

Reforming Social Protection under Ideological Influences and Preferences. Social Protection Between Austerity and Other Reforms - The Case of North Macedonia

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This research provides an analysis of reforms in the transition period with a special focus on the last decade regarding the social protection system as a crucial social policy domain in North Macedonia. From a methodological point of view, the research is based on a literature review and quantitative methods. It provides empirical evidence in the form of a survey conducted with various interest groups and political parties nationwide. The empirical results in the form of perceptions show a tendency of interest groups and political parties preferring social-democratic ideological values on issues such as social protection financing, social services delivery and the central role of the state in welfare provision. On the other hand, based on the literature review and policy analyses, there is evidence of a tendency of neo-liberalizing social policy in the country, in which principles of conditionality and eligibility, cuts in benefits, marketization of social services, etc., have become dominant trends in the last decade, thus transforming the social protection system in essence. Therefore, two questions should be asked: What kind of social protection system do we have? What kind of social protection do we prefer ideologically?

Key words: social protection, ideology, reforms, North Macedonia.

INTRODUCTION

The Republic of Macedonia¹ gained its independence and sovereignty from the former Yugoslavia through the referendum on 8th September 1991. After the country's independence, many changes were introduced and a new model of the welfare

state arose, gradually replacing the previous *universalistic* welfare regime.

Since its independence, a prolonged transition period has characterized the country's development. These transformations have been evident in terms of the economic system (transition from a cen-

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¹ In this paper, the name of the country is used in two versions: Macedonia and North Macedonia following the change of the country's name (from Macedonia to North Macedonia) under The Prespa agreement in June 2018 between Greece and Macedonia.

tralized economy to a market economy), in terms of demographic changes (internal and external migration flows), political transformations (frequent political crises, ethnicised armed conflict), etc. All these transformations of an economic, demographic and political nature have directly affected citizens' quality of life, very often with evident disparities between ethnic communities. The consequence was a system that was economically inefficient and insensitive to welfare and consumer needs which, elsewhere, would find expression through the ballot box (Deacon, 2000: 147). Nevertheless, instead, the political factor, radical political discourses of political parties and ethnic polarization of the population have contributed even more to an unfavourable situation for vulnerable categories – the target of social protection measures.

Many political reforms have been implemented at different public policy levels in the transition period and during the last decade. In terms of social policy, major changes through different reforms thoroughly dismantled the socialist legacies, and new principles were presented in social protection, social security, health care, etc. Many social problems were inherited from the past system and, at the same time, many new problems emerged. With increased rates of unemployment, pensions and social security benefits declining, health care services weakened, new measures were introduced². Nevertheless,

these policies and laws did not improve the overall situation of social protection beneficiaries, nor did they improve the situation of the unemployed to support them entering the labour market.

In the country context, social protection remains the main mechanism for protecting the vulnerable or those considered by law as “categories at social risk”. Reforms in social protection, in terms of social policy domains, have been considered a major focus by governments. These reforms have often been conditioned by low economic growth, which has resulted in persistently low expenditure on social protection over a long period of time. According to Gerovska-Mitev's (2016) analysis, “overall expenditure on social protection as a percentage of the GDP is experiencing continual decline. Although recent estimations are not publicly available, data since 2008 show continual declining trends”. What has also influenced the situation negatively is a decline in the number of active contributors as a result of rapid demographic changes (decrease of fertility rate³ and aging of population, and in addition the continuous increase of external migration flows⁴). Due to these factors, from 2002 to 2021, there was a decrease in the total number of population by 185,834 inhabitants⁵, causing structural changes in the labour force, and the country is currently also facing a future shortfall of professionals and workers in some sectors.

² A number of legislative changes were introduced, in terms of funding, administration and delivery of social policy services and institutional arrangements of social protection system.

³ With an exception from 2009 to 2013 and stagnation in 2015, the fertility rate has been continuously declining. The current fertility rate in North Macedonia in 2023 shows a 0.48% decline from 2022. For more, see: North Macedonia Fertility Rate 1950-2023, published by Macro trends The Premier Research Platform for Long Term Investors. Available at: <https://www.macrotrends.net/countries/MKD/north-macedonia/fertility-rate#:~:text=The%20current%20fertility%20rate%20for,a%200.47%25%20decline%20from%202020.>

⁴ The 2021 Population census showed that in the last two decades due to emigration abroad a large part of the country's resident population was lost. From 2002 to 2021, the population increase rate was estimated at -9.2%. ⁵ The 2021 North Macedonia census is available at: <https://www.stat.gov.mk/pdf/2022/2.1.22.10Popis-mk-en.pdf>

