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CHAPTER 6

Welfare Abuse as a Challenge for the Sustainable Development of the Welfare State

Łukasz Jurek

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Abstract: This study presents selected elements of the research project entitled 'Social, economic and cultural determinants of the use of welfare benefits: an analysis of the problem in the context of benefit morality'; carried out by a research team from the Department of Sociology and Social Policy at the Wrocław University of Economics and Business. The topic is welfare abuse. The author discussed the theoretical concept of this problem, methodological issues related to its study, as well as the results of various empirical studies.

Keywords: welfare state, benefit morality, welfare abuse



6.1. Introduction

The concept of sustainable development is complex and vague (Jabareen, 2008). Traditionally, it refers to three main dimensions: environmental, economic and social (Elliott, 2012). This section focused on the last of these dimensions (social), and the main goal was to implement the ideas of solidarity and social cohesion, eliminate extreme poverty and to reduce economic inequalities.

Public authorities in Western countries have been undertaking organized activities in that field for over a century. From the very beginning, these were initiatives to counteract the negative consequences of the Industrial Revolution, which fundamentally changed social and economic reality. The development of

capitalism led to the polarisation of social relations and the creation of two opposing social classes - owners of capital and wage earners – which differed in terms of political power, position in the social hierarchy and, above all, financial situation. The owners of capital enjoyed a privileged position, while the wage-earners were deprived of basic social and economic rights. The extremely difficult economic situation, combined with the lack of stability, aroused opposition from various groups, including church hierarchy, scientists and social activists. Growing revolutionary attitudes, based primarily on the ideology of Marx and Engels, became the impetus for the formation of a new socio-economic construct to respond to the growing aggression and rebellion of the working class. Under such pressure, politicians began to search for a third way between 'bloodthirsty capitalism' and 'godless communism', as Pope Leo XIII put it in his encyclical *Rerum Novarum* on the question of workers (Nowak, 2018).

This third way became the social reforms that were systematically implemented in Western European countries in the late 19th and early 20th centuries. The pioneer of these reforms was Bismarck, German chancellor, who carried out fundamental welfare reforms by introducing a social insurance system. In the United States the key event that led to implementation of social reforms was the Great Depression (1929-1932), and a wide expansion of state interventionism, in line with the ideas of Keynes. The package of reforms carried out under Roosevelt as part of the New Deal (between 1933 and 1939) introduced a new role for the state – to provide citizens with social security, i.e. protection against culpable deprivation in the event of hardship. In the United Kingdom such a key event that deepened social reform was the Second World War. The Beveridge Report in 1942 proclaimed the creation of the welfare state, which was to be a symbolic shift of the economy from pro-war (warfare) production to pro-social (welfare) production. The government was to take responsibility for society in such areas as insurance, health, education, housing and working conditions.

The development of the welfare state was forced by circumstances and not the result of philanthropy or political machinations. In line with the structural-functional approach, it was a natural way of adapting to the changes brought about by modernisation, industrialisation, urbanisation and population growth (Olsen & O'Connor, 2018).

Obviously, welfare programmes are meant to do good. They are intended, according to Błędowski (2018, p. 219), *to improve the functioning and security of the living organism that is society*. Unfortunately, wherever money appears, there are usually people trying to get it in ways that are not fit for purpose. The result is the proliferation of various kinds of combinations and machinations. Therefore, the outcomes of the welfare state are divided into two categories: enhancing, and hazardous. The enhancing outcomes are intended, in line with expectations, and positive in nature. Hazardous outcomes, in turn, are unintended, and usually counterproductive. The problem is that each welfare programme naturally contains

economic incentives to participate, even without legal entitlement. This leads to 'benefit overuse' either through welfare abuse or welfare dependency (Deacon, 2002; Omers & Block, 2005).

These hazardous outcomes are the main reason for criticism of the welfare state. It is argued that welfare recipients naturally change their behaviour in order to obtain as much support as possible. Murray in his influential book *Losing Ground* (1984, p. 9), suggested that

The most compelling explanation for the marked shift in the fortunes of the poor is that they continued to respond, as they always had, to the world as they found it, but that we – meaning the not-poor and un-disadvantaged – had changed the rules of their world. Not of our world, just of theirs. The first effect of the new rules was to make it profitable for the poor to behave in the short term in ways that were destructive in the long term. Their second effect was to mask these long-term losses – to subsidize irretrievable mistakes. We tried to provide more for the poor and produced more poor instead. We tried to remove the barriers to escape from poverty, and inadvertently built a trap.

