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Beyond Deinstitutionalization

Welfare Workers and Welfare Capitalism

Much of this book has focused on the 20th century, when public employees played a crucial role in developing contemporary mental health care systems. But the political, economic, and social relevance of the "welfare workforce" is far from a historical curiosity.[1] In just the first decade of the 21st century, employment in health and social services accounted for more than a quarter of employment growth in high-income economies (European Commission 2010). Moreover, this trend did not reverse during the 2008 economic crisis, when employment decreased in other sectors (European Commission 2014). Since then, public employment has continued to expand, with consequences for the politics of the welfare state.

After reviewing my core findings about psychiatric deinstitutionalization and mental health care, in this concluding chapter I lay out my argument's theoretical implications for social policy scholarship more generally. It highlights that the political logic of social services, which now account for almost half of welfare state programs, is distinct from that of cash transfers (e.g., pensions, unemployment, disability benefits). The key difference: the welfare workforce. These actors are driving social service infrastructure in ways underexplored and underappreciated by existing scholarship. The policy implications of this trend, moreover, are complex, especially as the contours of the welfare workforce become less clear. I close by considering how to harness the power of welfare workers in contemporary welfare capitalism.

[1] As discussed, this term refers to those who depend on the welfare state for their employment, such as nurses, teachers, caregivers, facility support staff, and, importantly, supervisors.

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CORE FINDINGS ABOUT DEINSTITUTIONALIZATION AND MENTAL HEALTH CARE

I began this book with a simple observation: Not all western countries deinstitutionalized psychiatric patients in the same way. Although similar factors prompted these societies to reduce the proportion of their population residing in mental hospitals, only some governments subsequently closed those institutions. Such was the case of the archetypical examples of the United States and the United Kingdom. In some countries, however, deinstitutionalization did not result in the wholesale closure of mental hospitals (e.g., France, Norway). In fact, some societies deinstitutionalized by expanding both hospital and non-hospital mental health care (Figure 7.1). Correlated with these outcomes is heavy public investment, a factor that not only renders the mental health care market distinct from the general health care market but also helps to explain the significant role of public sector trade unions in its politics.

Indeed, the observed variation in patterns of deinstitutionalization and mental health care has been driven by public sector employees, that is,

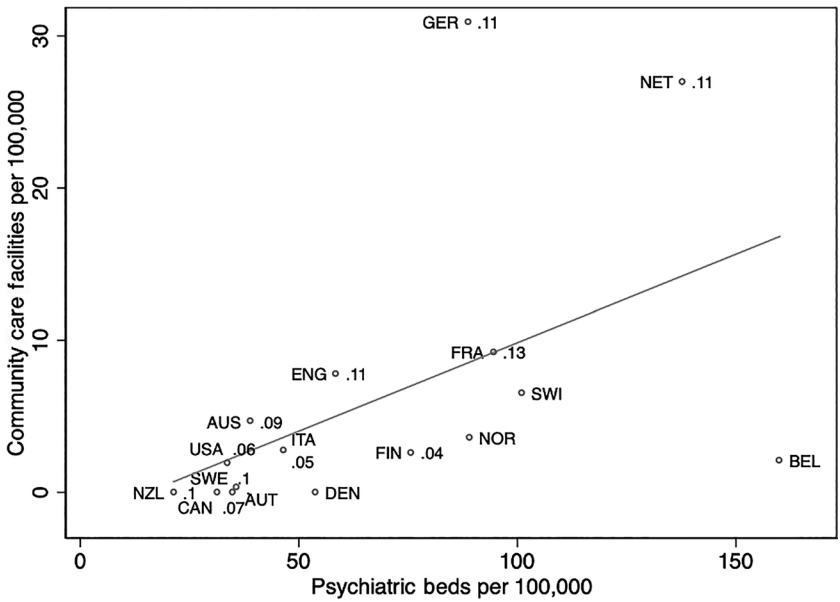


FIGURE 7.1 Scatterplot of psychiatric beds and community care facilities per 100,000 in 16 high-income democracies, with percentage of health budget allocated to mental health (as available) and line of best fit
Source: WHO (2011)

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those who have depended on these services for their employment. Mental health policy thus offers a window into the political economy of services for vulnerable populations. Programs whose recipients lack political, economic, and social resources tend to gain little support (van Oorschot et al. 2017; Weir et al. 1988). Absent a powerful client interest group, the maintenance and expansion of public services can depend on those who rely on them for their employment: Public employees can advocate for service provision when their clients cannot. This is precisely what occurred in mental health, where the advocacy of public employees helped to expand services in some countries, despite broader deinstitutionalization trends.

