

SOCIAL POLICIES: CORRECTOR OF THE MARKET'S IMPERFECTIONS OR ITS DISTORTION?

MIHAI FLORIN CĂPRIOARĂ

George Bacovia University, Bacau, ROMANIA

mihaicaprioara@yahoo.com

Abstract: *The research aims to analyze the specific of social policies in Romania. The methodology of this research is based on conceptual analysis and on process analysis. The themes of the subject will continue in the activities with applicative character during the "European qualifications and standardization in social assistance acronym Eur-AS" project, number of contract FSE POSDRU/18/1.2/G/11966, contract financed POS DRU and implemented by George Bacovia University from Bacau in the period 1 april 2009- 31 march 2011 in partnership with Northern University of Baia Mare and "Constantin Brancoveanu" University from Pitesti and Centre of studies Braila.*

Key words: *social policy, politics, legal analysis, types of policies*

Basic concepts in the study of social policies

This chapter aims to provide a delineation of the main concepts which stretch the social policy, in an attempt to provide a clear and distinct perspective on the field. Thus, (to determine)determining the appropriate term for social policy requires the shaping of the relations between politics, public policies, strategies, programs and projects.

In the broad sense, the politics are processes by which "a group of people who initially had divergent opinions and interests reach to collective decisions usually considered as binding for the group and imposed as a common course"¹. Thus defined, the term policy "sins" by keeping a polysemy which sends to two different meanings: first, as the head of state, which involves a whole range of specific connotations of public activities, and a secondly, which encompasses, in the language of Max Weber, "any self-management activity"² such as enterprise management, foreign exchange bank policy or the policy of a union on strike.

We will use the term of *politics* at singular to designate the leadership of the global society (and not a particular group) by means of the government. We include, here, all the procedures and routines of management, transformation and change of a country's administrative leadership: electoral campaigns, elections, change in government, legislating, etc. On the other hand, through *policies* we mean those processes through which a large or a small group of people decides to solve a problem or a set of problems. We identify, here, the options of a company related to market coverage (trade policies), the attitude of banks towards lending to large companies or the discount rate policies of the National Bank. Of course, the two activities designated by the terms political and policy are not mutually exclusive, on the contrary, usually a company's overall management is done through structured public policy areas. The differences consist not only in the different degrees of generality, but also in the complexity involved. From the way in which this first dichotomy is established, we understand that the public policy term is not related in any way to the political activity in general, or to its negative connotations. These activities are largely technical, mainly aimed at solving important social problems.

The specialty literature records numerous attempts to define the term of public policies. Thus, Thomas Dye believes that they are "what governments decide to do or not do"³, James Anderson assigns them the sense of "set of decisions oriented towards achieving a goal of an actor or a group of

¹ David MILLER, *Enciclopedia Blackwell a gândirii politice*, Editura Humanitas, București, 2000

² Max WEBER, *Politica, o vocație și o profesie*, Editura Anima, București, 1992, p. 7

³ Thomas DYE, *Understanding public policy*, 5th edition Englewood Cliffs, Prentice-Hall, New York, 1984, p.

actors”⁴ and Leslie Pal argues that public policy is “a guide of action, a plan, a framework, a course of action or a lack of it meant to respond to problems”⁵. As shown, the proposed definitions of the concept highlight the key issues of public policy, but also contain contradictory notes. Thus, although it highlights the actional and inactional aspects of policies, Thomas Dye’s definition is a restrictive one because it limits the political area only to the government, given that not only this executive body may initiate and carry out public policy. Of course the government is the leading executive power, the main initiator of policy, but other authorities can do the same things on different levels of generality: County Councils, Local Councils, or also at the central level, the Parliament. At the other extreme is James Anderson, who delineates extremely wide the field of persons who can sustain a public policy under the phrase “an actor or a set of actors”. Social actors are numerous, but in the case of politicians, their group is reduced to public authorities, even if the initiation stage may involve unions, committees of experts, international organizations. Finally, although it does not speak of the initiators, the definition offered by Leslie Pal summarizes the possible synonyms for the term, as well as the policy objective, which is solving a problem.

At this point an inclusive definition can provide one that would overcome the difficulties outlined above. Thus, the concept of public policies designates an intended and relatively stable course of action or non-action of public authorities, with the purpose of resolving an issue concerning a social group.

The characteristics of public policies that can be drawn from it are: intentionality, coherence and complexity, legality, nature of public action or non-action taken and, ultimately, responsibility⁶. We will illustrate these features based on fiscal and budgetary policy initiated and adopted by the Romanian Government in 2005 through the governmental program, fiscal and budgetary policy chapter⁷.

Policies are deliberated actions with the aim to achieve certain goals or objectives. We must not confuse a public policy with the random, reactive actions of the public administration. In addition, although not always, they try to achieve certain objectives, more or less clearly formulated and announced in advance.