The issue of benefit morality emerged in contemporary academic discourse in the mid-1990s, prompted by a high-profile article *Hazardous Welfare-State Dynamics* by the Swedish economist Lindbeck (1995). In this article, he presented a theoretical model of a slow and long-term process of erosion of moral norms. Paraphrasing Say's Law, he argued that the supply of welfare benefits creates a demand for these benefits. The starting point of his analysis is the situation of the establishment of the welfare state and the implementation of various social programmes, which create a system of economic incentives to benefit from them. The effect of these incentives is initially countered by social norms that place a strong emphasis on self-sufficiency, individual foresight and a high work ethic. Individuals who are forced by a difficult life situation to take advantage of government assistance pay a high psychological price for doing so, experiencing discomfort and distress. However, some people give in to temptation and change their ways, breaking general (unwritten) rules. Initially, this applies to a very small group of people, but other individuals (copycats, imitators) systematically join them. Over time, this group becomes so large that, at some point, it forms a 'critical majority.' This is an argument to justify a change in behaviour for the others. Internal sanctions become less and less effective, whilst the use of social benefits becomes the norm rather than the exception. Even stricter legislation and more controls cannot stop this process. In fact, such repression is counterproductive and accelerates the process. First, administrative action sends a clear signal that breaking old norms has become commonplace. Second, formal sanctions limit individual freedom of action and crowd out the intrinsic motivation to respect old rules.

The issue of benefit morality, and in particular welfare abuse was the subject of a research project entitled 'Social, economic and cultural determinants of the use of welfare benefits: an analysis of the problem in the context of benefit morality'. It was carried out between 1 March 2022 and 31 October 2022 by a team of researchers from the Department of Sociology and Social Policy at Wrocław University of Economics and Business, consisting of Łukasz Jurek (project manager), Krystyna Gilga, Stanisław Kamiński, Joanna Szczepaniak-Sienniak and Paweł Żuk. The source of funding for the project was the university's programme of scientific and research excellence INTEREKON¹.

The research project had two main objectives: theoretical and empirical. The theoretical objective was to conceptualise the basic understandings and define a theoretical framework for the study of benefit morality. The empirical objective, on the other hand, concerned the identification of the social, economic and cultural factors influencing the propensity to use welfare benefits, both in terms of their abuse and refraining from using them.

This chapter presents selected findings of this project. It should be noted that the problem of welfare abuse, although very important and up-to-date, has not yet received the attention it deserves from researchers (especially in Poland and other countries in the region). There are many assumptions and theoretical considerations, but with limited empirical support. Even Lindbeck (2004) admitted that theory and speculation far outstrip systematic research in this area.

6.2. Welfare Abuse: A Theoretical Approach

Welfare abuse is a complex and multidimensional concept. In general, it refers to any action that is contrary to the rules of the social security system and that goes against the collective interest of its participants (citizens). They can be divided into: internal abuses, which are committed by internal actors, i.e. those who administer the system, and external abuses, which are the result of the actions of external actors, namely the clients of the system. In terms of who the external stakeholders (customers) are, abuses can be divided into those committed by individual customers (individuals) and those committed by institutional customers (companies). Furthermore, in terms of the type of abuse perpetrated by the external stakeholders (customers), they can be divided into abuse related to 'contributing' to the system (paying public levies) and abuse related to 'benefiting' from the system (collecting benefits).

¹ The project is financed by the Ministry of Science and Higher Education in Poland under the programme 'Regional Initiative of Excellence' 2019-2022 project no. 015/RID/2018/19, total funding amounts 10 721 040,00 PLN.

European Union documents (European Union [EU], 2024) on welfare abuse distinguish between the concepts of fraud and error. Fraud is any act or omission intended either to obtain a benefit from a social security scheme or to evade an obligation to pay public contributions to maintain that scheme, in accordance with the legislation of the Member State concerned. An error, on the other hand, is an unintentional mistake or omission on the part of officials or citizens.

This study focused on irregularities committed by individuals in the use of benefits. Welfare abuse is defined as non-compliance with the rules (formal and informal) governing both access to benefits and their use. It is therefore concerned with various practices (actions or inactions) that lead to the excessive – in relation to one's entitlement – receipt of benefits, as well as the inappropriate, i.e. not intended, use of these benefits.

These practices are a manifestation of pathology in the use of benefits. They are either illegal, meaning they violate specific legal norms, or they are within the limits of the law, but they violate good manners and the principles of social coexistence. It is therefore not just a matter of criminal offences, but of any irregularity that goes against the elementary sense of justice and is detrimental to the general interest of society. This broad catalogue therefore includes, among other things, actions involving the exploitation of entitlements as well as operating on the fringes of the law (e.g. exploiting legal loopholes).

Taking into account the type of irregularity, welfare abuse can be divided into three categories, as shown in Fig. 6.1.

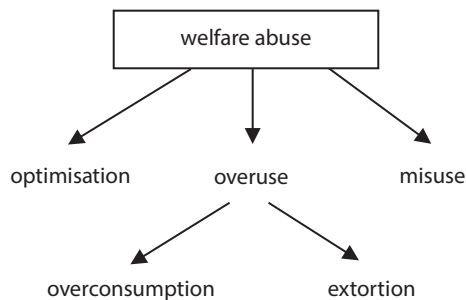


Fig. 6.1. Categories of welfare abuse

Source: (Jurek, 2022).