The preceding chapters have documented how the mobilization of public employees to raise their wages and protect their employment can produce powerful "policy feedback" effects (Figure 7.2), with the result of shoring up the provision of mental health care and other services for marginalized populations. Similar to those self-reinforcing (or self-undermining) policy–client relationships documented at the mass level (e.g., Campbell 2003; Mettler 2005; Soss 1999) and the elite level (e.g., Patashnik 2008; Pierson 1996; Weir and Skocpol 1985), this meso-level version of policy feedback links policies and public servants. If the welfare workforce achieves its aims, new or expanded resources can empower it further, spurring additional rounds of "supply-side" policy feedback and client service provision. Whether public employees succeed, however, depends on their degree of political influence. Although a wide range of conditions can shape this influence, I emphasized the role of political allies, in particular, their managers.

The public labor–management coalition is a distinctive source of public employee power, as workers and managers in that sector often share more common interests than their counterparts in the private sector. But what might explain, then, the presence or absence of such a special alliance? It is the independent and unified representation of public managers. The findings presented here confirm that when public managers can express their interests together and independently of private managers, they are more likely to form a coalition with public sector workers. The mechanisms of "brokerage" and "adaptive expectations" then come into play: Managers draw on the various levers at their disposal to influence policy-makers, who in turn concede to their demands in order to avoid escalating retribution from the powerful coalition. But if public sector supervisors organize with private sector supervisors or if the representation of public sector managers is split among multiple organizations, then their shared representatives must contend with the different positions of

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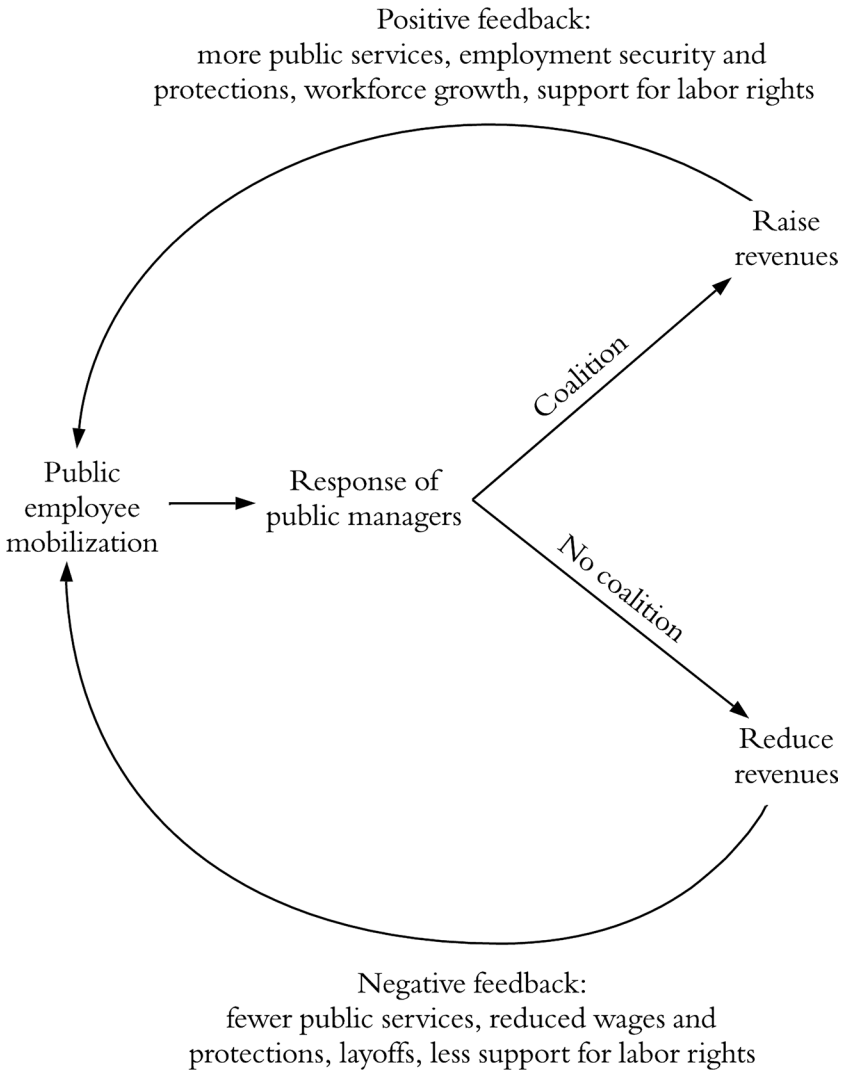