Political factors through political influence have been decisive regarding the reforms; they have been present in the form of a set of ideological values reflected in social policy making by the ruling political parties. Wilding and George (1985) offered an early contribution regarding ideology's role in the development of social policy and the welfare state in the light of ideology. They discuss the influence of ideology in directing the role of state in responding to society and social problems. Synthetizing, the concept of ideology in welfare studies has been used to explain the role that ideas can have while developing a specific welfare model. It became more intense after the Western welfare state crisis in the 1970s, a period about which conservatives argue that the crisis was due to the inability of democratically elected governments to restrain social expenditure and impose moral obligations limiting egoistic group demands on public spending (Janowitz, 1976, 1978; Bell, 1976). Titmus (1974) focuses attention on the importance of the ideology of the political party in power, and the role of fiscal constraints in determining the type of social policy model applied.

Knowledge of ideologies is a prerequisite for a better understanding of political processes and political dialogues that develop around social welfare issues, as well as in the practical implementation of social policies. A specific model of welfare is primarily a result of policy choice and the ideological orientations of political parties determine the model of the welfare state (Bajrami Ollogu, 2019). Integrating the analysis of policy ideas has been present in debates around welfare states, along with

attempts to integrate the concept of ideas more within the institutionalist approach in welfare studies. As Béland (2005) argues, if institutions truly influence policy-making, policy ideas matter above and beyond the agenda-setting process and also, when stressing the need to reform and promoting new alternatives, policy entrepreneurs draw on existing ideological repertoires to frame these alternatives.

Therefore, this research attempts to discuss how ideological influences have penetrated the reform processes in the social protection system as part of the overall changes brought about in North Macedonia's social policy, with a particular focus on the influence of neo-liberal ideas in the last decade⁶, a period in which their influence has been much more evident. In this regard, for instance, Gerovska-Mitev (2019) emphasizes that, during the 10-year period of VMRO-DPMNE rule, social protection has been reshaped in order to serve clients who are less vulnerable than they were in the past. Also, there have been different forms of constraints which are typical of conservative governments⁷. For example, instead of 'passive benefits' for the unemployed, the government was predisposed to provide forms of active labor market policies and reach those unemployed who are 'easy to serve' instead of the so-called 'hard to serve'. In the last decade, the constraints and introduction of neo-liberal norms have been present in many ways and for different reasons in the social protection system. As Gerovska-Mitev (2016) discusses, the introduction of neo-liberal elements into the Macedonian social protection system may be seen as a result of the low financing ca-

⁶ The neo-liberal elements have been present in such forms as the co-financing of the system, introduction of eligibility or conditionality criteria, decrease of social assistance, different cuts or reduction in other social transfers, etc.

⁷ Kittel and Obinger (2002) found that the share of conservative parties in a government restrains the growth of social expenditure.

capacity of the state, but also as a result of the lack of opposition to these elements by trade unions, civil society organizations and other national stakeholders.

In addition, through empirical research, this paper attempts to identify the ideological preferences of different interest groups and political parties, by testing their perceptions regarding the role of the market, state (government) and family in the social protection system. This approach is based on the theoretical assumption that variants and characteristics of all three of Esping-Andersen's (1990) welfare state models co-exist in the country context and that interest groups preferences may differ compared to political choices. As Gerovska-Mitev (2016) points out, 'taking into consideration all services and benefits provided within the social protection system, it may be argued that variants and characteristics of all three Esping-Andersen's welfare state models co-exist'. However, other authors tend to classify the post-communist welfare states and their social protection systems as distinctive and completely new models, not even considered in Esping-Andersen's cross-national study. Others tend to explain these new welfare states as hybridized models that combine characteristics of the three-typical clusters identified by Esping-Andersen. Still, much research characterizes the region in terms of the difficulty of identifying a specific welfare state model. Ceka and Arifi (2019) argue that there is a lack of focus on the development of the Southeast European post-communist welfare state, even though many studies have emerged for other parts of the European continent.

SOCIAL PROTECTION BETWEEN AUSTERITY AND OTHER REFORMS

Social protection, as many other domains, has been subject to changes and transformations during the transition period, very often influenced by the pressure of the EU integration process⁸, the democratization of the country and different governments' efforts in reforming the system – in many cases showing their ideological influence. The role of the EU integration process and the role of international financial institutions have been of great significance for the country context, primarily in pushing reform processes and introducing new principles into the domain, such as pluralization, decentralization and deinstitutionalization. Bornarova et al. (2013) consider three main phases of reforms in the overall social welfare system that may be grouped chronologically as follows: (1) the foundation phase; (2) the institutional development phase and (3) the reform process phase. We will focus in particular on the last decade in which ideological influences have been present through state ideology or the ideology of the ruling political party.

