutionally made responsible for providing or paying for personal care, old age homes, and so forth.

Overall, this system produced many regional disparities and inefficiencies, which have been exacerbated by the economic crisis which has dominated Yugoslav life since the 1980's. The expansion of services and the aging of the population in the three study sites also colluded to throw the welfare state into turmoil. From 1980-'84 there were severe cut-backs in social welfare expenditures, such that they decreased over 30% in real terms. Since then, pension expenses have increased, but average pensions have steadily declined in real value. At the same time, unemployment, salary reductions and firm bankruptcies both decreased worker contributions to social funds and swelled the ranks of retirees and those seeking disability pensions.

As part of global economic and policy reforms in the first half of 1990, Yugoslavia abolished the system of self-management. Changes envisioned for social welfare policy at that time centered on strategies of centralization, rationalization, and privatization. Financing of health care, pensions, and social welfare was incorporated directly into republic budgets; it was anticipated that social funds for health and pensions would be converted into shareholding enterprises. Cost-sharing for health and social services was expected to increase, and medical and social care to be "commercialized." Medical and social services would be transformed to enterprises operating within market economies, and the state would stimulate the development of the private sector, though through mechanisms not yet specified.
Such was the situation of the reform of the welfare state at the point of dissolution of the federal republic. Slovenia, Croatia and Serbia had already achieved significant differences, due to their differential levels of economic development as well as the consequences of self-management. Now there was even greater potential for their paths to diverge, as they achieved autonomy in the midst of global economic change.

Facing each former republic were intertwined political, organizational, pragmatic and ideological dilemmas: how to maintain a social welfare safety net while attempting to achieve an elusive economic solvency; how to incorporate private capital and private ownership into bureaucratic systems premised on their absence; how to maintain state legitimacy and satisfy expectations of state support while transferring responsibility to other sectors.

Responding to these dilemmas would require the transformation of the political economy as well as collectively shared moral assumptions about social obligations and reciprocities. As market relations were introduced, capitalist conceptions of social justice would replace egalitarian ones, but most likely with protest. Including market relations within the welfare sphere would feed new social inequalities and social costs, the acceptable level of which was yet to be determined. The development of democratic institutions would lead to pluralistic contests about what and whose social needs were to be met; also, different social groups would be differentially able to make use of the new possibilities for democratic expansion.

It is now possible to survey how this situation is evolving in Serbia, Croatia and Slovenia. While there has been a flurry of new legislation and creation of new bureaucratic structures in each place, it is far too soon to evaluate outcomes, or even to be certain about the shape of the evolutionary process. Many changes are provisional and by law subject to
reevaluation. Many are yet to come. At this point it is only possible to indicate the
directions things are taking.

In order to be concise, the following review is organized on a sector-by-sector basis,
looking first at pension insurance, then health care and health insurance, and finally at social
assistance and social care. Changes in these areas are summarized on Figure 2 (page 16).
Similarities and differences among study sites are noted in each section and summarized in
the conclusion.

Pension Insurance

Pension system funds in each site have been centralized at the republic level and are
or will be operating as shareholding funds, with investment of reserve accounts. The funds
are administered by independent institutes and managed by assemblies which do include some
representation of insurees and beneficiaries. Different tiers of retirement pension benefits are
being created through a distinction between compulsory and voluntary contributions; it is also
possible for supplemental, individual accounts to be established.

In terms of categorical benefits, most of the formerly accorded special privileges have
been abolished. It is possible that the affected groups could continue to receive augmented
benefits, but not through the pension fund. On the other hand, in Croatia there has been an
extension of pension benefits to a small but symbolically important group, Croatian citizens
over the age of 70 (domovinska) who had never formally contributed to the pension scheme;
there have also been strong proposals to extend preferential pension terms to veterans of the
Domobranj, a nationalist paramilitary group from World War II.
FIGURE 2
SUMMARY OF CHANGES IN SOCIAL WELFARE SYSTEMS

**Pensions**
- Centralized Republic control
- Shareholding funds
- Differentiation of compulsory and voluntary/supplemental systems
- Categorical changes:
  - Reduction of privileged statuses
  - Introduction of new privileges (Croatia)
  - Increased age/work experience limits for retirement pensions (Croatia, Slovenia)
  - Tightened disability criteria

**Health Insurance**
- Centralized, independent shareholding funds
- Compulsory and voluntary levels of coverage
- Increased cost-sharing

**Health Care**
- Legalized privatization
- Competitive concessions
- Republic/community ownership
- Fixed wage levels
- Mandatory professional associations
- Supply restrictions

**Social Assistance and Social Care**
- Centralized budgetary control
- Privatization/"welfare pluralism"/nationalization
- Restricted entitlements
Finally, each government has taken steps to restrict and restructure disability pensions, and in Croatia and Slovenia there are legislated increases in the age and work experience criteria for pension eligibility.

**Health Insurance and Health Care**

As with pension insurance, health insurance in each site has been restructured into centralized, independent shareholding funds. There has also been the introduction of compulsory and voluntary levels of coverage, including the possibility of private insurance plans. Only in Serbia do the elderly remain largely exempt from cost-sharing, and levels of participation are increasing in each site.