FIGURE 7.2 Supply-side policy feedback model: Effects of public sector worker alliances on the supply of public social services for disenfranchised populations (basic diagram of theoretical argument)

each camp. This means that their representatives must make choices, specifically about whether and which public employee interests to support. Such mixed or divided organizations weaken the overall political clout of public managers, rendering their efforts to promote public service expansion less likely to succeed.

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The historical comparisons of deinstitutionalization in the United States, France, Norway, and Sweden provide empirical evidence for these arguments. Where the managers of public psychiatric institutions lacked an independent and unified political voice (as in the United States and Sweden), their organizations did not form a coalition with the public sector trade unions representing the employees of those institutions. The absence of this political counterweight enabled a series of cutbacks to mental health care that closed hospitals and left few alternatives in their stead. Over time, these cuts also weakened the political power of the public mental health workforce. The opposite occurred in France and Norway. In these two cases, independently organized and unified public mental health care managers and workers formed a coalition with workers to raise wages and protect their employment, and thus the services they provided. Deinstitutionalization there took a different tack, expanding both inpatient and outpatient mental health services and, subsequently, the political power of the public psychiatric workforce. Today, the supply of public mental health services for people with chronic and severe mental illnesses is much higher in France and Norway than in the United States and Sweden. In sum, I have introduced public employees as an explanation for the cross-national variation in mental health care provision, as well as theorized when and why they matter.

THEORETICAL IMPLICATIONS FOR WELFARE STATE SCHOLARSHIP

By exploring the political-economic roots of mental health care variation, I also underline the role of the welfare state as employer, an area insufficiently attended to by theoretical literature in this field.

The Expansion of the "Service Arm" of the Welfare State

Classic theories of welfare state formation have focused on explaining social policies that transfer cash benefits to recipients (the "transfer arm" of the welfare state) but less so on the social policies that structure service provision (the "service arm" of the welfare state). Consider Gøsta Esping-Andersen's canonical *The Three Worlds of Welfare Capitalism* (1990). Esping-Andersen emphasizes the varying influence of political elites on the Left, bolstered by the mass political enfranchisement and unionization of workers during and after industrialization. He finds that the degree of "power resources" historically

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TABLE 7.1 *Average public social expenditures on welfare transfers and services in the advanced economies, select years*

	Welfare state spending (% GDP)				
	Transfers and subsidies	Social services			
	(e.g., pensions, unemployment insurance, cash assistance)	Education	Health	Long-term care	*Total*
1930s	5.7	3.3	0.5	–	3.8
1980	13.1	5.2	4.7	0.6	10.5
2014/latest	17	5.2	7.0	1.6	13.8

Note: Figures include data from Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, the Netherlands, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States (Schuknecht 2020).

afforded to the industrial working class produced alternative social benefit systems, conceptualized, however, in terms of pensions, health insurance, and unemployment insurance, or in short, the transfer arm. These transfers were no doubt fundamental to the postwar welfare state.

