Social equity has been a long-term moral imperative in the Netherlands. It is interpreted as a decent distribution of scarce material and immaterial resources to all residents of the Netherlands, in order to provide a certain degree of existential security to all population groups and individuals. In political terms, it is the moral force behind the construction of the Dutch welfare state since the beginning of this century, based on a mix of religious (Christian) and ideological (socialist and liberal) principles.

After the War, in the period of economic and social reconstruction, it was decided with general support of all political and social interest groups to develop a full-scale welfare state, combining elements of the Beveridge and Rhineland models. First of all, a state pension was instituted for all persons 65 years of age and over. This provision was followed by laws providing an income in case of occupational disability and securing long-term unemployment benefits. The apex of welfare state development came in 1964 with the introduction of the Social Assistance Law, which guaranteed every citizen the necessary financial means to act as «a full citizen». The guarantee became a legal right, not charity as had been provided by the Poor Law; at the same time the state took over the obligations of private charitable initiatives. Charitable NGOs continued to function, but saw their roles in combating poverty severely reduced.

In the period between 1945 and 1980 a number of other laws were enacted. Child support, rent subsidies, subsidies for educational costs, medical care, public health and a diverse panorama of other measures were introduced, especially to ease (financial) access to housing, medical care and education for the low-paid echelons of society. From the sixties to the late seventies, caring for the weak was considered «the hallmark of civilisation».

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Although the degree of social equity is still relatively high in the Netherlands compared to countries with a comparable history, culture and level of prosperity, equity suffered setbacks in the period of economic decline and recovery. Many low income households, most of them benefit recipients, saw their quality of life deteriorate. Higher income levels suffered a similar fate, but were able to redress the decline and progress even further. Consequently, since 1980 a growing wedge can be observed between the well-to-do and the «poor» in the Netherlands. Only in 1995–1996, has a political campaign been activated to reintegrate the poor into the «new prosperity». Among welfare recipients, the elderly, long-term unemployed, poorly educated, single parent families and disabled are prominent; many of these are of ethnic origin, and women.
The welfare state not only extended a social safety net for economic «outsiders» and kept the unemployed comfortable until they could go back to work; it also cushioned a large number of social and cultural changes outside the economic sphere. In fact, it eased the transition of the Netherlands to a modern, highly urbanised society, in which traditional norms and values, family structures and modes of behaviour that were still prevalent in the fifties, changed towards ways of life characteristic of present day urbanism.

It further accommodated large demographic shifts caused by changes in the age pyramid («greying of the population») and a relatively voluminous influx of immigrants from many countries, cultures and colours.

Although «Dutch tolerance» has deep historical roots based on religion and economics, the «tolerant accommodation» of new behavioural phenomena and the many newcomers was greatly and pragmatically eased by the expanding welfare state.

THE DECLINE

The year 1980 was an important turning point in the history of the Dutch welfare state. The growth of the intervening power of the welfare state came to an end and earlier trends were reversed as the effects of the oil crises of the seventies hit the Dutch economy hard. Urban unemployment rose from 5% in 1978 to a catastrophic level of 20%; nationally, it rose from 4% in 1978 to 15% in 1984–1985. Traditional blue collar workers («trained muscle power») were pushed out of the production process, and poorly educated youngsters («the victims of the eighties!») were prevented from entering the market for the first time. Whole manufacturing branches disappeared or were cut back.

Many of the redundant blue collar workers and their sons and daughters were of ethnic origin. They became unemployed in large numbers (with percentages running between 10 and 30%, the figures for their children rising to 60 and 70% for specific ethnic groups). Participation of women in the Dutch labour market, traditionally low for cultural reasons and because government policy had earlier favoured household tasks, suffered a comparable fate.

In the first half of the eighties, political and economic elites reacted strongly to the economic crisis by developing and introducing a complex set of economic recovery policies («economic revitalisation»). These promoted a complete restructuring of the productive apparatus of the economy through modernisation of its productive infrastructure, innovation, technology and automation. The Dutch economy changed rapidly from manufacturing to high quality service activities. To free public funds for investment in economic recovery, collective expenditure was cut, especially in the social sector.

Political, economic and academic elites alike believed strongly that economic recovery in the long run would benefit all citizens, including the unemployed and state dependent. The «new economy» would create new jobs and facilitate the eventual restoration of social benefits to former levels. These policies resulted in growing inequality between the participants in the «new economy» and a sizeable part of the Dutch population, the latter composed of elderly, long-term unemployed, disabled, people on social assistance, single parent families, and, among them all, a high percentage of persons of ethnic origin and women.