In our case, the Romanian Government’s fiscal policy objectives want to ensure a stimulating role of taxes and duties for economic growth and development, fiscal consolidation and the development and strengthening the middle class. Subordinated to this, certain specific objectives can be developed: establishing the consolidated general budget deficit at a level correlated with the macroeconomic objectives as well as reducing quasi-fiscal deficits in order to support the efforts to reduce inflation in line with the nominal convergence criteria; supporting the convergence process of the Romanian economy to European economies; deep reform tax administration to improve collection of financial obligations; accelerating the process of fiscal decentralization in order to involve local communities more actively in the collection and allocation of public resources; easing taxation on labor and capital income; reducing social security contribution rates to remove the competitive disadvantage of tax, to reduce the underground economy; increased transparency of public spending; increased capacity to absorb pre-accession funds and, after 2007, the Structural Funds ; further harmonization of tax and budget legislation with EU norms.

Two other features are consistency and complexity. In carrying out public policies we do not have to do (we are not dealing with individual actions) with individual actions, but with sets of actions carried out and ordered by a particular program. A policy consists not only in adopting certain solutions to a given problem, but also in implementing them, and even in shaping alternative ways of response and adaptation in cases in which the desired effect is not obtained.

Romania’s fiscal policy is considered to be a coherent and complex set of measures aimed at five major ways: fiscal relaxation, increasing the capacity of fiscal administration, customs, fiscal and financial control, the coherence of budgetary and fiscal policy consistent with monetary policy. Each of these areas contains a set of measures for achieving the targets. For example, the fiscal relaxation is achieved by applying a single tax rate for both income tax and profit tax, 16%. In addition, the

⁴ James ANDERSON, Charles BULLOCK III, David BRADY, *Public Policy in the Eighties*, Brooks/Cole Publishing Co., 1983, p. 2

⁵ Leslie PAL, *Analiza politicilor publice: teorie și practică*, in: Alina MUNGIU-PIPPIDI, Sorin IONIȚĂ, *Politici publice: teorie și practică*, Editura Polirom, Iași, 2002, p. 23

⁶ These features relate to those identified by Professor Virgil Stoica in: *Procesul și analiza politicilor publice*, Editura FIDES, Iași, 2000, pp. 17 –20, but references and other matters

⁷ www.guv.ro

contributions for public social security (pension, health and unemployment) will gradually decline starting with the year 2006, therefore, in 2008 will reach 39.5% from 49.5% today, and for some time the current VAT provisions will be maintained. To strengthen the operational capacity of the non-governmental organizations is necessary to support a system of direct financing for them, focused on performance criteria. In this respect, through the amendment brought to the Fiscal Code, the share of income tax that individuals can offer to register NGOs will be increased from 1% to 2%. In order to apply this system of direct funding, measures to inform taxpayers as well as the local bodies of Ministry of Finance will be initiated.

Policies are based on law and its authority. The decision makers belong to the state's institutions. In fact, a public policy acts as an imposition of authority on what should be done in a certain area. This quality is manifested on two levels: the first concerns the fact that the meaning of action is descended from the coordinating authority (central or local) to the lower levels; the second implies the idea that the non-appliance and nonobservance of public policy can bring automatically the possibility of a penalty. Therefore, these forms of state's intervention apply through various normative acts. The main acts regulating the Romanian's fiscal and budgetary domain are The Fiscal Code and Budget Law. Within these but also in other specialized documents, such as the Criminal Code, the whole range of punishments for those who do not comply with the fiscal line provisions in force, from fines and penalties to criminal sanctions are presented.

The public policies have the character of an assumed public action or non-action. Thus, they can be both positive and negative. Public action can take a positive form by adopting a concrete set of measures, or negative, by avoiding making any decisions. This must be a conscious avoidance, as a result of analysis and decisions, such as, for example, laissez-faire economic policy, or the policies of many European governments to avoid the discussion and decision for the right to marriage between homosexuals. A negative action is involved here and not a non-action one. In the case of budgetary and fiscal policy, the government's option was to change the status quo and adopt active measures to reduce taxation, strengthening the power of fiscal administration, reducing fiscal control.

Finally, the last feature analyzed is responsibility. Public policies are the answers to pressing social problems, but their design and implementation involves the need for accountability, because they affect large groups of people or determined social groups. The adoption of a fiscal and budgetary strategy for Romania needs to take responsibility for the decisions taken. For example, taking the decision to impose a flat tax of 16% in Romania for the global income tax required taking into consideration the important risks such as: the possibility that the Romania's budget becomes unable to pay because of the substantial tax reduction, the possibility that firms and individuals do not respond favorably to the policy, etc. The policy turned out to be a success because after a transient decrease in revenue of the state's budget, it increased substantially by broadening the tax base and increasing the financial discipline.