Yet since that industrial period, the service arm of the welfare state has surged (as Esping-Andersen himself noted in his 1999 sequel publication). In fact, expenditures on social services are rapidly approaching expenditures on transfers and subsidies. As Table 7.1 shows, this latter group, comprising policies such as pensions, unemployment insurance, and cash assistance, once accounted for much of welfare spending. That share, though, has diminished as services like education, health, and long-term care have expanded. Note, furthermore, that actual spending on the transfer arm may be even lower in reality. As the analyst Ludger Schuknecht, former Deputy Secretary-General of the OECD and Chief Economist at the German Ministry of Finance, put it: "most transfers and some subsidies serve the achievement of social objectives; other subsidies support, for example, certain industries" (Schuknecht 2020, 47). In other words, even if these data overestimate the size of welfare-specific transfers and subsidies (and underestimate that of services, see below), the average contemporary welfare state still allocates almost half of its support to its service arm.

The expansion of social services since the postwar period aligns with broader trends in the macro-economy. Across the advanced economies

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since the 1970s, the locus of economic production has shifted from the industrial sector to the service sector, which today accounts for on average two-thirds of their GDP. This transition has meant that ordinary people now are much more likely to find work providing services at a hospital, school, restaurant, shop, or bank than producing goods at a factory. Social services, in particular, have become prominent areas of output. According to Schuknecht (2020), health care and education on average accounted for less than 6 percent of GDP in 1960 (not shown), but that number has doubled to more than 12 percent today. Caregiving services for children, disabled adults, and the elderly have also mushroomed. Since 1980, long-term care alone has risen from 0.6 to 1.6 percent of GDP, with no indication of slowing down. Taken together, these figures for education, health, and long-term care indicate that advanced economies spend about 14 percent of their GDP on social services; and that is a conservative estimate, as it excludes other important services such as childcare.

These averages about the growing size of the social service sector, though, mask wide and non-negligible differences across and within countries. For scholars of comparative social policy, what is perhaps most notable is that these differences do not align with their usual theoretical expectations. Table 7.1 also compares average public expenditures on health, education, and long-term care across the advanced economies. When aggregated together, spending in these three areas in fact exceeds spending on transfers and subsidies in several countries, including those assumed to have smaller welfare states such as Australia, Ireland, and the United States. Meanwhile, some of the larger welfare states, such as France and Finland, continue to top the rankings in the transfers and subsidies category, but not in the social services category. When disaggregated by sector, spending patterns in health, education, and long-term care continue to puzzle. For example, expenditures on social services in Germany – a country otherwise known for its moderate level of redistributive transfers and joint reliance on public and private financing – vary widely by type, ranking in the top third in health care, the bottom third in education, and the middle third in long-term care (country-specific data not shown, see Schuknecht 2020).

Welfare state scholars have certainly noted the expansion of the service arm. Substantial efforts have been made to accurately characterize its scale and scope (Alber 1995; Antonnen and Sipilä 1996; Bertin et al. 2021; Castles 2009; Daly and Lewis 2000; Jensen 2008, 2011; Kautto 2002), virtually all of which suggest that the welfare state, as Obinger and Starke (2015, 473) note, "may be increasingly shaped by

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two different political logics at once – an old logic of the transfer state and a new politics of the service state." With the exception of Gingrich (2011), however, few attempts have been made to theoretically develop this new logic.

The Expansion of Public Employment

As the service arm of the welfare state has grown, so too has public employment. Modern public services emerged long before contemporary systems of social transfers, and decisions made about their structure and organization in the late 19th and early 20th centuries are still visible today (Ansell and Lindvall 2020). And yet, their quantitative explosion did not occur until the late 20th century. The deindustrialization of the advanced economies, coupled with increasing rates of female labor force participation, motivated governments to both expand service employment and develop alternatives that could compensate for thus far unpaid domestic labor. Expanding public social services helped to achieve these aims, resulting in mass public employment.