The eighties was the decade when poverty in the Netherlands was «rediscovered» by academics and NGOs. One of the most important protagonists in the drive to «recognize the new poverty in the Netherlands» and to redress the increasing social inequality and inequity were the churches and the NGOs of the earlier days of charitable action. They joined efforts in a movement called «De arme kant van Nederland» («The poor side of the Netherlands»), a movement which was also supported by certain labour unions with a large unemployed membership. In the second half of the eighties and the beginning of the nineties they became a strong public force and succeeded in putting and keeping poverty on the public agenda, especially as an issue of equity and justice (once again the moral imperative).

By the end of the eighties, it was decided to establish job creation programmes in the collective sector for the unemployed who did not fit into existing jobs. Until 1996, reducing unemployment and creating «additional» jobs in and on the margin of the collective sector were considered the most efficient instruments for fighting poverty and fostering social participation.

The policy of «additional labour», however, introduced a new form of social inequity, since the new jobs were not on a par in terms of wages, social protection and type of work with jobs in the regular market.

Following the Social Summit of March 1995 in Copenhagen, the Ministry of Social Affairs and Employment produced a document with the title «De andere kant van Nederland» («The other face of the Netherlands»), a title reminiscent of the above-mentioned church movement and the 1963 book by

Michael Harrington «The Other America», which was important in the War on Poverty of the Johnson Administration. The document marks an important political volte-face, as the Dutch government clearly recognised for the first time in many years the existence of poverty in the Netherlands. The document identified as one of the causes of the re-emergence of poverty, the cuts in welfare arrangements of the past decade. From the point of view of social equity, it is important that the document interpreted the emerging poverty and social exclusion of many welfare recipients as morally intolerable, economically damaging and politically unacceptable vis à vis the increasing prosperity of the majority.

The document identified a number of groups at risk (women, elderly, ethnic minorities and homeless) and designed four «spearheads» in the «new attack on poverty»: the fostering of social participation through a number of employment policies; additional income support for special target groups; the reduction of widespread non-use of existing benefits; and a number of policies to reduce housing costs for groups in high risk of facing problematic housing conditions.

Organisation of anti-poverty policies focused on integration of different measures and on their execution at the level of municipalities. The latter were given a certain margin of discretion to tailor policies to local conditions.

As the indicated policies were developed during 1996, it is too early to evaluate their impact. However, indications are that especially the reduction of non-utilisation of benefits may be successful for certain benefits at the local level.

**SOCIAL EQUITY IN FIGURES AND POLICIES**

A main aspect of the equity issue in the Netherlands is access to and participation in employment and equal treatment of men and women on the job.

Female participation in the labour market in the Netherlands has been traditionally below average for OECD countries, due to cultural reasons and earlier family policies. In the eighties, policies were introduced to promote the integration of women into the labour market. These were driven by two motives. Labour market participation was considered a main mechanism in the general emancipation of women. To foster this process, special education policies were instituted and support provisions developed. The second motive was the reduction in numbers of women on welfare. In the second half of the eighties, efforts were undertaken to reintegrate older women («mothers in the empty nest phase») into the market. The success of this policy, however, was blocked by lack of adequate jobs and of experience on the part of the women.

In the nineties, all women on benefits or with partners on benefits if they had no children under five years, were obliged to register at the labour office and search for work. To care for eventual dependent children, the number of day care centres was to be extended. This policy met with the same obstacles as the eighties policies — not enough suitable jobs and inadequate experience on the part of the women — and lack of day care facilities.

An impressive number of training and schooling policies were instituted or extended, while at the same time private (subsidised) women’s NGOs facilitated the entry of women into the labour market. At the municipal level, more or less formal job creation programmes for women and ethnic minorities were developed.

**Unemployment is severest among the Dutch ethnic minority population.** Unskilled «guest workers» who lost their jobs in the recession were hardest hit. In the recovery of the eighties and nineties, their level of education was not high enough to satisfy the higher requirements of the new economy. Their traditional experience became increasingly obsolete. For sons and daughters who joined them in the seventies and eighties, education presented the same obstacle. Their (female) partners entered the labour market in marginal numbers; they stayed at home, isolated and without the proper channels for relating to Dutch society.

In the second half of the seventies, many slightly better-equipped immigrants from ex-colonial territories in the Caribbean entered the market. They also faced a rapidly declining demand for unskilled and semi-skilled labour. Hence, the labour market blockade applied to a high percentage of the new immigrants, old and young, male and female alike.

The central government reacted to high unemployment among women and ethnic minorities by adding many «special measures» to the «general policies», which were directed at «specific target groups», to shorten the «distance» between female and male, autochthonous and immigrant groups. Policies were developed in the education sector, in work experience projects, in certain types of positive discrimination and by special subsidies for employers to hire personnel from these groups. The Ministry of the Interior, which coordinates minority policies, monitored developments in a multi-faceted project with the title «Toegangelijkheid en Evenredigheid» («Access and Proportionality»), proportionality meaning representation in all sectors of social life, including the labour market, in accordance with a minority group’s proportional representation in the population.