Thus, the concept of public policy refers to a deliberate, consistent, generally complex, legal, responsible action assumed by one or more public institutions. We can say that there is a connection between this concept and the strategy one. If strategy is defined as a coherent set of guidelines for medium and long term goals, policies have a lower degree of generality and a larger act character. Thus, the strategy sets the frameworks and medium and long term objectives, but policies operationalize measures, deadlines and steps followed to achieve them. An example of a strategic decision is to assume, in the early '90s, the national targets for Romania's integration into the European Union and NATO.

According to Marius Profiroiu's opinion "the development strategy of a collective territory represents the determination of goals and objectives on a long term perspective of a collectivity, followed by the adoption of a local policy and the approval of resources necessary for achieving them, keeping in mind the needs, expectations and desires of the citizens and the components of the local political system"⁸. Therefore, in the case of strategies and policies we deal with interconnected activities. Strategy without policy is just a combination of worthless propaganda without any practical effect. Similarly, policy without strategy lacks coordination, is mutually contradictory and breaks down when it determines a chaotic mass of measures and effects.

As an essential area of the state's action, social policies have all of the characteristics of the proximate genus, public policy, however, applies to a small area. Therefore, social policies consist in the "activities developed through the state which influences the welfare of the individual, family or

⁸Marius PROFIROIU, *Managementul strategic al colectivităţii*, Editura Economică, Bucureşti, 1999, p. 175

community within a society”⁹. Beyond the ideological disputes regarding the amplitude a social policy must have within the social expenses, there is a quasi unanimous agreement on one thing: there are situations in which people cannot cope with their own expenses. Some of them are old age, illness, chronic unemployment, parentless childhood. All of these cases require the assistance of the state. The legitimacy of granting such rights is based on both popular support and the international documents, such as the Universal Declaration of Human Rights, adopted by the UN in 1948, which stipulates the right to social security, working conditions and good pay.

Social policies act on two directions. First, they have a function of insurance, risk prevention. Every citizen contributes, obligatory and within certain limits, to the state’s social insurance system. Instead, he obtains, if he is affected by a category of insured risks (sickness, old age, accident), the right to receive compensation. So he and the entire society are protected from certain risks that might affect his security. Secondly, the state socially acts on the value of solidarity, which means that social protection is, in fact, income redistribution. The wealthy contribute more than the others, as well as the active population, so that finally, all members of society are united.

Essential, at this point, is the concept of the welfare state, which designates that type of state, which appeared particularly after the Second World War, with the application of ideas of the British William Beveridge in most of the winning democracies, in which "public power means to ensure that the major risks - sickness, accidents, old age will not come to deeply disturb the destiny of individuals and the balance of society"¹⁰. In the following we present an explanatory diagram regarding the welfare state¹¹, which contains the main categories of actions and effects of achievement and failure of the welfare state:

Table 1: Explanatory scheme regarding state’s welfare

Principle of legitimacy	Consequences of social citizenship		Objectives	Ways of achieving it	Consequences of failure
Social citizenship	Social rights	Social policies	Morale: equity, Social justice. Economical: efficiency in social spending	- equitable redistributions - insurance network - economical rationalizations - contributions (taxes, insurance) - workfare	- inequity - exclusion - vulnerability (poverty) - inefficiency - underclass - dependence
	Obligations	Contributions	Reconsidering the obligations of citizenship is essential to feed with resources the social policies and to reduce dependence on State		

The scheme synthesizes the main features, social implementation modalities and effects of the welfare state’s failure. Thus, the state’s principal social objectives are equity and social justice achieved by using the economic principle of efficiency. The means of achieving them are equitable redistribution between different social groups, usually through taxation and subsidies, but also by creating a safety network, which includes institutions designed to ensure the social services to the people who are unable of permanent or transient maintenance: children without parents, patients with various disabilities, the elderly, etc. Possible consequences of failure are: inequality, exclusion of social groups (for example: gypsies, the unemployed), the vulnerability to social transformations (poverty).

However, the welfare state, as I defined it, is strictly a European reality, the share of public expenditure in this area is much lower in other countries like the United States of America. In addition, after the economic crisis caused by the oil shock in the ‘70s in Europe, this type of state was unable to support all its functions. The main criticism against it came from a neoliberalism line. We mention here the contribution of Friedrich Hayek, Nobel laureate for economics, in the work “The

⁹Marian PREDA, *Politica socială românească între sărăcie și globalizare*, Editura Polirom, Iași, 2002, p. 15