In the case of North Macedonia, in terms of social protection, some of the reforms have been characterized by increased austerity regarding benefits and criteria related to the range of social rights foreseen in the Law on Social Protection. This *austerity* has been present in terms of neo-liberal elements dominating the reforms in the last decade, in particular during the rule of conservative parties. The introduction of neo-liberal characteristics in the Macedonian social protection sys-

⁸ EU integration process has influenced North Macedonian social policies in the last decade due to many efforts to modernize and improve social protection and the security system. Macedonian aspirations to join the EU place an obligation to follow EU trends in social policy, as part of negotiations in the Chapter 19, and adjust to EU legislative and operational standards in this area.

tem has been particularly present through many political choices since 2007. The governments' low financing capacity and a lack of opposition by interest groups have weakened the system over the years and have made it more selective, conditional, targeted and characterised by means-tested services and, often, cuts in benefits. Hence, these cuts in terms of benefits, the low level of financing of the system and the political approach of the conservative political parties, have together caused austerity in terms of social protection rights and benefits, particularly for the period that coincides with the global economic crises from 2007 until 2016. In addition, targeted and means-tested benefits were dominating social policy in that period. As a conservative government interested in boosting population growth, some positive changes refer only to the introduction of child benefits and parental allowances⁹. Moreover, with the 2019 social protection reform formalized in May 2019 by a social-democratic government¹⁰, some evident improvements compared to previous legislative regulations were introduced. The reform initiated by the MLSP¹¹ was supported by the World Bank, which once again showed the importance of international financial institutions not only in the first phases of democratization of the country, but in the following years of prolonged transition as well. Even though it is widely accepted that their role was greater in the first phase of reforms, in partic-

ular the one that introduced the concept of pluralization into the social protection system¹². That reform had a crucial role and influence on other reforms in other domains as well, such as in the social security and health care systems.

On the other hand, the 2019 reform brought about significant changes to the system of social protection cash benefits and services. Among many other changes, one major change refers to social financial assistance, which was upgraded to guaranteed minimum assistance (GMA), with beneficiaries receiving an amount necessary to meet their minimum subsistence needs, which was not the case with the previous right to social financial assistance¹³. The reform of social protection, among others, extended existing types of social services. More precisely, it introduced new services such as respite care, kinship care, personal assistance, halfway houses, nursing homes and socio-medical services.

The newly reformed law on social protection provides a systematic regulation of the principles, content, organization, financing, monitoring and supervision of the overall social protection system. Nevertheless, some issues related in particular to the administrative organization remain unresolved. In this regard, it is worth noting that the country has single tiered local self-government with municipalities as single units of local self-government. Division of responsibilities between the central

⁹ For example, the third child allowance was adopted in 2009 and it was not targeting only low-income households (considering that low-income household was typical for other social transfers).

¹⁰ A government approved between SDSM (which is a social-democratic political party and the main center-left party in North Macedonia) and members of DUI and the Alliance for Albanians in May 2017.

¹¹ Abbreviation used for the Ministry of Labor and Social Policy as the main responsible public institution.

¹² Established by the Law on Social Protection from 1997 ("Official Gazette" no. 50/97), in which Article 36 states that public and private institutions are established for the realization of the social protection and the state is not the only provider, compared to the former system.

¹³ For more, see: MUTUAL INFORMATION SYSTEM ON SOCIAL PROTECTION OF THE COUNCIL OF EUROPE (MISSCEO), Strasbourg, 20 December 2019, available at: <https://rm.coe.int/missceo-2019-6-e-trends-developments-social-protection/16809983c3> (Accessed, December 2020).

and the local authority is conditioned by general rules, primarily regarding the functional and fiscal decentralization of competences. Even though the implementation of the newly reformed law on social protection started, the results remain far from the planned aims. There is evidence showing improvement in the system and increased cooperation between institutions. Nevertheless, further 'universalization' and decentralization needs to be achieved and, above all, new professionals to respond to the modernization of the system remain on the "to do list" for the next reforms.

