AGE ORIENTATION AND THE WELFARE STATE: SPENDING PRIORITIES IN PENSIONS AND FAMILY POLICY DURING THE EURO CRISIS

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Abstract

While the Euro crisis triggered welfare state reforms in countries that were bailed out, governments have not taken the opportunity to adapt their welfare systems to new demographic and family-structure realities. Most governments have decided to protect the age group of the elderly with their choices, while imposing severe austerity cuts into the youngest sectors of population. This is demonstrated when comparing the policy impacts on family policy and pensions during the crisis. This thesis analyzes the reasons behind these age-orientation choices made by governments, through the assessment of the role of welfare state structures and domestic politics throughout the reform process occurred in Ireland and Spain during the Euro crisis years. The analysis suggests that government choices can be explained though two main factors: the existence of a strong, cross-age public support towards pensions on the one hand; and the interests of the elderly being more strongly represented and mobilized through interest groups on the other.