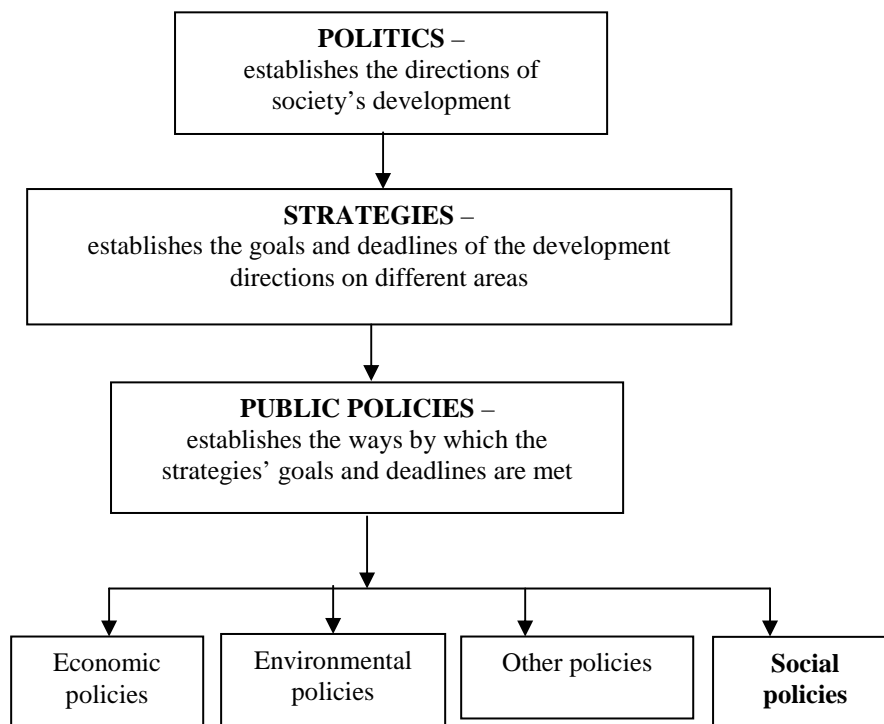
¹⁰ Marian Preda, *Romanian social policy between poverty and globalization*, Polirom, Iasi, 2002, p. 104

¹¹ Francis DEMIER, *Istoria politicilor sociale*, Institutul European, 1998, p. 5

Constitution of liberty”¹². He argued that the free market is more efficient than state activity, fighting, thus, for the reduction in size and functions of the state.

The financing of social protection is achieved by contributions from all active people and economic agents. The main policies in the area target medical insurance, pensions, accidents and unemployment. The ways of procurement and management are different from state to state, as well as the level of taxation. A full description of these policies would be too broad for this work, for which, in this chapter, we limited ourselves to highlighting the main areas of activity of social policies.

The differences and the relations between the introduced concepts can be represented in the following scheme in which, from politics to projects, the degree of generality is lowered:



Scheme 1: Representation of relationships between policies, strategy, social policy

The diversity of public action makes it necessary to identify the criteria on which we can systemize policies. In any of the shapes in which public policy appears, it relies on law and authority. Thus, each of the four forms that we describe below translates ultimately into a legal norm. The difference consists in the way they appear and in the specific vision for solving subsumed public problems.

The classification of forms that social policy can take may be made on the basis of two criteria. The first concerns the nature of the pre-formatted solution, which means knowing in advance the solution by the issuer of the policy. Thus, this criterion results in two cases: one of structural policies, in which the public authority comes up with the solution or a set of solutions and applies itself downward, by the attribute of its authority; and one of unstructured policies in which the executive public authorities do not have the solution, but offer a circumlocution for the task or an area of concern, and calls on social partners to come up with solutions that will be financed on project basis. Therefore, the pre-formatted character embodies a multiple criteria: the prior ownership of the solution and its application. A policy is structured when it is formulated and applied by a public authority and it is unstructured when the solution’s formulation and implementation depends on another organization, provided that the definition of the problem and a part of the necessary resources are provided by the public authority. The second criterion concerns the number of measures taken by means of public policy, and here we identify two cases: an individual variant of measure and a multiple one. By intersecting the criteria, we obtain the following types of social policy:

Table 2 regarding forms of social policies

¹² Friedrich HAYEK, *Constituția libertății*, Institutul European, Iași, 1998

The pre-formulated character of the solution	structured	unstructured
Number of measures taken		
One	Social individual policy	Social project
More than one	structured program	Unstructured program – multiple projects

According to the table above, we obtained, therefore, four forms that local public policies can take. As individual social policies, these take the form of a unique measure identified and applied hierarchically by a public local authority. For example, when a flood destroyed a bridge over a river, the Local Council's decision may be rebuilding the bridge in that same place or moving it to a safer area. Such unique measures taken are found even at a central level. Law 269 of 16 June 2004 on granting financial aid to boost the purchasing of computers offers financial aid based on social criteria in order to develop skills in using computers. Beneficiary of this law are families with schoolchildren and / or students of accredited public or private education under the age of 26 years, who come from families with monthly gross income of maximum 1.5 million lei per family member. They receive a financial support in lei, the equivalent of 200 euros for a computer, calculated at the exchange rate announced by the National Bank of Romania for the last day of the previous month without exceeding the value of the purchased computer. We identified a problem, consisting in shortages of skills in the use of computer technology, and offered a solution consisting in a unique measure to solve this problem.