ROLE AND IMPORTANCE OF INTEREST GROUPS IN WELFARE POLICY REFORMS

In understanding social policy as a process, we should recognize the role that interest groups have in pressuring governments in terms of their political priorities. Interest groups can pressurize policymakers in the phase of policy legitimation (choosing the most convenient alternative). Pressure on decision-making authorities can come from various entities: stakeholders, including beneficiaries of a program, professionals, and administrators, various political forces, business groups, etc. Groups or individuals who exert intense and constant pressure are more likely to influence this decision-making process than those who exert only weak and occasional pressure.

Policymakers, mostly represented by the government and governmental institutions, have to take into consideration the influence of other interest groups involved in the processes of social policy making. Interest groups play a significant role in pushing particular policy processes and they are often involved in the implementation process. Professional associations, trade unions and others may be actively involved in the implementation of policies and may

well provide social services of their own (Midgley and Livermore, 2009: 12).

Typical interest group activities are related to the so-called 'dimension of interest', actualized through lobbying. Lobbying is an action that aims to influence - directly or indirectly - the process of elaborating, applying or interpreting legislative measures, norms, regulations or other political actions as public policies. There is a classical 'confrontation' between interest groups' determination and policy-makers' resistance. In any case, in all developed democracies, interest groups serve as links between citizens' interests and governments. They help citizens to properly articulate their interests, whether broad or narrow in scope.

Research on interest groups and the role and power they have in influencing public policies is still insufficient in the country context. Some relevant works in this regard are Hristova (1995, 1997, 2000, 2008), Cekik (2015), Cekik and Hristova (2015), Klimovski et al. (2016), Cekik and Hristova (2018). These texts, as well as others, point to the lack of research and data regarding the contribution of interest groups in the democratization processes of the country. The existing literature emphasizes the weakness of the civil society sector in pressuring national politics and recognizes the need to develop more research and increase their visibility. As in many other countries, in North Macedonia the creation of the most important interest groups began after the country gained its independence. Membership in interest groups remains moderate and most such groups face issues linked with funding – most rely on foreign funding; and staff employment – with many interest groups working on a voluntary basis.

One of the most important aspects to be analyzed for the purposes of this research is linked to interest groups' influence or

impact in national politics, specifically in welfare policies. The role of interest groups, particularly the civil society sector, remains high in some areas, notably: human rights, vulnerable groups' rights, and education. Trade unions, religious groups and business associations are active in a larger number of policy areas than other types of interest groups (Cekik, 2015: 3). Many lobbying activities of interest groups are developed towards welfare policies or social security systems, but they remain moderately low in scale and impact. Considering the transitional democracy in the country context, interest groups share common obstacles in operating and sharing lobbying activities. They are not able to operate and lobby freely, and in general, they are seen as closely tied to power groups and dominated by political elites. As Cekik and Hristova (2018) claim, when discussing the features of interest groups in North Macedonia, they point to 'the existence of political elites that operate mostly behind closed doors. This is the basis for the continued existence of power groups (informal groups with close ties to policy makers) (Cekik and Hristova, 2018: 2).

Based on existing literature, one of the particular features of interest groups

in the country is related to the multi-ethnic nature of population and as it follows, one of the main factors shaping interest groups' activities remains ethnicity. There is a clear segregation of lobbying activities between the major ethnic groups, and this makes it easier to use interest groups in the interests of ethnicised power groups.

The following empirical results show interest groups' preferences in North Macedonia regarding social protection. We have to highlight that this empirical research is part of a more extended research in which social protection is only one of a number of different social policy domains for which perceptions are measured regarding a set of ideological values. We will present here, shortly, only a few key findings.

METHODS

The empirical research is based on quantitative methods. A survey with different interest groups¹⁴ and political parties (VMRO_DPMNE¹⁵, SDSM¹⁶, DUI¹⁷ and DPA¹⁸, BESA¹⁹, ALTERNATIVA²⁰, AA²¹, LEVICA²², NSDMP²³, LDP²⁴) was conducted in order to collect respondents' perceptions about the current social protec-

¹⁴ The interest groups that participated in the survey are trade unions, employee organizations, think tanks, non-governmental organizations, private social services providers and others.

¹⁵ VMRO_DPMNE, abbreviation used for Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity founded in 1990, which is represents one of the major political parties of Macedonia. It is a right political party and describes itself as a Christian Democratic party.

¹⁶ SDSM – Social Democratic Union of Macedonia that represents one of the two major political parties of North Macedonia founded in 1991. It is a left political party and the successor of the League of Communists of Macedonia.

¹⁷ DUI – Democratic Union for Integration, which represents the major political party of ethnic Albanians in the Republic of North Macedonia, founded in 2002.