The first category of abuse is optimisation. It involves a sham reality, arranging one's life situation in terms of the criteria for granting certain benefits. Within the framework of this arrangement, a real modification is made in order either to meet the formal requirements for obtaining a benefit or to increase the value of the benefit

already received. An example of this would be a change of gender for the sole purpose of obtaining pension rights earlier. It can also be welfare migration, which is a specific form of migration carried out in order to receive higher benefits.

Optimisation mainly refers to modifying the family, material and/or employment situation. In the context of the family situation, optimisation can be the deliberate illegitimation of a relationship or getting a fictitious divorce just to receive benefits dedicated to single parents. In the context of the material situation, it may be optimising to conceal assets and/or income in order to receive benefits for the poor. As for optimisation in the context of the employment situation, it can be either avoiding formal employment for fear of losing unemployment benefits or, on the contrary, working fictitiously (employment contract or self-employment) just to acquire expected welfare benefits.

The second category of abuse is overuse. This problem can take two forms: (1) overconsumption or (2) extortion. Overconsumption is the natural result of a phenomenon known as moral hazard. The idea is that an individual covered by social security (as well as any other form of external assurance) changes his or her behaviour, resulting in irrational (excessive) use of available benefits (Arrow, 1963, pp. 141-148). As for extortion, it is the deliberate misrepresentation of a welfare institution in order to obtain undue benefits (Kukuła, 2016).

Both overconsumption and extortion come down to the same problem of overuse of benefits. What sets them apart, however, is the intention of the action. In the case of overconsumption, the problem is limited motivation to act prudently. The person is enjoying the benefits they are entitled to, but might as well not have to, as they use their entitlements only because they have the ability to do so and giving up benefits would not have any negative repercussions. Hence, this is a kind of waste. Extortion involves a violation of the law. A person knowingly and deliberately misleads a welfare institution in a clandestine manner (which makes detection difficult) and with the intention of personal gain. Fraud is also practiced: information is withheld or fictitious documents are used that have been either forged or obtained through corruption.

The last (third) category of abuse is misuse. Such situations occur when a person meets the conditions for receiving benefits and collects this benefit in the correct amount, but uses it in unauthorised way. This involves spending cash benefits (e.g. child allowances) contrary to the intention of the benefit provider, i.e. on the purchase of inappropriate goods and services (e.g. alcohol or gambling). It also involves selling in-kind benefits such as food, medicines, and welfare vouchers in order to purchase other goods or services.

It should be noted that the boundary between the different categories of abuse is blurred and fluid. Moreover, irregularities can accumulate and form 'conglomerates' of welfare abuse. This can occur, for example, when a person deliberately gives up work

in order to obtain welfare benefits (optimisation) and then, while still unemployed, takes a job in the hidden economy (extortion) and spends the benefits on gambling and drugs (misuse).

6.3. Studying Welfare Abuse: Opportunities and Limitations

By its very nature, welfare abuse is difficult to capture empirically. The main reason for this is the blurred line between legitimate and illegitimate use of benefits. This boundary lies, as McKeever (2012) figuratively put it, between need and greed. In some cases it is extremely difficult to assess whether the use of benefits is actually necessitated by the materialisation of social risks or is rather a manifestation of fraud or work shirking.

The welfare state has created a special administrative apparatus to check whether benefits are being used legitimately and legally. If irregularities are detected, appropriate sanctions prescribed by law are imposed on the fraudulent recipient. The results of such control mechanisms are an important source of information on welfare abuse. Unfortunately, there is a serious risk of underestimating the overall scale of the problem. This is because such data do not represent the actual number of cases of abuse committed, but only the number of cases detected. The relations between the two figures, i.e. the number of cases of abuse committed and the number of cases of abuse detected, is unknown and depends on a number of factors, including in particular the frequency and quality of the checks carried out.

The lack of reliable data from public sources forces the search for information in other ways. One possible method of assessing the situation is through surveys, which naturally has its advantages and disadvantages. The main problem is that the information obtained in this way does not represent the actual situation, but only the statements of the respondents, and these may differ to a greater or lesser extent from the actual situation. The discrepancies between the actual and the declared state of affairs can be particularly large when the matter under investigation (as here) concerns difficult and morally questionable issues (Bostyn et al., 2018). Nevertheless, even in such cases the use of the survey method can be legitimate, provided that the questionnaire is properly constructed and the questions asked of respondents are properly formulated.

Clearly, in such surveys the respondents should not be asked about their propensity to commit fraud, or about their personal experience in this area. Even with anonymity, the honesty of responses to such questions is highly questionable. It should be borne in mind that some respondents may (wrongly) equate a survey with a form of administrative control. Therefore, they will be reluctant to come forward if

their opinions or experiences are contrary to the law. Moreover, if dishonest behaviour is associated with something shameful or evil, they will try to hide it, regardless of the circumstances.