As a social project, the policy embodies a unique measure of solving a problem, solution identified and implemented by a social partner, usually a non-profit NGO, but funded by the local authority. It is the case of those projects, often initiated by NGOs, some of them of public utility, requesting funds for local public interest activities, such as: creating a day care center for elderly, home help, etc. We introduce here the term *project*, which means a way of resolving problems which implies that there should be a temporary organization for the implementation of a relatively unique economic or social process, with medium to large scope and for a short or medium term. However, the project includes a series of activities with set objectives, designed to produce a specific outcome within a period of time.

As structured programs, social policies propose solving complex problems in different phases. An example of how to organize such a policy is the following:

Table 3: Indicative table on the form of a structured program

Objective	Measure	Deadline	Resources	Responsible	Evaluation indicators
Objective 1	Measure 1	Date 1	Financial	Financial Director Auditor	The emergence of law GDP
	Measure 2	Date 2	Material		
	Measure 3	Date 3	Humane		
Objective 2	Measure 4	Date 4	Organizational	President	cost/benefits
	Measure 5	Date 5	Time		

Structured programs apply a coherent set of measures for achieving the reference objectives. A description of the objectives must be a SMART one, short for the English equivalents of words **S**pecific, **M**easurable, **A**ttainable / achievable, **R**elevant, **T**imed. Each objective can be achieved through several measures, which are defined as activities aimed to achieve specific goals. A deadline and the resources needed are assigned to each measure. The resources required may be: financial, material, human and / or any other kind. In addition, in order to comply with the implementation of the measures an official must be named in advance. Otherwise, if a person is not appointed and the responsibility lies on the shoulders of a committee, the chances of achieving the goals are significantly lower, because, usually, each of them believes that others should apply that measure. Finally, the indicators of achievement should be set very clearly, so that at the end of implementation the degree of fulfillment of objectives is correctly assessed as concrete results. For example, for an objective such as reducing poverty rate in Romania by 50% by 2010, a valid indicator would be the number of people who have an income below a financial standard established for poverty. Thus, if everybody will define poverty based on sociological, psychological or economical criteria, the results would be unambiguous and interpretable.

As unstructured programs, the policies leave the identification and solving of problems on behalf of local authorities. In fact, this method of solving problems leads to the solution of the problems through a series of distinct projects, established on the basis of a common methodology. It is the case of many programs initiated by local municipalities in Romania through the implementation of Law 350 of December 2, 2005 on the status of grants from public funds allocated for non-profit activities of general interest. Each local authority shall establish amounts, procedures and areas for funding. Thus, the Municipality of Bacau has opted for an amount of 4.526.000 lei¹³ for 2007, allocated to six areas: youth and education, culture, environment, sports, religion, social.

In such conditions, for the social field the following results were obtained¹⁴: Home care services for elderly dignity - Bacau, Nursing at home for the elderly - Open a door, Elderly club, Recovery services, Protective home for the elderly, Community services for seniors, every child in school. Such projects can solve specific problems and contribute to a better life for the direct beneficiaries and target groups.

Thus, social policies are forms of intentional, coherent, complex and responsible legal actions or non-actions of public authorities with the purpose of resolving some key issues.

Types of social policies

This chapter aims to provide an overview of the main types of policies in order to provide to the public managers the opportunity to choose the most appropriate patterns. This is because, the same problem can be resolved based on different approaches and the knowledge of such alternative perspectives paves the way for increased efficiency and effectiveness of public resource.

In these circumstances, to provide an overview of the ways in which social policies may occur, we will make a series of their taxonomy, using criteria such as: methods of state intervention, the type of benefits that it allocates and their fields of application.

The difference between substantive policies and procedural policies is given by how the government intends to intervene to solve social problems. If the first is expressed through the direct intervention of government, the decider and actor of their own decisions (investment in infrastructure, social aid), in the case of the procedural ones the government only establishes who, how and when will do something. Starting from this definition it results that procedural policies aim at creating and adopting a regulatory framework appropriate to the conduct of various types of specific activities. In this case, specialized state bodies have only information and control functions. Classification can be spread by introducing a second level of division. Substantive policies act either investment or distributive depending on the destination resource. Thus, the difference is that the first ones are not directly aimed at certain groups, but they try to solve problems such as infrastructure. Distributive policies are achieved through the allocation of services or benefits to certain categories of citizens. It is not necessary for the beneficiaries of a policy to be a large group (such as those who receive farm subsidies and free education). Even a single company can receive such subsidies (the case of the company of off-road vehicles ARO, which has benefited in the 90s, of many state aids). Although, at first sight as a result of such policies everybody has something to gain, their payment is made out of public funds, yet, eventually the whole population pays for them. Therefore, the abuse of such policies may create a high tax burden, which will then translate into more subtle invention of procedures for tax evasion and, accordingly, to cover up expenses, to new taxes.