¹⁸ DPA – The Democratic Party of Albanians is the second major political party of ethnic Albanians in the Republic of North Macedonia founded in 1977

¹⁹ BESA – a center-right ethnic Albanian political party in North Macedonia founded in 2014

²⁰ ALTERNATIVA – a political party that was created in 2019 as a detachment from the BESA movement.

²¹ AA – The Alliance for the Albanians is a center-right political party founded in 2015.

²² LEVICA – The Left is a socialist political party in North Macedonia founded on November 2015

²³ NSDP – The New Social Democratic Party is a center-left, social-democratic political party in North Macedonia founded in 2005

²⁴ LDP – The Liberal Democratic Party is a social-liberal political party in North Macedonia founded in 1997

tion system and identify their ideological preferences in the social protection system in terms of the relationship between the state, market and family within the system. Furthermore, two questionnaires with two targeted groups were applied. One questionnaire was administered to members of interest groups and the other to members of political parties. The content of the questionnaires is mostly the same and it has a predetermined set of closed and close-ended questions. More precisely, the questionnaires were designed using the *Rating Scale Close Ended Questions* on a 5-point Likert-scale by using the left-right spectrum tool which, in this survey, has been adapted to focus only on themes relating specifically to the welfare state and social protection. We are aware of the methodological limitations when using a non-completely standardized tool as in this survey. Although left-right items are a standard tool of public opinion research, there is little agreement about the optimal response format (Kroh, 2007).

Overall, the perceptions measured empirically in this research have an indicative character aiming to enrich some of the existing, even though sporadic, theoretical assumptions around social policy discussions. Nevertheless, the sample chosen to test the variables is important, in particular referring to respondents from interest groups whose role and influence is crucial in periods of reform.

DATA

A total of 360 respondents participated in the survey, divided into two groups: 226 are members of different political parties and 134 respondents are members of other interest groups. The age range 35-44 was mostly dominant in both surveyed groups. In terms of ethnicity, all of the officially recognized ethnicities in the country context are represented, with a predominance of Macedonians and then Albanians. Fewer participants were from the Vlach, Turkish and Roma ethnic communities. In terms of education, there are approximately 47.76% of respondents with Master’s or PhD studies completed. The majority of respondents have a regular occupational status as fully employed.

Firstly, from the results, it can be seen that members of interest groups have different perceptions and preferences compared to members of political parties regarding the role of the state, market and family in welfare provision. The results were produced by measuring a set of ideological values in which respondents were asked about the social protection system. The following results present the overall attitudes/preferences of interest groups and political parties’ members regarding social protection financing; social services delivery; and the range of social rights covered by the system.

Table 1
T-test for perceptions regarding state, market and family

Subject		N	Mean	Std. Devia.	Std. Error M.
State	Interest groups	134	12.55	1.846	0.159
	Politic parties	226	14.82	3.214	0.214
Market	Interest groups	134	11.95	2.219	0.192
	Politic parties	224	10.35	2.236	0.149
Family	Interest groups	134	10.68	2.256	0.195
	Politic parties	221	15.90	3.075	0.207

Even though the differences are relatively small, when asked about the role of the government regarding social protection provision and social services delivery, members of political parties express a left-wing tendency (14.82) compared to those belonging to interest groups (12.55). This means that they legitimate state intervention more in terms of social protection provision and financing and consider public institutions as central to social services delivery. When asked about the role of the market, interest groups' members tend to be more market-oriented (11.95) compared to political parties' members (10.35). This result might be explained by the fact that a considerable number of respondents are from the profit and non-profit sector and some of them are engaged in the private provision of social services. Following the above results, the tendency shows political parties' members are much more oriented towards social-democratic, and at the same time, to conservative ideological values by recognizing the importance of state intervention (as a left ideological value) and family (as a conservative value). In further research, more results regarding differences in perceptions among various political parties and their ideologies will be provided.

Overall, considering the small difference, these results show, in essence, a common tendency of the participants preferring the role of the government/state as central in the welfare provision. Both groups, even though with some discrepancies, show a clear preference for social-democratic and universalistic values in which, for them, the role of the state/government should be central in social protection provision and social services delivery.

An important aspect to be explored in terms of social protection remains the financing of the system. Therefore, a specific test was applied to gain a greater understanding regarding the preferences related to financing. Hypothesizing that both surveyed groups share common preferences regarding the existing mixed model of social protection financing and social services delivery, a cross-tabulation was applied to the data. It shows frequencies on the imposed alternatives of the statement: *“A combined financing model and mixed social protection provision is more adequate in the North Macedonian social protection system”*. When measured jointly, frequencies reveal that members of political parties are more inclined to agree with this statement compared to interest groups.