Questions about irregularities must therefore be asked in a disguised form in order to minimise the respondents' concerns and discomfort. It is assumed that in such situations, the questions should address the level of justification of irregularities. This makes it possible, firstly, to determine the degree of social permissiveness, i.e. the excessive even toleration of incorrect behaviour, and, secondly, to identify certain (conscious or unconscious) inclinations to commit these irregularities personally. It is accepted that the answers to this type of question are an indicator of personal predisposition to commit abuse. This is because it can be assumed that if a respondent declares a high level of justification for an unethical practice, e.g. abuse of sick leave, they are also inclined and able to carry out such practices personally. The survey therefore examines statements that relate directly to the values, but also (indirectly) to the behaviour.

6.4. Attitudes to Welfare Abuse in Light of International Surveys

Attitudes towards welfare abuse have been the subject of many research projects. In terms of international research, two such projects should be mentioned: the European Social Survey and the World Values Survey.

The European Social Survey addressed this topic twice – in 2008 (round 4), and in 2016 (round 8), where the rotating part concerned welfare attitudes. From the perspective of this research objective, the key question was whether the respondents agreed or disagreed with the following statement: *Many people manage to obtain benefits and services to which they are not entitled*. The responses were marked on a five point scale from strongly agree to strongly disagree. The results are shown in Table 6.1.

Table 6.1. Results of the European Social Survey (rounds 4 and 8) on the opinion that many people claim benefits to which they are not entitled (in %)

Country	Round 4 (2008)					Round 8 (2016)				
	1	2	3	4	5	1	2	3	4	5
Austria	•	•	•	•	•	18.2	42	22.7	12.5	4.7
Belgium	11	48	23.2	16.9	0.9	14.1	45.2	23.7	15.5	1.4
Bulgaria	28.1	46.7	15.5	8.3	1.4	•	•	•	•	•
Croatia	25.7	57.8	11.2	4.8	0.6	•	•	•	•	•
Cyprus	17.4	54.7	16.5	10.9	0.4	•	•	•	•	•

Table 6.1, cont.

Czechia	23.4	37.2	21.6	13.8	4	26.1	42.9	19.6	9.5	1.9
Denmark	3.4	31.6	33.5	29	2.5	•	•	•	•	•
Estonia	6.9	40.5	28.5	21.5	2.6	5.5	37.5	34.3	20.5	2.2
Finland	7	38.9	30.6	21.6	2	4.9	37.7	29.1	26.7	1.6
France	20.4	44.1	18.1	13.6	3.7	22.3	47.1	15.5	11.3	3.8
Greece	26.8	47.6	17.6	6.7	1.4	•	•	•	•	•
Spain	20.8	46.9	17	13.6	1.6	17.1	49.2	12.6	16.3	4.8
Netherlands	4.5	46.6	25.2	23.2	0.5	6.8	45.4	22.2	24.6	1.1
Ireland	15.9	60.2	12.9	10.8	0.2	18.2	47	15.5	16.9	2.3
Iceland	•	•	•	•	•	9.2	46	22.8	20.5	1.5
Israel	20.5	45.7	18.4	13.4	2	16.4	41.2	27.6	13.3	1.5
Lithuania	•	•	•	•	•	11.8	37.1	35.7	13.9	1.5
Latvia	12.9	42.5	26.8	16.4	1.4	•	•	•	•	•
Germany	10	58.5	18.5	12.1	0.9	7.7	52.6	19.4	18.4	1.8
Norway	4.3	45.7	28.7	20.2	1	4.7	38.6	31.4	23.9	1.4
Poland	15	63.5	14.5	6.7	0.4	18.1	56	17	7.9	1
Portugal	14.9	47.6	20.6	15.2	1.7	8.6	54	15.4	20.5	1.6
Russia	12.3	38.6	29	17.5	2.5	8.3	33.1	34.5	17.1	7
Romania	25.2	43.2	22.4	7.7	1.5	•	•	•	•	•
Slovakia	16.3	53.5	21	8.1	1.1	•	•	•	•	•
Slovenia	12.4	59.6	16.3	10.6	1.1	14	53.7	16.7	14.3	1.4
Switzerland	7.6	48.2	19.8	22.7	1.7	6.6	44.4	24.8	22.4	1.9
Sweden	5.5	45.4	25.7	21.8	1.6	4.9	39.5	29.2	23.5	2.8
Türkiye	36.6	48.1	11.1	3.6	0.4	•	•	•	•	•
Ukraine	31.6	31.6	19.5	11.6	5.7	•	•	•	•	•
Hungary	39.3	42	14	3.8	0.9	19.1	43.4	25.4	9.6	2.5
Great Britain	16.3	60.2	14.6	8.1	0.8	13.1	50.6	20.3	15.3	0.8
Italy	•	•	•	•	•	28	49.4	16.2	5.6	0.9

1 – agree strongly; 2 – agree; 3 – neither agree, nor disagree; 4 – disagree; 5 – disagree strongly.

Source: own study based on (European Social Survey European Research Infrastructure (ESS ERIC), 2023).