Although these policies scored moderate successes, gains in access and proportionality were often lost to the decline of jobs in the lower echelons of the labour market and through cuts in collective sector funding.

The Table 1 shows the present situation on the labour market.

Women’s participation in the labour market increased remarkably in the last ten years, although the jobs they obtain are often part-time, less well-paid and contractually weak.
At the bottom of the labour market, which sometimes does not pay enough to escape the benefit rolls.

About two-thirds of the population favours an equitable sharing of household chores between men and women; the same applies to the distribution of paid employment. In practice, however, housekeeping is still mainly "women's work", especially when the woman has a part-time job and the male partner works full-time.2

In terms of upward mobility, the percentage of women in higher positions, although still relatively small, is increasing, due to better education and a slow shift in "business culture". This is evidenced by a policy, especially in the public sector, to give preference to equally qualified women and ethnic persons.

Groups who remain at high risk of permanent unemployment are badly educated women over 40 (the same applies to men) and younger women of ethnic origin. Marginalised younger males of ethnic origin may be in an even worse position, as they have more opportunities to find a place in "the shadow".3 In this respect, social inequity amounts to ethnic segregation, although many Dutch male youngsters suffer the same fate.

S O C I A L   A N D   P O L I T I C A L   P A R T I C I P A T I O N

In 1994, women occupied about 20% of all management positions in social organisations. Women constitute a majority in one out of eight organisations. In 40% of social organisations, women are completely absent. Organisations with female managers tend to be gender-selective: women managers are encountered in organisations for women and in institutions in the fields of health, welfare and other social activities. They are almost absent in agricultural and economic organisations.4

Although persons of ethnic origin are slowly appearing in management positions, it is still incidental except for ethnic minority organisations, which are completely controlled by ethnic managers and administrators.

In 1994, labour unions had between 1.7 and 1.8 million members (circa 25% of the Dutch labour force). Women are less often organised (20%) than men (28%). The same applies to immigrant employees (21%) compared with autochthonous employees (29%).

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2 Jaarboek Emancipatie: 1997; p. 130.
The increase in the percentage of women in higher positions between 1987 and 1995 occurred in the middle echelons of the business world and in scientific positions. Despite these increases, participation is still low. Only one in seven managers in business is female. The same holds for persons of ethnic origin. Businesses that are owned and controlled by immigrants are increasing in number.

Starting in the mid-seventies (the «first wave of feminism»), a number of political parties have instituted policies to increase women’s participation in political activities. The number of women holding political and other public positions increased significantly over the last two decades, but still lags behind their growing labour participation. About one-third of the members of the European Parliament and national and provincial parliaments was female in 1995. The number of female government ministers increased to about 25%. The number of female representatives in the lower echelons of government, however, lags behind developments at national and international levels.

Female managers of public bureaucracies are increasing, but they are still few. The judicial branch, however, shows a more positive profile. Female participation is up to 35%, although men still hold higher positions within sections.5

The Netherlands recognised in the early eighties the right to vote of resident non-nationals at the municipal level. This policy brought a number of ethnic non-national representatives to local councils. Also elected to these councils as well as the national parliament were a small number of ethnic representatives having Dutch citizenship. Although all ethnic representatives have general duties, they tend be the spokespersons for minority issues.

Women’s educational level is on average still lower than men’s, due to the fact that there are fewer women over 45. Women between 15 and 45 years have an average educational level equal to men; in the age group 15 and 25, women surpass the male level of education. The percentage of women students in university is presently about 45% and increasing, 3% of women possess university degrees compared to 7% of men; 12% of women attend institutions for higher vocational training compared to 14% of men.

Different figures apply to persons of ethnic origin. Their average is lower than that of comparable autochthonous categories. Moroccan and Turkish women often possess no more than a few years of primary education or no formal education at all; the same applies to the older generation of male «guest workers». Their sons and daughters do better and enter secondary education. An increasing number of the younger generation enters university. There is, however, still a strong tendency to drop out of secondary school for a variety of reasons. Certain groups of young women of ethnic origin, however, show strong upward mobility in education.

The starting point for Surinamese and Antillean immigrants in the Netherlands is more favorable than for other immigrant groups, because they face fewer language problems. The educational level of Surinamese and Antillean women is almost on a par with autochthonous women. The position of men in these population groups is on average lower, with some younger categories showing a high drop-out rate (marginalisation).

In the early eighties, the Netherlands instituted «a policy of preferential treatment» in order to increase the participation of women and ethnic minorities in the labour market and associated sectors of social life. In hiring and admissions, preference should be given to persons of female sex and/or ethnic background of equal qualification. The policy was especially directed at the public and subsidised sectors. Most progress has been made in the social sector (public as well as private), education, the police, and private service industries, while the traditional male industrial sectors lag behind (especially construction and associated fields).