Table 2
Cross-tabulation between respondents' preferences on the mixed model of social protection financing and delivery

	Combined financing and shared responsibility				
	Strongly Disagree	Disagree	I neither agree nor disagree	I agree	I completely agree
	Count	Count	Count	Count	Count
Interest groups	0	2	39	11	78
Politic parties	4	14	44	105	47

These frequency differences are statistically significant according to the value

of Chi-square 81.510 with sig = 0.000 p <0.01.

Table 3
Pearson Chi-Square Tests

	Chi-square	81.510
Subject	Df	4
	Sig.	0.000 ^{a,b}

Results are based on non-empty rows and columns in each sub table.

* The Chi-square statistic is significant at the 0.05 level.

b. More than 20% of cells in this sub table have expected cell counts less than 5. Chi-square results may be invalid.

When measured together, the results show higher frequencies for the respondents from political parties (of different

political ideologies). Nevertheless, we will see that, when asked separately on specific items, their preferences differ.

Regarding social services delivery, in the country context, currently public institutions predominantly cover the organization and delivery of social services. The following empirical results show that political parties' members tend to favour public institutions as main social services providers compared to interest groups' members, who are divided between the public and mixed model of providers (as we will see in subsequent results).

Table 4
Cross-tabulation - Respondents' attitudes regarding social services delivery

	Social protection services should be provided by public social service providers (state and municipalities)				
	Strongly Disagree	Disagree	I neither agree nor disagree	I agree	I completely agree
	Count	Count	Count	Count	Count
Interest groups	1	10	39	17	64
Political parties	3	32	69	77	29

Considering that interest groups as more representative in the preferences shared, we will present here briefly some descriptive statistics of interest groups only, regarding three crucial items: *fi-*

ancing of social services; social services delivery; and the right to financial social assistance through the social protection system.

Table 5
Descriptive statistics of interest groups regarding the financing of social services

	The state should finance all types of social services for the vulnerable	Combined financing (shared financing – contributory & non-contributory services) is more adequate for the country's economy	Free social services only for those who are financially insecure or with low incomes and for others the market mechanisms should apply
N	Valid	132	130
	Missing	2	4
Mean	5.2879	5.4846	4.4962

The current system of social protection in North Macedonia encompasses contributory and non-contributory services and benefits. The state implements the social protection of citizens in accordance with the principle of social justice (Bogoevska et al., 2013). As we can see from the results, the majority stands for a combined financing system and in addition for “free social services only for some of the categories in social risk”.

Regarding social services delivery, most are administered by public institutions, but under the neoliberal influences, many services are now delivered by private providers thus increasing the role of

the market and diminishing the role of the state. This tendency has resulted in the so-called *marketization* of services. Many private providers undergo a licensing process and are monitored and inspected by the state but the marketization of services very often limits access of many groups to private services, often perceived as of higher quality (see Table 6.). These private providers function under the principle of pluralism that was implemented in the direction of reducing the state’s role as a direct provider of services and strengthening the state role in sub-contracting social services through the involvement of other sectors (private, NGO, religious) as partners.

Table 6
Descriptive statistics of interest groups regarding social services delivery

		Social protection services should be delivered by public social service providers (state and municipalities)	Social protection services should be delivered by public and private social service providers (mixed system)	The services in the field of social protection that are delivered by private providers are of higher quality compared to the services delivered by public providers.
N	Valid	131	131	131
	Missing	3	3	3
Mean		4.6947	5.1832	5.1603

Table 7 reports respondents’ preferences regarding social services as a non-financial social protection measure. The majority of respondents consider the state and municipalities should be the main social services providers. Nevertheless, at the same time, there is a high level of perception among interest groups’ members that private providers are more efficient in so-

cial services delivery, which is somehow contradictory. This preference may be explained by the fact that many participants in the survey work in these private institutions.

On the other hand, financial social assistance as a financial measure foreseen in the Law of Social Protection is crucial for many categories in social risk.