It is now legally possible in each site for most health care services and professionals to operate privately, through concessions from the state. Ownership of health facilities has reverted to the state, though whether at republic or community level is being contested; in essence, the physical plants and equipment of what were self-managed facilities are now nationalized. There is increased centralized control of the health care system through negotiated wage and price levels, and physicians and some other professionals are being required to join professional associations charged with licensing, standard-setting, and supervisory functions. Finally, medical supplies and services in each site have been severely constrained by the war. Reportedly, in practice if not in policy, there is age-based rationing of care, with elderly people unable to access certain services.

**Social Assistance and Social Care**

In this sector, financing is being made through republic budgets rather than independent funds. Republic level ministries have also assumed administrative authority and oversight over most programs. As with health care, privatization of social services, home
care, home nursing, old age homes, etc. is now a legal possibility, and there is increased activity within the voluntary sector, promoting the prospect of "welfare pluralism." Benefits formerly provided by work sites have, however, been severely curtailed.

Social assistance and social care facilities are at present nationalized. While the intent of centralizing services was to make them more secure and uniform, there has also been some restriction of entitlements, particularly for the disabled. Tighter measures have been effected to enforce familial responsibility for care of the elderly.

Similarities and Differences among Study Sites

As summarized on Figure 3 (page 19), the overall trend observed in each study site is towards increased bureaucratic centralization and control. Market economies have been introduced through shareholding financing of pension and health insurance funds, as well as through the commercialization of health and social services. There is clear development of tiers of care and market-based inequalities; however, there is also the potential for increased pluralism, with voluntary, non-profit and private sector development. At present, however, the state has acquired virtual monopoly status in the provision of social welfare and largely dominates health care provision. The market controls that which is left over after the purview of the state, and that remains marginal.

Significant differences among the former republics are extending previous lines of divergence. In Slovenia there is the greatest extent of pluralism and commodification of health and social services: the informal, now non-profit sector has achieved higher development, and economic principles have been extended furthest in the redesign of health insurance. Social insurance plans have become modest relative to their former status, and the system as a whole seems to moving in the direction of a liberal welfare state.
FIGURE 3

TRENDS IN WELFARE STATE DEVELOPMENT,
SLOVENIA, CROATIA, SERBIA, 1992

**Similarities:**

- Increased bureaucratic centralization
- Shareholded financing structures
- Increased commodification of services within market structure
- Increased tiers of care
- Increased pluralism

**Differences:**

SLOVENIA: 
- highest level of welfare pluralism
  - greatest extent of service commodification
  - politically organized age-based interests

CROATIA: 
- effects of war and refugees
  - citizenship emphasis

SERBIA: 
- legacy of egalitarianism
  - incipient intergenerational equity issues
The deservingness of the elderly is thus being contested through pluralistic negotiation in a structure of market relations.

Slovenia has also experienced the greatest degree of political organization of age-based interests. There are two political parties specifically representing older people: the Gray Panthers, now a branch of the Liberal Party, currently holds one seat in Parliament, while the Democratic Party of Retired People of Slovenia has over 28,500 members. Retired people are also directly represented on managing assemblies of pension funds.

In Croatia, aging policy, indeed all social policy, has been eclipsed by the effects of the war and the refugee situation. Welfare state entitlements have been linked directly to citizenship status and procurement of citizenship papers; privileged entitlements are being reoriented towards categories of national significance. "Citizen" is thus replacing "worker" as the basis for pensions, health care rights and social assistance, and "deservingness" is becoming nationally defined.

In Serbia, there is the strongest retention of the egalitarian legacy, just as there is the closest political similarity to the former regime. Efforts to centralize health and social welfare services have met with opposition from status quo interests. There have been proposals for a flat rate national pension, and self-management structures have been largely retained, albeit at a centralized level. Because the state controls the allocation of health and social resources, and because those resources are increasingly limited, issues of intergenerational equity are starting to surface in parliamentary and media discussions. Age-based interests, however, are not clearly politically articulated at present. As the war continues and the economy continues to deteriorate, it is likely that aging policy will become an increasingly contentious political domain.
"Instead of Conclusion"

Yugoslav authors frequently ended books or articles with a section labelled unjesto zaključka, "instead of a conclusion". Such a designation is certainly the best way to highlight the evolving process characterizing welfare state transformation in former Yugoslavia. What are developing are new combinations of political and economic institutions, as well as apparently competing ideologies of distributive justice. These ideological shifts were indicated by slogans reported as governing the current social policy: "Help yourself, and the state will also help you if you need it;" "The obligation of the state is legal security in the execution of rights;" "Only those services which financially support themselves will survive."

A rationalized and humane social welfare system is an objective perhaps best treated as utopian by any state. As Slovenia, Croatia and Serbia move towards welfare pluralism within a market economy, they face unusual challenges due to the costs of their separation. Their efforts, however, are not unique, even as their current strategies of centralization may provide a fascinating "negative case" study of process and outcome.

Struggles among different levels of government, between health care and social care domains, among formal, semi-formal and informal service sectors, and between professional and bureaucratic interests are particularly familiar dynamics shaping welfare state policy. Representation of the lay voice -- whether termed "user," "client," or "consumer" -- in service design and evaluation is also a recurrent policy issue independent of political and economic context. Continued comparison of the options developed within Slovenia, Croatia, and Serbia can thus contribute critically to the substantive and theoretical understanding of welfare state development as it affects aging populations.