Consider the example of early childhood education and schooling. These services can employ nonindustrial workers (especially women and those at high risk of unemployment), as well as relieve parents, especially mothers, from the responsibility of caring for their young children and free them to pursue careers in the formal labor market instead. The services often depend on public funding (e.g., the US Head Start program) and, in many cases, are fully government-owned and operated (e.g., much of the French crèche system). It is because of growth trends in services like these that public employment in the advanced economies has doubled since 1960 from approximately 6 to 12 percent of the working-age population (Brady et al. 2020, author's calculations).

It is therefore no coincidence that public sector workers began to matter for mental health policy around the time of psychiatric deinstitutionalization. Reinforcing the transformation of mental health was a concurrent one in the labor market. As the advanced economies shifted their emphasis from industry to services, so too did the nature of work (Wren 2013). Moreover, the state provided many of these services directly (Cameron 1978; Lindert 2004). Sectors such as education and health ballooned, the legal rights of public servants expanded, and the unionization membership of public servants climbed, in sharp contrast to the patterns of decline in the industrial private sector. These trends have expanded the influence of public sector workers across postindustrial societies.

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Pressures have become especially acute in the Nordic countries, where large-scale public employment supports generous social policy commitments (Esping-Andersen 1990; Iversen and Wren 1998). Scholarship on the less generous welfare states has also emphasized the growing political influence of public employees, including in the United States, where it is perhaps most notable (Freeman 1988; Garrett and Way 1999; Lipsky 1980; Moe 2011).

Recent waves of hostility toward public workers make it clear that these workers occupy a critical, but controversial, role in the labor market. Often viewed as the characteristic labor market "insiders" who benefit from stable, protected employment, government employees have become the targets of both outsiders and the political Right (Emmenegger et al. 2012; Rueda 2007). The assaults perhaps have been fiercest, as well as most successful, in the United States (Ahlquist 2012; Cramer 2016; Hochshild 2018) but they are prominent across OECD countries. Notably, the circumstances of the Nordic welfare states have produced political tensions between public and private employees (Iversen and Wren 1998). Consider, too, the protests by those who feel "left behind" by their economies and governments. If not outright resentful, their relationship to public employees is at a minimum uneasy. Such has been the case of, for example, the *Gilets jaunes* in France, where the large public service is not impervious to attacks either.

That public employment has universally expanded does not mean that welfare workers are universally influential. Not all social service employees are government employees, not all are unionized, and not all are well-protected labor market insiders. For example, scholars of the "worlds" of welfare have already observed that some countries are more likely to provide public social services than others. The large Nordic welfare states have used public service employment to ensure a broad tax base and maintain wage equality, a move that led to both greater female labor force participation and less fiscal discipline, while continental European and anglophone welfare states have not made that choice and instead encouraged private (social and other) service employment to develop (Huber and Stephens 2000; Iversen and Wren 1998). These policy decisions have empowered and disempowered welfare workers, respectively. Moreover, public unionization rates vary widely by policy area, country, and even within and across levels of government. Other measures of labor's influence, such as collective bargaining coverage, vary as well. Linking these variations in the political power of social service employees to the supply of social services, then, is a central contribution of this book.

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The Political Logic of Social Service Distribution

One factor that makes the political logic of welfare services different from the political logic of welfare transfers, then, is the emergence of a welfare workforce. Although canonical work on the formation of welfare states emphasized the central role of trade unions, it was principally concerned with the effect of private sector trade unions on the distribution of income transfers such as pensions, unemployment insurance, and cash assistance (e.g., Esping-Andersen 1990; Huber and Stephens 2001). Analyses of the evolution and possible retrenchment of the welfare state have tended to focus on these benefits, too (e.g., Pierson 1996). Yet services and their providers are just as important to the welfare state (e.g., Giaimo 2002; Gingrich 2011; Immergut 1992).

Differences in the distribution of services and transfers are central to understanding their differing politics. As demonstrated in the preceding chapters, the demand for and pressures on public services can be different from those of redistributive policies. Although many social services do serve large, powerful constituencies (see Gingrich 2011), often their beneficiaries can be more diffuse, less organized, and, importantly, politically and socially disenfranchised. Non-voting-age children cannot demand more public schooling. Frail elderly adults cannot organize a campaign to expand care homes. People who are geographically disempowered – such as those in rural areas, low-income neighborhoods, and democratically unincorporated territories – are perpetually "underserved."