The ground for the emancipation of women and ethnic minorities has been prepared by a large number of NGOs. Many of these private organisations have become instrumental and receive subsidies to execute policies they promoted. Most gains have been made in joint ventures between these NGOs and public authorities.

COMBATING POVERTY

In the Netherlands, a «fair» income distribution in times of economic prosperity and decline is considered to be the most important dimension of social equity. The issue has been hotly debated since the beginning of the eighties, when budget cuts in the collective sector were introduced. There were two main issues: the purchasing power of welfare recipients («the minima»), and the price of access to general facilities (medical care, housing and education).

Table II shows the cumulative development of purchasing power based on annual income for persons of different income levels and a rising purchasing power for people on low pay in the period before 1981, before unemployment started to rise and benefits were cut. The period between 1980 and 1985 saw a general decline in prosperity, due to economic problems and state interventions in wages and benefits (–11 to –12%).

5 ibid. p. 147.
From 1986 to 1990, for the people on low pay, small positive changes can be observed. The middle and higher income groups, however, saw their earlier losses completely offset by pay rises. In the second half of the eighties, therefore, the debate in the Netherlands was directed at the increasing wedge between «the poor» and «the rich» in terms of purchasing power. The first half of the nineties saw again a small decline for the lowest income category (and for the top 10 %). This was the starting point for a «more socially oriented policy» in 1996, evidenced by a set of additional policies to combat «poverty in the Netherlands» in the wake of 1995 Social Summit.

Inequity increased between 1980 and 1995 due to the economic recession and revitalisation policies of the Dutch government. Not only did the purchasing power of the lower income echelons decrease, but the number of households in the lower groups rose due to increased unemployment and consequent dependency on public assistance. Many former employees not only experienced severe pay cuts in the transition from wage to welfare incomes; they also experienced cuts in the size of benefits.

When revitalisation policies started to succeed, wages went up and the number of jobs increased again. But benefits did not keep pace with wages, and the new jobs were out of reach of many unemployed.

In 1996, a series of anti-poverty measures were directed at specific target groups and designed to redress some of the situations mentioned earlier. The proposed government budget for 1998 strengthens these policies, especially through rent support and tax reductions. For people at the «social minima», a rise in purchasing power is proposed from 1 – 3%. For elderly persons living exclusively on state pensions, a pay rise of 7% is expected.

The aim of the Dutch welfare state is not only to guarantee a decent income to residents who are unable to earn it themselves; it is also to guarantee free and equitable access to markets where socially valued scarce resources (jobs, housing, health care and education) are distributed, and access to all other facilities necessary for their personal well-being. The latter are often organised by highly subsidised private initiatives.

The private labour market is managed by employers and employees. Conditions are often set by government in terms of infrastructural initiatives, subsidies and educational measures. In setting wages, government plays an indicative role. Central and local governments promote access to the labour market by unemployed groups through subsidies to employers and educational facilities; they also undertake job creation programmes, educational and training projects and work experience initiatives. Access to the labour market is therefore couched in terms of «distance» from the labour market.

For those who are unlikely to ever have a job in the regular market again (their number was estimated on 300,000 persons in 1996), new policies have been recently devised to encourage some degree of participation in socially valuable (local) «activities» in exchange for benefits: this is a development in the direction of «workfare».

### POLITICAL EQUITY

All legal residents, male and female, nationals, European Union citizens and non-nationals from «third countries», possess active and passive voting rights at the municipal level, non-nationals after a registered stay of five years. Only nationals have voting rights for provincial and national representative bodies.

All political parties have equal access to the media. Discriminatory propaganda can lead to temporary exclusion and, more often, social ostracism. Legal proof, however, is difficult. The financing of political campaigns is regulated. There are no observable traces of inequity in this field.

Freedom of expression is presently safeguarded with no exception as to media, sources, or messages. Information providers have to protect personal privacy, be non-discriminatory, and, in case of incriminatory content, have to give hearing to «the other party».

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The Netherlands is partner to the European Unions’ Social Charter and possesses an extensive number of labour laws and bylaws to safeguard the health and legal position of workers and the rights of trade unionists.

This report has been prepared by Gerard Oude Engerberink of the Centre of Social Policy Studies of the City of Rotterdam. Data for this report have been gathered and analyzed by Alex Hekelaar and Gladys Gemin. The steering group of the working group ‘Social Policy’ of the NCDO subscribes the report made by Gerard Oude Engeberink. It has a membership of around eighty organisations.

One of the fora for debate in the Netherlands about these issues is provided by the workinggroup «Social Policy» of the NCDO.

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