Regulatory policies are those that set restrictions and limitations to the behavior of social actors, individuals or groups. Examples in this respect are: regulating the quality of goods, emissions or of the regime of weapons and ammunition. These policies need not be understood only in a positive sense: some regulatory policies bring chaos to certain areas (as it happened immediately after the Revolution of December 1989 with the issue of free movement of persons across borders). Unlike the regulatory, the self-regulatory policies are required and supported by those whose activity is regulated. We identify here the policies of numerous professional groups: lawyers (Bar), doctors (Medical College), journalists (the Romanian Press Club). The results of such policies are the issuing of licensing rules, professional ethics, etc.

¹³ According to Local Council Decision nr.23/2007 approving the revenue and expenditure and the Local Council Decision nr.28/2007 for the implementation of the Law nr.350/2005

¹⁴ www.primariabacau.ro/anunt_atribuire_1g350_octombrie_2007.pdf.

According to the type of benefits that they allocate, the public policies are divided into material and symbolic¹⁵. The material one, either grants to the citizens certain categories of goods, or is translated into new types of taxes and duties on certain categories of income or activities. For example, this may be the establishment of numerous special funds (for health, education, orphans or the road tax). Conversely, symbolic policies have a minor material impact on citizens, but the psychological aspect, is extremely important. In general, these respond to the need to promote important social values: patriotism, peace, recognition of merit to individuals or a social group (wounded of the Revolution). Examples of such policies would be symbolic: writing of the street's name also in the mother tongue in some cities in Transylvania, the unveiling of the bust of a military leader, the right to mother tongue education.

Directing the analysis of public policy beyond the limits of mere statement, analyzing them in this grid reveals the hidden things. Thus, some material policies are, because they are not applied, purely symbolic, while others, symbolic at first sight (the prohibition of hunting or fishing of some species) can lead to the bankruptcy of entire communities. In addition, it should be noted that no public policy is not only material or purely symbolic. For example, the governmental program, the milk and the horn, beyond the cost and the fact that it provides to the children essential products, the media had an important and symbolic impact. In Romania, social policies have a wide range of applicability, due to both high amplitude of the issues that preoccupy the political system and high levels of problems such as poverty or social exclusion. The main responsibility for promoting and implementing social policies is the Ministry of Labor, Family and Equal Opportunities, but specific aspects appear in the work of other institutions, such as the Ministry of Public Health and the Ministry of Education, Research and Youth. Depending on the authority that implements them, the main centralized social policies in Romania appear in the following table:

Table 4 on the domains of social policy

Generality grade	Institutions responsible	The main managed social policies	Beneficiaries
Central social policies	Ministry of Labor, Family and Equal Opportunities	Active policies (professional training and retraining, support for businesses that hire the unemployed) and passive (unemployment benefits) on unemployment	Unemployed
		Policies on labor mobility (free movement of labor, number and arrangements of foreign workers, etc.).	Active persons on the labor market
		Policies regarding health and safety at work (aimed at improving working conditions and environment in which people work, including health and safety conditions)	Employed persons
		Inclusion and social assistance (family allowances, social benefits and special to families or individuals, depending on their needs and incomes policies to the elderly, disabled, chronically ill, persons suffering from incurable diseases, children with special needs, victims domestic violence)	Elders, disabled, chronically ill, children with special needs or lack of family, etc..
		Policies on social security (for the minimum pension, the pension point value, the working groups, the retirement age at birth)	pensioners, socially ensured, mothers
	Ministry of Education, Research and Youth	Policies on education system (on the organization and financing, exams, required years of study)	preschoolers, students, educational staff
		Policies regarding teachers and support staff (salaries, pensions, permanent official promotion)	Educational staff
		Policies supporting access to education ("the milk and horn" project, money for college scholarships for talented rural children, pay their university studies, integration and education of gypsy children, scholarships for students)	preschoolers, students,
	Ministry of Public Health	Policies for prevention (information, vaccination, evaluating the health status of the various regulatory aspects of public health)	Population
		Policies regarding the treatment system (family doctors,	Population

¹⁵ Virgil STOICA, *Procesul și analiza politicilor publice*, Editura FIDES, Iași, 2000, pp. 40-46

		hospitals and laboratories management, etc.).	
	Ministry of Justice	Policies on probation, and social reintegration of offenders, the execution of sentences, victim protection	Criminals and their victims
Regional policies	Regional Development agencies	Implementation of various welfare programs financed by the government or the European Union (ex. PHARE, POR 2007-2013 - DMI 3.2 “modernization and equipping of social services infrastructure” etc.).	Various categories of the population in target groups
Local policies	County/local Councils	Policies on the financing of various projects proposed by NGOs and other organizations (ex, a grant awarded by the Law 215/2001 and Law 350/2005)	Various categories of the population in target groups

The above table lists the main social policies in Romania, responsible institutions and their beneficiaries. The taxonomy illustrates key areas of interest of social policy, but is not complete, since the number of policies and institutions involved is extremely high.