Such patterns are quite unlike those found in the transfer state, where unionized voters can make their demands for insurance and other labor market protections clear. Moreover, services face several cost-reduction pressures that transfers do not. For example, related or automated services can become formidable competitors. Neither are services able to compete with wage increases in more productive sectors (Baumol and Bowen 1966). Public services, in particular, are subject to political deregulation and cost-containment initiatives. Each of these factors incentivize service providers to reduce costs, especially in their most expensive budget line: labor and wages. Often facing weak demand and severe cost pressures, then, the employees of public social services are sometimes the only actors with a political stake in maintaining them. That welfare workers have a vested interest in the structure and financing of social policy, though, does not guarantee they will get their way. Only under certain conditions do they achieve their aims.

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Like the industrial workers central to classic welfare state scholarship, the "power resources" of public service employees also can vary. The political resources available to public service employees can take three broad forms. The first is a familiar one to the classic literature: their partisanship. Although the industrial working class once served as the bedrock of center left and social democratic parties, the public sector workforce in fact has now largely assumed this role (Benedetto et al. 2020). In some ways, their power as voters is even more consequential than that of their industrial counterparts. By electing officials who favor them, public sector union members appoint their future bargaining partners (Moe 2006). In patronage-oriented societies, furthermore, elected officials can reward loyal groups with generous public sector positions, pay, and protections. Such patterns can shape the direction and distribution of social services as well (see, e.g., Ascoli 2011; Costabile 2009; Sotiropoulos, 2004; also Ferrera 1996).

This book, though, emphasizes that public employees also can exert influence as workers, not just as voters. A second power resource, then, is whether the institutional context favors welfare workers. Variations in institutional context can include the presence of unions and labor laws that facilitate worker organization, the kinds of contracts that regulate public employment, the ability of managers to access political and policy levers to secure financing, and the degree of labor mobility between the public and private sector. These variations can influence the distribution of social services at the national level, local level, and across policy areas. Research on the eurozone crisis, for example, found that high deficit countries with unilateral systems of public sector wage-setting (where government authorities determine pay through laws or administrative acts) applied more intense cuts than those with more conventional bargaining systems, with consequences for social service provision in those countries (Bach and Bordogna 2013; Molina 2014). Patterns of historical development have an impact as well. Consider the example of American mental health policy: The slow and staggered acquisition of collective bargaining rights across the states delayed the advocacy of public sector trade unions on behalf of public psychiatry.

A third set of power resources available to welfare workers are their political allies. In the same way that coalitions matter to the transfer state, so too do they matter to the service state. As shown here, coalitions of social service administrators and unionized public service workers may now anchor the service state in ways similar to how left politicians and unionized private sector workers once anchored the transfer state.

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In so doing, this book builds on the branch of scholarship in comparative political economy that uncovered preference alignments between managers and workers in the private sector (e.g., Gourevitch and Shinn 2007; Mares 2003; Martin and Swank 2012; Swenson 2002; Thelen 2004). In fact, the circumstances of government employment appear to favor these alignments even more so. "In the public sector," Ahlquist (2017, 417) writes, "there is no profit to divide between workers and capital owners." Wage growth and employment security can benefit public workers as much as they do their managers. As a result, workers and managers in the public sector often find political common ground. But this and other intra-provider politics are only the tip of the iceberg. A range of other work-related factors could condition the influence of the welfare workforce. In examining these links, there is an opportunity to more robustly integrate the scholarship on employment relations with the scholarship on the welfare state, an important intellectual project (Di Carlo 2019) to which this book contributes.

COMPLEX IMPLICATIONS FOR PUBLIC POLICY

The core insight of this book is that public employees have the ability to expand public services for vulnerable populations. On its face, this point may seem like a social policy win-win: Protecting public sector jobs also protects public services for the marginalized. But in fact the policy implications of this point are many and complex. Five areas merit special attention.