Table 7
 Descriptive statistics of interest groups regarding rights to financial social assistance

		Financial social assistance should be provided only to low-income households	Financial social assistance should be provided to all types of people with disabilities	Financial assistance should be provided only to persons who up to the age of 18 had the status of a child without parents and without parental care	Financial assistance should be provided to all persons or families who are in the state of social risk, as well as to persons and families who have suffered a natural disaster or epidemic and have a family member with prolonged treatment in a health facility
N	Valid	131	130	134	131
	Missing	3	4	0	3
Mean		3.8397	6.1077	3.7612	6.2061

Overall frequencies in this item show interest groups’ members preferring a more extended social protection system in terms of rights to financial social assistance and lower preference for provision of those rights to be conditional that is limited only to some categories currently covered by the social protection and social insurance system, foreseen in the laws and institutional practices.

DISCUSSION

Considering the complexity of the topic, it is not easy to draw conclusions regarding the ideological preferences for a social protection model in the country based on the perceptions of a significant sample size, but still not representing the views of all groups. That is why we consider that these perceptions or preferences have an indicative character. The participants were diverse in terms of the associations they represented, their age, gender and socio-economic status, and this helped us to provide data from significant and diverse interest groups nationwide.

There are differences in perceptions/preferences between the two surveyed groups, particularly when analyzed separately, even though they share common

preferences when perceptions are measured jointly on some values. Based on the findings, both groups share a high compatibility in terms of their perceptions on the role of the state, market and family regarding welfare provision and governance. Both groups perceive a shared influence between state and market forces, but there is a difference in how they rank them. When asked specifically, interest groups’ members seem more market-oriented or, more specifically, they recognize the importance and role of the market nexus in the welfare state, but they think that the market contribution should be calibrated through adequate social policy in terms of state intervention. For them, the market comes first in terms of welfare provision and administration, followed by the family as an important (informal) welfare provider and finally the state; whereas for political parties’ members, the state comes first, followed by the role of family and the role of the market in third place. The role and contribution of the market is particularly important for interest groups’ members since many of them are part of the profit and non-profit sector providing social services.

Overall results showed that both surveyed groups are predisposed to prefer

social democratic ideological values in which the role of the state is seen as central, and many of the social rights should be considered, politically, as universal. Furthermore, on many issues they recognize the importance and role of the market considering current socio-economic developments in the country. Additionally, interest groups' members recognize the role of market forces and perceive the relevance of liberal and neoliberal ideological values, which are in essence market-oriented and, of course, they are perceived as a threat to social work due their lack of sensibility towards wider needs and rights.

Political parties' members appear predominantly left-wing oriented regardless of their political ideology. Overall, they stand for an extended role of government. It can be concluded that their preferences clearly show that, whatever the political ideology of the party to which they belong, they have, in general, positive attitudes regarding left ideological values and the welfare state idea – as the idea of state interventionism in order to provide social cohesion and social justice.

Nevertheless, both groups perceive the financing of the system as insufficient and cuts in spending are criticized through their preferences for a more generous social protection system. As Stubbs attests, governments in North Macedonia, as well as in other countries in the region, massively underfund health care, education and social protection (Stubbs, 2020: 9). Both groups were asked about the mixed provision of social protection demanding more state funding in the system. Regarding the 'mixed economy of welfare', in most European countries, this trend is triggered predominantly by the need to reduce the financial contributions of the state (residualism) (Munday, 2003, as cited in Bornarova, 2019: 426). This, as a principle, has been fully applied in the

reforms in North Macedonia through the co-financing of the system of social protection and pluralization in social services delivery.

There have been constraints in social protection financing not only from conservative governments but from social democratic governments as well, even though left or centre-left governments are expected to spend more on welfare policies as argued by Imbeau et al. (2001). This result in North Macedonia seems similar to other post-communist countries in Southeast and Eastern Europe. For example, as Tavits and Letki (2009) assert, in Eastern Europe in the 1990s and 2000s, left-leaning governments were likely to spend less than right-leaning governments.

Nevertheless, the case of North Macedonia, shifting from a former universalist to a 'selective' social protection system with targeted and means-tested provision of social protection, is a result of many factors, in which ideology through political decisions remains under-explored. Research focuses more on the economic dimension. For instance, Uzunov (2011) notes that this shift in social protection is a result of both internal financial turbulence and external pressure, demanding a more liberal oriented welfare system.

CONCLUSION

There is an evident gap between the universalistic ideological values in social welfare preferred by interest groups and political parties explored through the survey and the neoliberal principles applied in the last decade by governments through the reforms introduced. The empirical results of this research showed a prevalence of interest groups and political parties (of different political ideologies) for 'left-leaning' social-democratic values, such as universalism, state intervention-

ism, extension of social rights covered by the social protection system, etc., within an emerging market economy. Based on the results, it seems that universalism is seen as the core principle to be considered in the next set of reforms in social protection.