The results vary considerably from country to country. The respondents in Croatia, Hungary and Italy are most likely to agree with the statement that many people claim benefits to which they are not entitled, whereas in Denmark, Finland, Sweden and Switzerland they are most likely to disagree, but the percentage of those who disagree is lower than the percentage of those who agree. This means that despite

relatively high levels of trust in the ethical behaviour of benefit claimants (compared to the other countries surveyed), there is still a predominance of the respondents who believe that many people commit various types of irregularities and schemes when claiming benefits.

The second international study to examine attitudes to welfare abuse is the World Values Survey and European Values Survey. From the perspective of this study, the key question was how justified the respondents feel it is: *Claiming government benefits to which you are not entitled*. The responses were given on a ten-point scale from 1 ('never justified') to 10 ('always unjustified'). Table 6.2 shows the results of the seventh wave of the survey.

Table 6.2. Results from the World Values Survey and the European Values Survey (wave 7) on whether it is justified to claim welfare benefits to which one is not entitled (in %)

Country	Never justifiable Always justifiable									
	1	2	3	4	5	6	7	8	9	10
Albania	93.9	1.6	1.1	1.1	1.1	0.2	0.4	0.2	0.2	0.2
Andorra	68.1	8.4	6.4	4.1	6.1	2.2	0.8	1.7	0.4	1.2
Argentina	34.4	6.3	4.5	5.6	11.8	5.4	5.1	7.9	5.8	10.1
Armenia	62.3	7.7	5.5	3.9	5.7	2.9	2.6	2.5	1.3	4.5
Australia	67.3	10.7	7.2	2.8	4	2.2	1.4	0.9	0.7	1.8
Austria	61.3	11.9	10.8	3.8	3.9	2.5	2.3	1.7	0.3	0.5
Azerbaijan	49.4	18.7	9	5.8	4.4	1.1	2.1	1.5	1	2
Bangladesh	55	17.4	12.5	8.2	3.9	1.4	0.2	0.4	0.2	0.8
Belarus	37.2	11.2	10.8	8.8	12.3	4.8	5.2	2.4	1.1	1.9
Bolivia	21.6	7.6	7	6.5	12.5	8.1	8.7	9.5	3.9	11.5
Bosnia and Herzegovina	77	7.5	4	1.3	3.5	1	0.1	0.7	0.3	2.6
Brazil	66.5	3.8	3.3	2.9	8.2	3.4	1.7	1.2	0.6	5.3
Bulgaria	77.7	6.3	3.4	2.5	2.9	2.2	1.2	0.7	0.3	1.5
Burma	40	9.1	10.2	5.8	12.1	3.2	3.1	4.7	3.7	8.2
Canada	59.2	11.6	8.2	4.3	6.4	3.5	2.3	2	1.1	1.2
Chile	23	5.5	5.1	11.7	14.8	12	7.8	8.1	2	6.7
China	36.3	11.3	12.1	7.9	12.8	5.8	4.6	4	1.2	3.5
Columbia	47.9	4.2	4.3	4.3	12.8	5.1	3.2	3	2.1	13.2
Croatia	74	6.3	4.5	2.1	5.9	2.2	1	0.9	0.4	1.6

Table 6.2, cont.