First, increasing the supply of public services is a necessary, but not sufficient, condition for improving their quality. To improve the quality of a service, governments must first provide that service. High-quality public services, furthermore, require substantial resources, financial and otherwise. Unlike other sectors, where the level of quality is more likely to benefit from cost-saving technological advancements (Iversen and Wren 1998), the service sector requires ample funding to maintain its quality. The daily, interpersonal experiences of clients and staff depend on many other factors as well. Prejudices, for example, are well-documented (e.g., FitzGerland and Hurst 2017; Hall et al. 2015; Pit-ten Cate and Glock 2019). In addition, the economic and psychological demands of service work make it especially vulnerable to time constraints and burnout, neither of which contributes positively to quality outcomes. In short, client satisfaction likely increases if staff benefit from secure, well-paid work; but it does not guarantee it.

Second, increasing the supply of public services may or may not be morally desirable. This study focuses on the expansion of the welfare state,

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which some may already view with a skeptical eye (Piven and Cloward 1979). But in addition, some forms of public employment can contribute to the expansion of the punitive state. The same coalitions that I observe in the mental health sector could also shape the carceral system, the police force, and the military. Note also how, within each of the countries in this study, the scale of public service provision varies across policy areas, with alternative consequences for mental health itself. Although both the United States and Sweden reduced the supply of mental health care, different services "compensate" for this absence: prisons in the United States, social care in Sweden. These differences can produce opposite experiences for people living with psychiatric conditions in each country.

Third, the impact of public employment on socioeconomic inequality is mixed. Governments can use this sector to achieve several social aims, including full employment, job security, and macroeconomic wage equality (Iversen and Wren 1998). Moreover, in comparison to the private sector, the public sector disproportionately employs those who are often excluded from the labor market. These groups include women, racial and ethnic minorities, and people with disabilities (European Commission 2010; Laird 2017; Wilson et al. 2015). They can also expect their pay to be closer to that of their male, non-minoritized, and non-disabled counterparts in the public sector than elsewhere, in part because government employers are more likely to rely on a standardized wage scale than private employers.

In some ways, however, the expansion of public sector work has aggravated these inequalities. The rise of "dualization" in many economies has split labor market participants into two camps: the insiders, who benefit from standard employment, and the outsiders, who do not. For the insiders, work is full-time, continuous, long-term, as well as remunerated above levels of subsistence (Mückenberger 1985 in Seeleib-Kaiser et al. 2012). This form of employment, though once the model of postwar male industrial work, is now perhaps best maintained in public services. Meanwhile, labor market outsiders are especially vulnerable to unemployment and subject to jobs with poor pay, protections, and employment rights (Rueda 2014). Although these divides partly explain the political divide between the "left behind" and public employees, it is important to emphasize that women, young people, and (often racialized) low-skilled workers tend to be overrepresented as outsiders as well (Häusermann and Schwander 2012).[2] In this

[2] For work that inverts the assumption that the populist challenge stems from outsiders (but rather from threatened insiders), see Häusermann (2020).

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way, public employment is a manifestation, not a solution, of the structural inequalities that pervade contemporary labor markets.

Fourth, this rift in the welfare state's support base could have far-reaching implications. A political competition is brewing. On the Left, public and other service employees advocate for the services that either directly employ them or support the caregiving services that they cannot provide for their own households; but their sheltered positions in the labor market allow them to either take the traditional forms of social protection for granted or otherwise opt out of solidaristic insurance schemes that pool risks with workers in other sectors (Rehm 2020).[3] The industrial working class, on the Right, may favor traditional social protection but it also eschews the expansion of public social services, often driven by ethnocentric and gendered resentment. This contestation may produce a trade-off for welfare states. Countries with politically powerful public employees, for example, may develop universalistic public services at the expense of redistributive cash benefits. In any event, whether and how politicians respond to this competition with concrete policy change is an ongoing and highly salient question for contemporary welfare states.