The role of social policies in the society’s management

Do we need social policies? Does it resolve this issue of social equity, or rather, deepens it? These are only some of the axiological avatars that circumscribe debates around social policies. Different ideologies have proposed contradictory solutions to the same questions. The truth’s value depends on the assumed ideological perspective, an absolute truth being impossible to claim in this area. The challenge of science is to assess the effects of different models of social intervention and to determine their performance.

The whole Western liberal tradition assigns to the free market a central role in the society’s existence. However, even the most radical of liberals acknowledge that certain goods can not be produced on the free market, government intervention is necessary for their insurance. Examples of such goods are national defense policy, territorial integrity, or environmental protection. There are therefore cases where government intervention prevents the market shortage of certain unprofitable products at a time or allows the geometric multiplication of the social product.

The village must be involved in providing social services, which then lead to the development of the entire community. Thus, access to education of the widest social layers leads to the formation of a highly skilled workforce, therefore with expectations of productivity and incomes. The question that remains is up to which level there should be a free education. Some authors noted that “higher education is an expensive product that provides significant benefits on the long term to its customers, so it’s natural and moral that they pay at least part of the price”¹⁶. The above assertion must be accompanied by the observation that many young people educated by the state emigrate so that the alleged benefit of higher education for the community disappears. Even taking into account these two arguments, there is broad agreement among the specialists that the provision of free education is beneficial for the state, at least up to the level of higher education.

The state’s intervention is justified even in the case of people found temporarily or permanently in a state of difficulty. Providing an income for them leads to the creation, by redeployment, of a huge fund which keeps consumption high, thereby facilitating economic development.

In another perspective, the provision of many social services and benefits may also cause unwanted effects. Extending social interventions is necessary to increase taxes. Above a certain level, this growth becomes problematic and stimulates non-work. Thus, in the case of progressive taxation, it becomes unprofitable for a person to work over a certain wage, in which the tax cuts for the extra income determines rather a decrease in real earnings. In addition, the existence of social policies such as guaranteed minimum income or minimum wage determines, in the case of large amounts, a lack of motivation on labor market. If the state gives you an income of 1,000 Euros and a poorly qualified person would get only 1200 euro, the negligible difference causes apathy or promotes illegal labor.

In conclusion, the existence of social policies is necessary in a state, but their level should be a balanced one. Their absence causes poverty and social inequity, as over-sizing involves apathy and demotivation among the various categories of citizens.

Conclusions: The social policies between procedural and social justice

¹⁶ Sorin IONIȚĂ, *Împotriva curentului. Argumente pentru introducerea taxelor de studiu în universitățile românești de stat*, in Alina MUNGIU-PIPIDI, Sorin IONIȚĂ, *op. cit.*, p. 190

The state's intervention by means of social policies is achieved for global growth in the quantity and quality of goods offered by the market. But not only the general usefulness matters but also other values such as freedom, justice and equality. The existence of alternative sets of values and numerous combinations between them causes many social policies to have objectives which are ideologically influenced. We find in history totalitarian states or some communist states, who proposed themselves to obtain high equality for their citizens, at any cost, as well as there are states that have opted for freedom and for non-material, formal equality, especially in the liberal or capitalist states in the West. It results that the effect of policies in different states, even if successful, has led to contrary achievements: some to the exponential growth of living standards, others to autarky and economic stagnation. The blame must not fall on the idea of policy, but on the political objectives that have been set in advance. The policies are only instruments of organized social action. Guilt and merit belong to the people who have promoted and applied them.