The changes to the Law on Social Protection in the last decade have not been able to address the real needs of those at social risk or those who are the most vulnerable. The reforms have not addressed the economic and demographic challenges the country has been facing either. However, there have been positive changes, such as the pluralization of the social protection system, which has been of great importance in terms of extending the range of social services providers and increasing the role of non-governmental organizations and the private sector. This increased the role of the civil society sector and somehow eroded the existing ideology of the state as central in the planning, implementation and administration of social protection and in particular in terms of social services delivery. There was a major transition moving from the state as the main provider to a plural and mixed welfare system.

Nevertheless, in terms of different social transfers and allowances, employment measures, etc., governments, in particular conservative governments, have applied neo-liberal principles in order to reduce their responsibility and justify their low financing capacities. For example, 'activation' has been a continuous trend in employment policies. Instead of the universalistic social policy model as a provider of support through cash transfers, conservative governments have attempted through active labor market policies (ALMP) to activate the population and link the unemployed with the labor market, and thus impose the principle of 'self-responsibility'.

Also, the mixed financing model of social protection remains an issue. In particular, with the return to the low flat income tax and regressive expenditure taxes which, as Stubbs (2020) argues, are very problematic for social policy financing. Gerovska-Mitev (2019) notes that the mixed financing model faces many challenges, including the vulnerability to structural changes in the labor market, the predominant reliance on the general government budget to compensate for the fiscal costs of the insurance funds and a lack of the full potential of social contributions due to the significant informal labor market in the country and the inherent risk of evasion (see more, Gerovska-Mitev, 2019). Synthetizing, the governments' low financing capacity and a lack of opposition by interest groups have weakened the system over the years and have made it more selective, conditional, targeted and characterised by means-tested services and, often, cuts in benefits.

Overall, the continuous reforms of social protection have not improved the overall quantity and quality of social services, and they have mostly been oriented towards an increase in services instead of cash transfers. The neoliberal agenda has been influential in the social protection reform developed and implemented in the last decade. Very often, it has been a political choice in order to reduce public expenditures due to very weak national economic performances and dramatic changes in population structure, which have affected all social policy domains.

Austerity and retrenchment as neo-liberal principles manifested through conditionality threaten the universalistic principles. This has been evident in many reforms in the context of North Macedonia, which in essence have been market-oriented through many processes characterized by privatization and marketization.

We can conclude that currently there is a confluence of neoliberalism and selectivism manifested through an increase in social protection measures, but with increased marketization of social services and increased conditionality regarding social transfers²⁵, which threaten the welfare state ideology, at least, in its underlying principles of universalistic welfare provision.

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²⁵ A 'step back' was applied in 2019 even by a socio-democratic government: the third child allowance (adopted by VMRO_DPMNE in 2009) would now target only low-income families.

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Sažetak

REFORMA SOCIJALNE ZAŠTITE POD IDEOLOŠKIM UTJECAJIMA I PREFERENCIJAMA. SOCIJALNA ZAŠTITA IZMEĐU ŠTEDNJE I DRUGIH REFORMI – SLUČAJ SJEVERNE MAKEDONIJE

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Rad pruža analizu reformi u razdoblju tranzicije s posebnim naglaskom na posljednje desetljeće u pogledu socijalne zaštite kao ključne domene socijalne politike u Sjevernoj Makedoniji. S metodološkog stajališta, istraživanje se temelji na pregledu literature i kvantitativnim metodama. Rad sadrži empirijske dokaze u obliku istraživanja provedenog s različitim interesnim skupinama i političkim strankama diljem zemlje. Empirijski rezultati u obliku vlastitog opažanja pokazuju tendenciju interesnih skupina i političkih stranaka prema socio-demokratskim ideološkim vrijednostima kao što su pitanja financiranja socijalne zaštite, pružanja socijalnih usluga i središnje uloge države u pružanju socijalne skrbi. S druge strane, na temelju pregleda literature i analize mjera politike, postoje dokazi o tendenciji neoliberalizacije socijalne politike u državi, u kojoj su načela uvjetovanosti i prihvatljivosti, rezovi u naknadama, marketizacija socijalnih usluga itd. postala dominantni trendovi u posljednjem desetljeću, čime se sustav socijalne zaštite bitno transformirao. Stoga treba postaviti dva pitanja: Kakav sustav socijalne zaštite bismo trebali imati? Kakvoj socijalnoj zaštiti dajemo prednost ideološki?

Ključne riječi: socijalna zaštita, ideologija, reforme, Sjeverna Makedonija.