Cyprus	70.2	5.6	5.3	3.6	6.5	2.6	1.3	1.2	0.5	1.4
Czechia	47.8	12.6	9	5.9	9.9	4	3.2	2.5	1	1.6
Denmark	69.1	13.2	7.1	2.8	3.1	1.3	1.5	1	0	0.8
Ecuador	28.9	5.8	5.6	7.2	18.1	7.7	6.6	7	2.6	8.8
Egypt	67.1	9.1	8.2	3.8	2.9	1.3	1.2	0.6	0.3	0.7
Estonia	64.8	9.4	5.7	2.7	6.3	1.8	1.2	1.1	0.3	1.8
Ethiopia	88.7	2.5	1.4	0.3	0.3	0.2	0.1	0.2	0.7	5.2
Finland	52.1	17	11.6	5	5.4	1.9	1.5	1.9	0.4	1.1
France	31.4	11.1	11.2	7.6	14.9	5.6	6	5	1.9	3.4
Georgia	60	11.1	6.5	5.7	8	1.9	1.4	1.5	0.8	1.5
Germany	74.7	11.2	6.1	2	2.1	0.7	0.6	0.3	0.2	0.8
Greece	71.9	13.7	5.1	3.2	2.9	0.9	0.9	0.5	0.1	0.2
Guatemala	32.7	6.9	6.2	7.3	14.3	9.4	5.3	5.2	3.2	7.7
Hong Kong	41.4	11.2	13.3	8.8	9.6	6.2	3.9	2.9	0.4	1.9
Hungary	80.7	6.6	4	2.1	3.1	0.7	0.6	0.4	0.2	0.7
Iceland	71.5	12.5	6.9	2.5	2.4	1.5	0.6	0.3	0.1	0.8
Indonesia	39.5	12.1	11.8	8	9.1	3.5	3.8	2.4	2.3	6.8
Iran	38.8	9.4	8.3	4.1	17.9	3.2	2.7	4.3	1	8.3
Iraq	36.1	11	11.3	7	9.8	8.7	4.9	3.8	3.2	4.2
Italy	65.8	10.2	7.7	4.3	4.6	2.6	1.9	0.6	0.1	1.2
Japan	67.9	12.1	6.6	1.9	3	0.9	1	0.7	0.4	1.3
Jordan	55.2	7	5.7	4	8.2	3.7	3	2.2	1.6	7.6
Kazakhstan	39.3	11.1	8.8	6.7	8.5	3.8	3.7	3	2.3	7.1
Kenya	42.1	10.2	8.8	7	8.5	6.5	4.3	2.4	2.5	5.3
Kyrgyzstan	57.7	2.6	1.9	1.9	14.3	1.7	2.1	1.2	0.6	9.7
Latvia	50.8	11.6	12.7	5.3	7.2	2.2	1.8	1.2	0.8	1.9
Lebanon	32.5	16	10.8	9.8	6.8	5	6.8	6.2	2.8	1
Libya	68.6	3.8	2.1	2.4	3.5	1.2	1.3	1.5	2	9.6
Lithuania	47.2	13.4	8.7	6.4	10.1	4.5	3.5	1.4	0.3	0.9
Macau	42.2	13.5	13.9	7.8	9.7	6.2	3.2	2.3	0.5	0.6
Malaysia	21.2	7.3	10.9	10.2	14.6	16.8	5.6	6.4	3.4	3.5
Maldives	77.9	5.3	3.4	2.1	3.5	1.8	1.8	1.3	0.6	2.1
Mexico	26.6	8.9	8.1	4.4	12.3	6.5	8.1	7.8	4.3	11.7
Mongolia	26.4	7.1	9.3	12.3	27.4	9.2	3.6	2	0.7	1.8
Montenegro	55.5	15.1	11.7	3.9	7.7	2.4	0.7	0.5	0.3	0.9
Morocco	39.8	10	8	4.5	11.2	6.2	4.8	5.5	4.3	5.6

Netherlands	68.8	12.4	5.7	2.3	2.2	1.3	0.7	0.3	0.3	0.6
New Zealand	62.8	13.1	7.7	2.7	3.1	2	2.2	0.8	0.3	1.7
Nicaragua	42.3	3.6	4.5	6.5	13.7	6.1	4.2	4.3	2.2	12.7
Nigeria	66.4	13.6	7.8	2.1	2.1	1.7	0.9	1.1	0.5	3.5
North Macedonia	66.9	8.2	4.5	3.5	6.3	2.5	2.2	0.5	0.1	1.1
Northern Ireland	59.4	14.6	8.6	4	7	0.7	1.4	1.9	0.2	1.8
Norway	60.3	16.2	7.9	2.6	6.7	1.9	0.9	1.3	0.2	1.4
Pakistan	63.2	6.5	3.4	3	4.4	2.3	2.1	2.7	2.9	7.1
Peru	35.5	14.7	9.7	6	8.4	6.2	4.5	5	2.2	4.5
Philippines	16.4	8.1	6.6	8.8	17.2	8.8	8	8.1	5.2	12.7
Poland	63.3	11.8	6.9	2.7	5.3	1.9	1.9	1.8	0.3	1.1
Portugal	60.5	13.3	10.1	3.2	5.4	1.7	1.5	1.4	0.1	1
Puerto Rico	72	2.8	2	2.3	5.5	2.8	1.8	1.6	0.4	7.8
Romania	66.8	6	5.4	2.9	5.5	3.4	1.6	1.3	1.1	3.2
Russia	32.9	8.6	9.3	6.9	11.9	6.9	6.1	4.3	1.8	6.8
Serbia	55.9	7	6.6	3.4	7.5	3	2.1	1.7	1.1	7
Singapore	52.7	13.2	7.6	4.3	11.5	3.7	2.4	1.8	0.6	1.7
Slovakia	30.9	14.4	12.2	9.2	12	5.6	5.2	3	1.3	4.7
Slovenia	54	15.3	12.4	5.1	6.6	2.4	0.8	0.7	0.2	0.9
South Korea	18.3	22.9	22.6	12.2	10.3	7	4.7	1.8	0.2	0.1
Spain	37.4	9.2	7.8	5.3	8.3	4.2	5.8	7.1	4.8	6.3
Sweden	62.6	14.2	8.7	3.3	4.3	1.6	1.9	0.7	0.4	0.7
Switzerland	59.9	14.8	9.1	3.4	5.5	1.4	1.6	1	0.6	1.4
Taiwan	32.7	15	17.7	8.7	14.5	4.5	3	1.9	0.5	1.5
Tajikistan	17.2	41.5	13.3	7.8	5.8	5.2	2.3	1.8	2.6	2.4
Thailand	58.2	9.7	9.8	6.7	7.9	2.4	1.7	1	0.1	1
Tunisia	56.2	10.1	7	4.1	5.4	3.4	2.7	3.6	2.6	4.1
Türkiye	73.6	5.5	5.3	4.2	2.9	2.7	2.3	1.9	0.7	0.3
Ukraine	44	8.5	6.7	7.1	9.5	4	4.6	4.7	1.6	3.2
United Kingdom	68.9	10.9	7	2.9	5	1.5	1.2	0.8	0.2	0.8
Uruguay	62.8	4.2	3.8	3.7	6.1	3.2	1.9	3.4	1.7	6.6
USA	52.5	12.9	7	4.5	10.1	3.7	2.1	1.5	1.2	3
Venezuela	38.8	0	17.2	0	16.4	0	0	15.5	0	12
Vietnam	13.2	7.9	13.7	17.6	12	20.9	4.1	3.4	1.8	5.4
Zimbabwe	74.1	6.9	2.1	2.1	2.4	2.1	1	1.1	1.6	6.3