While, in general, all states have proposed to establish justice, the option between the procedural and the social one led to opposite results. Procedural justice is in compliance with existing laws in a society. It must be ensured that laws are applied correctly. If this condition is met, the result will necessarily be right, regardless of consequences. Social justice refers instead, to the distribution of goods according to moral criteria, such as the merits of each, for Aristotle, human needs, for Marx, or at least their basic needs, for the representatives of the welfare state. The emergence of communism in the USSR, social democracy and trade unionism in the West, of universal suffrage led to a boom in demand for social policies. The problems of education, health, social protection, which are increasingly wider lead to the development of extensive and expensive social policies. In addition, the major economic and political crises of the twentieth century (the two world wars, the great interwar economic crisis) shows that market forces by themselves can not overcome the conjuncture problems and cyclical periods of economic contraction cycles. State intervention is needed to ensure public interests. With the application of Keynesianism in the U.S. since the '30s, and the period after the Second World War there was a dramatic increase in the public sector. However, after the oil crises of the '70s, the existence of a state promoting broad social policy is increasingly difficult to manage due to lack of resources. There is a partial return to the paradigm of classical liberalism, in which the role of the free market becomes crucial. Thus, authors such as Ludwig von Mises or Friedrich Hayek promote a radical liberalism, rising against the mechanisms that prevent or destroy market order, warning about the risks of economic planning. Hayek argues that procedural justice by respecting economic and democratic laws is preferable to equal economic, namely distributive justice by equalizing economic and destruction of democracy¹⁷.

The period after the Cold War brought to the state's attention a fluid reality. Escaped from the safety of the international orientation into a bipolar economic, political and military painting, the world states and the international organizations try to move in a world without fixed points and no universal rules. Although you could say that "agonistic liberalism"¹⁸, tolerant of other ideologies, which often call into question even the fundamental values, even accepting the argument of axiological plurality of social values and human rights doctrine are clearly winning in the ideological fight, however, regarding from other perspectives, we see a resurgence of nationalism backwardness, of religious fundamentalism or terrorism. In economy globalization reverses traditional economical principles, condemning the fall of the states promoting autarkic, protectionist measures.

All these realities require the states to change their attitude. It takes strategy, decisive interventions for change and adaptation in all countries, especially in the ones who are out of the Iron Curtain, like Romania. In this context, there is an increased importance of social policies: they must ensure the management of change and social transformation. Alternatives are the fall, the anarchy, the lack of perspective. Between procedural and social justice policies must respond to moral imperatives of fairness and solidarity, but only in strict compliance with laws and rules announced in advance.

References

- John BALDOCK, Nick MANNING, Sarah VICKERSTAFF (editors), (2007), *Social Policy*, Oxford University Press, Oxford
- Mihai CĂPRIORĂ, (2007), *Strategii și politici publice*, Institutul European, Iași
- Ramona COMAN, Ana-Maria DOBRE, (2007), *Politici publice românești*, Institutul European, Iași
- Hartley DEAN, (2006), *Social Policy*, Polity Press, Cambridge

¹⁷ Friedrich Hayek, *The Road to Serfdom*, Humanitas, Bucharest, 1994, pp 56-122

¹⁸ John Gray, *Beyond liberalism and conservatism*, All Publishing House, Bucharest, 1998, p. 15.

Francis DEMIER, (1998), *Istoria politicilor sociale*, Institutul European, Iași

Thomas DYE, (1984), *Understanding public policy*, 5th edition Englewood Cliffs, N.J., Prentice-Hall

John GRAY, (1998), *Beyond liberalism and conservatism*, All Publishing House, Bucuresti

Friedrich HAYEK, (1994), *The Road to Serfdom*, Humanitas, Bucharest, 1994

Brian HOGWOOD, Lewis GUNN, (1984), *Policy Analysis for the Real World*, Oxford University Press, Oxford

Michael HILL, (1997), *The Policy Process*, Prentice Hall, New York

Michael HOWLETT, M. RAMESH, (1995), *Studying public policy: policy cycles and policy subsystems*, Oxford University Press, New York

John KINGDON, (1995), *Agendas, Alternatives, and Public Policies*, Harper Collins, New York.

Charles LINDBLOM, Edward WOODHOUSE, (1993), *The Policy-Making Process*, 3rd. ed., Prentice Hall

Adrian MIROIU, (2001), *Introducere în analiza politicilor publice*, Editura Punct, București

Alina MUNGIU-PIPPIDI, Sorin IONIȚĂ, (2002), *Politici publice: teorie și practică*, Editura Polirom, Iași

Wayne PARSONS, (1996), *Public policy*, Edward Elgar, Cheltenham

Marian PREDA, (2002), *Politica socială românească între sărăcie și globalizare*, Editura Polirom, Iași

Marius PROFIROIU, (1999), *Managementul strategic al colectivității*, Editura Economică, București

John RAWLS, (1971), *A Theory of Justice*, Belknap Press of Harvard University Press, Cambridge

Virgil STOICA, (2000), *Procesul și analiza politicilor publice*, Editura FIDES, Iași

Dale WHITTINGTON, Duncan MACRAE Jr., (1986), *The Issue of Standing in Benefit Cost Analysis*, in: *Journal of Policy Analysis and Management*, no 9(2)

Pamela TRAVITHICK, (2006), *Social Work Skills*, Open University Press, Berkshire

Cătălin ZAMFIR (coordinator), (1999), *Politici sociale în România*, Editura Expert, București