This shift has significant implications for the political basis of – and hence demands on – the welfare state. The newer left party voters tend to privilege "social investment" policies such as childcare and education over the traditional compensatory policies such as unemployment insurance (Gingrich and Häusermann 2015). Social democrats, in an attempt to reformulate party positions, have responded by alienating their former base (Mudge 2018; Oesch and Rennwald 2018). As the traditional working class gravitates toward radical right parties, meanwhile, so too do the positions of their politicians on particular aspects of social policy. Many of these parties have adopted a "welfare chauvinist" attitude that favors the white, male breadwinner model of social policy (Betz 1994; Mudde 2000; Rathgeb 2021).

Fifth, scholars should pay attention to whether and how public employment shapes macroeconomic performance and, by extension,

[3] That women's formal employment in public social services has replaced their informal care of the needy (such as the mentally ill) reveals the endogenous relationship between the revolution of women's roles and welfare state development. As women leave the home and enter the labor market, demands for family caregiving increase. These demands prompt the expansion of a formal labor market to provide these public services. Because this new labor market tends to employ women, it diminishes informal family caregiving capacity further and continues to spur demand for public provision of this care. Thanks go to Gøsta Esping-Andersen for this point, raised in personal correspondence in September 2022.

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the financial underpinnings of the welfare state itself. Reservations about fiscal discipline are warranted (Iversen and Wren 1998), but the precise effect of high public spending on economic performance often depends on other factors, such as the proportion of dependents (van der Ploeg 2007) or the structure and capacities of the tax system (Andersen and Kreiner 2017). Moreover, increasing public spending can reduce levels of inequality and promote economic growth (Cingano 2014; Pontusson and Baccaro 2020). Complicating this picture is the fact that many governments have supplemented conventional public financing tools (e.g., fiscal policy) with contemporary alternatives (e.g., public and private debt). This trend reflects the demands of tax-conscious voters, as well as the prerogatives of neoliberal, banking-centric capitalism. This shift has contributed to a much more profound political-economic crisis that lacks easy solutions (Streeck 2013, 2017). Understanding the long-term implications of expanded public employment, then, requires giving careful, context-specific attention to these macroeconomic complexities.

TOWARD GOOD JOBS AND GOOD SERVICES

The face of social policy is changing, with profound implications for its recipients. Increased expenditures on social services, such as health clinics or schools, may shape an individual's experience of the welfare state more intimately than a deposited pension or unemployment check. Social service provision can involve complex, repeated, and extended interactions with a myriad of providers. These providers, as shown, play an important role forming the public policies that structure those services. How this phenomenon – the political logic of social service provision – shapes the lives of the most vulnerable populations cannot be ignored.

Robust public services require robust public unions. They require government funds and protections for the workers providing those services. Otherwise, public services are unsustainable. Neither policy analysts nor client advocates should dismiss the demands of workers to protect services as simply efforts to retain their employment. We instead should be mindful of services' dual role. Like the picket signs hoisted in Billiers (see Chapter 1) asserted, public services support both "jobs" and "health" (or human well-being more generally). To that end, policy proposals that conflate reform with abolition, such as the most extreme versions of deinstitutionalization, should be reviewed with caution. Retrenchment can sometimes balance budgets but rarely does it redress social needs.

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To optimize the symbiotic relationship between public services and public unions, a cooperative approach is vital. Both workers and clients need a seat at the decision-making table. In this book, Norway's Council for Mental Health embodied this principle best. An organization that represented all the relevant groups of welfare workers and collaborated with managers, it also included client advocates in its deliberations. The Council's efforts paid off impressively in the mental health care reforms that followed. Today, Norway's comprehensive mental health care system is known for both its full suite of psychiatric medical services (ranging from outpatient to inpatient) and its innovative programs inspired by user experiences, such as its drug-free treatment centers.

Collaboration across policy sectors is also important. Developing flexible education and training systems, for example, can help welfare workers in health care adapt to evolving client needs, demographic changes, and technological developments. In fact, this cross-sectoral approach is a model for social policy systems as a whole. The design of most welfare states reflects the priorities and worlds of their founders, who created them decades ago. Few have adjusted to the social trends that have emerged since then. Like population mental health, which encompasses an increasingly broad range of conditions, other issues – such as climate concerns, new family structures, and migration – improve most when multiple policy areas work in tandem to address them. Here, too, alliances are key.

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