Source: (Inglehart et al., 2024).

Attitudes to welfare abuse vary widely across the world. The percentage of responses to question 1, i.e. that abuse of benefits is never accepted, was highest in Albania (93.9%), Ethiopia (88.7%), Hungary (80.7%), the Maldives (77.9%), Bulgaria (77.7%), Bosnia and Herzegovina (77.7%), Bulgaria (77.7%), Bosnia and Herzegovina (77%) and Germany (74.7%). It is lowest in Vietnam (13.2%), the Philippines (16.4%), Tajikistan (17.2%), South Korea (18.3%), Malaysia (21.2%), Bolivia (21.6%) and Chile (23%). Poland is a country with moderate social morals. The percentage of responses to option 1 ('never justified') is 63.3% and to option 10 ('always justified') is 1.1%. The weighted average of all answers is 2.04 and the standard deviation is 1.92.

6.5. Results of an Empirical Study on Attitudes Towards Welfare Abuse in Poland

The survey was conducted in the third quarter of 2002. The data were collected using the CAWI (Computer Assisted Web Interview) method. The territorial scope of the study covered the whole of Poland and the respondents were adult Polish residents.

The research sample included 1,512 respondents; the sampling frame consisted of nationwide panels of respondents. It can be assumed that the random nature of the sample provides grounds for generalising the results obtained. The maximum measurement error was $\pm 3\%$ at the 95% confidence level.

The questions to the respondents were formulated as follows: *Is it justified if someone...?* The level of justification was expressed on a four-point scale: never, sometimes, often, always. Each question concerned the level of justification for a specific situation in which a type of social abuse was committed. Eleven such situations were listed – four from the 'social optimization' category, four from the 'excessive use of benefits' category and three from the 'incorrect use of benefits' category. A detailed list of these cases is given in Table 6.3.

The results are presented in Table 6.4. In some cases, the level of justification of welfare abuse is surprisingly high. There are even three examples where more people justify irregularities than do not. The first of these cases is when someone registers as unemployed for the sole purpose of obtaining health insurance. This abuse enjoys the highest level of tolerance – it is justified (sometimes, often or always) by up to 62.4% of respondents. The second is when someone spends child benefit for purposes other than maintaining a child – such behaviour is justified by 53.4% of respondents. The third case is when someone is fictitiously employed in a company just to get social security – such behaviour is justified by 51.7% of respondents. In all these three situations, excusing abuse is the norm, not the exception.

Table 6.3. Welfare abuse by category

Category	Welfare abuse
Optimisation	1) concealment of assets and/or income in order to obtain benefits for the poor 2) deliberately illegalising a relationship or getting a sham divorce in order to collect single parent benefits 3) avoiding legal work for fear of losing welfare benefits 4) fictitiously employing oneself only to obtain benefits from social insurance
Overuse	5) using a fictitious certificate of incapacity to work in order to obtain a disability pension 6) receiving unemployment benefit despite having worked illegally or abroad 7) registering as unemployed just to obtain health insurance 8) claiming the same welfare benefits in different countries
Misuse	9) using child allowance for purposes other than child maintenance 10) selling benefits received in kind to purchase other products or services 11) using sick leave for purposes other than treatment and convalescence

Source: own elaboration.

Table 6.4. Tendency of respondents to justify social abuses (in percent)

Is it justified if someone:	Never	Sometimes	Often	Always
Registers as unemployed only to obtain health insurance	37.6	41.4	11.8	9.3
Allocates child allowances for purposes other than maintaining the child	46.6	39.6	9.4	4.4
Pretends to be employed by a company in order to obtain social security benefits (e.g. a pregnant woman is employed in order to benefit from sick leave and maternity leave).	48.3	41.3	6.5	4.0
Uses sick leave for purposes other than treatment and convalescence (e.g. housework or leisure)	53.3	34.6	7.7	4.4
Avoids legal work for fear of losing welfare benefits	61.9	28.8	6.2	3.1
Intentionally not legalizing the relationship or getting a fictitious divorce to collect single parent benefits	62.2	28.6	5.7	3.5
Applies for the same welfare benefits (e.g. child allowances) in different countries	64.0	27.1	5.2	3.7
Receives unemployment benefits, despite working illegally or abroad	72.5	20.8	3.9	2.8
Sells the in-kind benefits (e.g. Food) in order to purchase other products or services (e.g. cigarettes, alcohol, gambling)	76.1	18.1	3.9	2.0
Hides own wealth and/or income in order to receive benefits for the poor	80.2	14.9	3.0	1.9
Uses a fake (forged or obtained through corruption) certificate of incapacity to obtain a disability pension	86.6	10.8	1.7	0.9

Source: own elaboration.

In the remaining cases, the percentage of the respondents justifying the abuse was lower than the percentage of those not justifying it, but still quite high. Sick leave abuse is tolerated by almost half of Poles. More than a third of Poles justify avoiding legal employment for fear of losing benefits, illegalising a relationship or faking a divorce in order to receive single parent benefits and applying for the same benefits in different countries. About a quarter of Poles tolerate receiving unemployment benefits while working illegally or abroad, as well as selling the received benefits in kind in order to buy other products (e.g. alcohol) or services. One person in five justifies hiding assets and/or income in order to obtain benefits for the poor. The least tolerance is shown towards the use of a fictitious (forged or obtained through corruption) disability certificate in order to obtain a disability pension. Despite the fact that such an action is an obvious form of extortion, it is justified by almost one in seven respondents.



6.6. Conclusions

The concept of welfare abuse covers a wide range of pathological behaviour towards the social security system, stretching from minor offences to serious crimes. Each of these acts, regardless of its seriousness, is a sensitive issue from a social policy perspective. Serious crimes always cause the greatest losses, but they are generally quite rare. On the other hand, petty crimes, although they cause relatively small losses each time, when committed on a massive scale, can significantly reduce the effectiveness of the system and impede its functioning.

In Poland the issue of welfare abuse has not yet attracted much interest among either theorists and practitioners of social policy, hence the extent of this problem is unknown. There is no reliable information on which benefits are being misused and under what circumstances. Such a lack of understanding of the issue appears completely incomprehensible, especially as it is a potentially very serious social and economic problem. If one assumes that the level of crime in the social security system is similar to that recorded in the commercial insurance sector (approximately 10% of benefits paid), it can be assumed that tens of billions of Polish zlotys are extorted from various state social institutions every year. Without proper knowledge of the manifestations and conditions of this problem, it is difficult to combat it effectively.

The experience of many Western countries shows that the fight against social abuse is mainly stimulated by the mass media, which monitor and publicise various cases of irregularities. In this way, they shape the course of public affairs and impose priorities on the public debate. This was the case, for example, in Germany where, from the beginning of the 21st century, shocking examples of social welfare and unemployment insurance fraud were revealed in newspapers and on television

(Hartz IV). The welfare state began to be pejoratively portrayed as a 'cash cow' and welfare benefits as a space for intrigue and machinations (Lehnert, 2009).

How benefit morality is changing was recently demonstrated by Herderschee's statement to the parliamentary committee on fraud in policy and services (Netherlands):

Over the last 20 or 30 years, social security seems to have become synonymous with fraud. [...] In 1965, Klompé's social assistance programme was implemented. She said: 'It should be a decent benefit for people who have fallen through the ice [...]'. And you know what? There was no means test in that welfare legislation. There was no fraud test against abuse in it. After all, who would get it into their head to abuse a system for the poorest and neediest? (*Verslag...*, 2023).

The fight against welfare abuse is an important and topical issue in many countries today. Public administrations are developing and implementing many initiatives in that field. In the Republic of Ireland, the Department of Social Protection initiated in 2017 a fraud awareness (anti-fraud) campaign 'Welfare Cheats Cheat Us All' (Devereux & Power, 2019). Other countries try to work out solutions based on advanced technology. In the Netherlands, an automated welfare fraud detection system, called SyRI, was introduced in 2003. At that time, several Dutch administrative bodies agreed to cooperate and exchange data in order to reduce fraud. The technical infrastructure and associated procedures were put in place to link data to generate risk notifications, i.e. to flag an individual as worthy of investigation in relation to possible fraud, irregularities and non-compliance (Van Bekkum & Borgesius, 2021). Similarly, Canada recently introduced a digital anti-fraud software programme called SAMS (Social Assistance Management System). It serves to individualise the 'problem' of poverty through the spectrum of fraud and uses an ever-widening web of surveillance practices, sharing collected data across multiple government platforms (Dobson, 2019).

In Poland, both awareness of the problem of welfare abuse and remedial action are still poorly developed, however it can be expected to change rapidly. Increasing the effectiveness of the social security system requires decisive action in this field. To be effective, these measures must be based on reliable information, hence the need for research. The findings presented here should only be treated as an introduction to further, more in-depth and advanced research projects.

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